

REPORT SUMMARY

Peace and Conflict Assessment of Libya

The potential for aid to promote peace



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Contents

0. Background.....	3
1. Understanding conflict and the potential for peace in Libya.....	4
2. Key challenges for international assistance	14
3. Principles for delivering assistance into Libya.....	15
4. Peacebuilding needs and recommended actions	17

0. Background

On 2 August 2012, three months before the last shots were fired in Sirte formally ending the civil conflict against the Qaddafi regime, the National Transitional Council outlined a timetable for transition to a democratically governed society. The authors of the transition plan envisaged a rapid 18-month process that would see the creation of a national body to oversee elections, election of a temporary legislative body, appointment of a temporary government, drafting of a national constitution for public endorsement and, ultimately, a fresh set of national elections under the agreed constitution.

The initial steps in the plan were relatively successful, as the elected General National Congress (GNC) began its work in July 2012 and appointed Libya's first publicly mandated government in October 2012. The transition process did not, however, strengthen Libya's state and society as hoped by its authors and supportive international actors, but instead uncovered and deepened a range of political and social conflicts. The result was a national political divide leading to the creation of two competing governments and legislatures in 2014, both of which claimed national public and legal legitimacy, an escalation in local armed violence across the country resulting at its peak in 500,000 IDPs (8% of the population) and over 1,500 deaths per year,¹ and the onset of an economic crisis. Attempts to broker a deal between the competing national bodies resulted in the December 2015 Libyan Political Agreement (LPA). However, the LPA has to date not been fully implemented and has done little to change the nature of the national political divide or meet the needs of Libyans.

Almost eight years after announcement of the transition plan, it is difficult to talk of one 'Libya', but rather a protracted civil conflict defined by the emergence of two separate societies and living experiences in the east and west, violent competition to control the south-west of the country, the dominance of armed groups and security actors in civilian affairs and the emergence of a war economy. As such, conflict resolution in Libya entails not just progress towards an implementable agreement between political leaders across the national divide, but also a statebuilding process that both develops state capacity and increases public trust in central institutions, transformations of local damaged societal relationships, a rebalancing of civil-military relationships and weakening of the incentives that drive the war economy. This is a long-term endeavour and should be understood as such.

This conflict context requires a sophisticated level of planning by international actors supporting conflict resolution and peace promotion. There is also a strong risk that development aid that does not properly take into account the broad nature of conflict dynamics will actually deepen the national divide and make a sustainable peace more difficult. This report is designed to help international actors plan their assistance by: (1) providing deeper insight as to the nature of conflict dynamics in the country; (2) asking a set of challenging questions which aid actors should collectively answer; (3) suggesting principles for delivering aid that may help answer these questions; and (4) by identifying critical peacebuilding needs that should be prioritised when planning assistance. The analysis and findings outlined below, while developed for the German Federal Ministry for Economic Cooperation and Development (BMZ) as food for thought as it develops its assistance strategy for Libya, are also relevant for a wider set of aid actors and as stimulus for collective thinking on how to most effectively promote the transition and peace in Libya.

¹ Libya Data from Internal Displacement Monitoring Centre: <http://www.internal-displacement.org/countries/libya#113>; Libya Body Count: <http://www.libyabodycount.org/>

1. Understanding conflict and the potential for peace in Libya

The following analysis provides an assessment of conflict and peace dynamics in Libya, by exploring: (1) five interlinked manifestations of fragility, conflict and violence in the country; (2) the long-term structural factors driving these manifestations; and (3) their impact on Libyan society. The analysis takes a conflict resolution or transformation approach. This means that it does not take a view on what actors or interests are in the right and does not follow usual international practice in (inter alia) describing the Government of National Accord (GNA) and Presidential Council (PC) as legitimate, or in necessarily viewing local armed groups and national security actors as detrimental to successful transition in Libya.

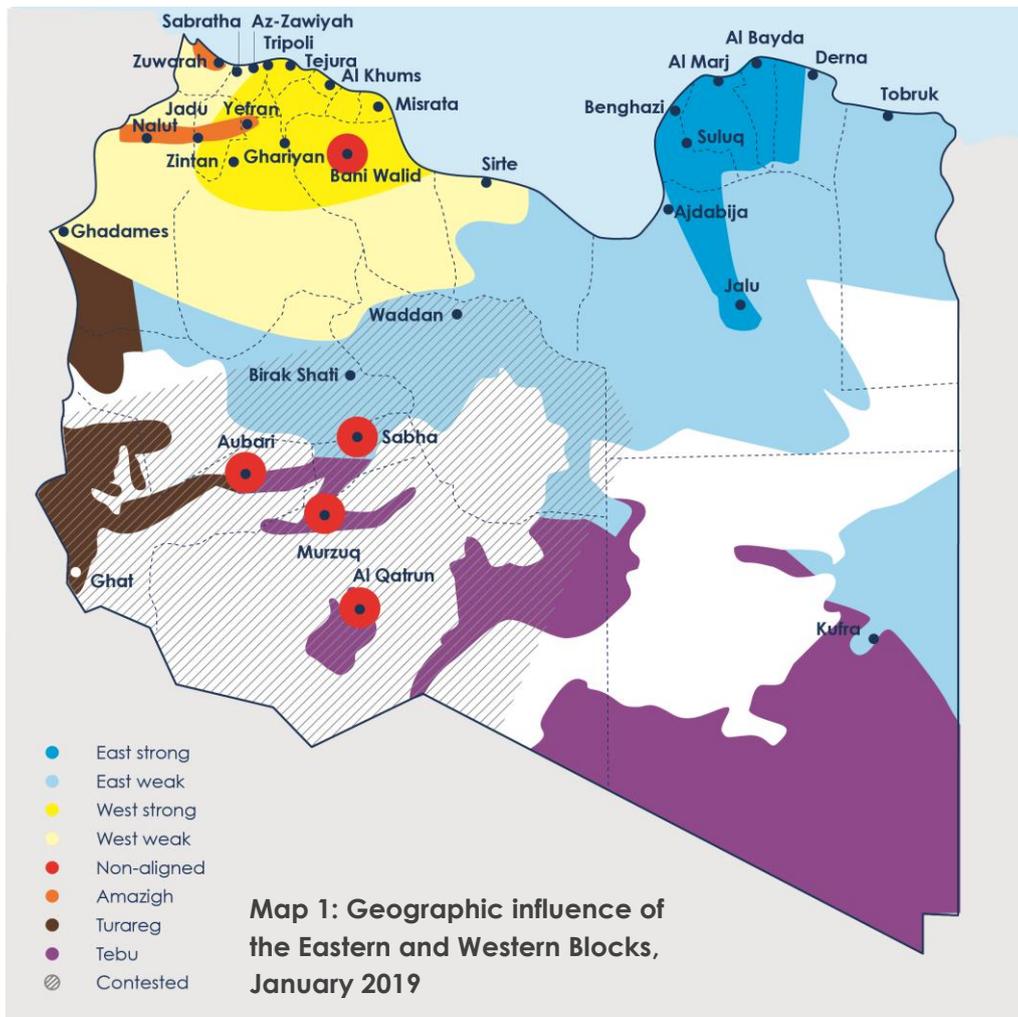


Fig. 1: Main manifestations of fragility, conflict and violence in Libya

The Libyan conflict has progressed to the point that the state is de facto divided into two separate blocks – described for ease of reference as an 'Eastern' and a 'Western' Block. These two blocks have parallel executives and line ministries of different degrees of functionality, are attempting to control national public bodies (box 2, pg. 9), are pressuring municipalities to align with them, and are building relationships with local armed groups and national security actors. Importantly, in the period 2016-2018, the two blocks consolidated authority over municipalities mostly geographically located in the east and west, with only the south-west presently actively contested between the two (map 1, pg. 5).

The division between the two blocks has its roots in competition for control of state institutions in the period 2012-2013, as political and community groups were afraid of being marginalised in the new Libya (box 1, pg. 7). This competition translated into violent conflict in 2014 when the results of elections for a House of Representatives (HoR) to replace the GNC did not favour those that advocated for a more conservative interpretation of political Islam

and/or exclusion of non-revolutionaries from public life. This group was concerned that it would be displaced by an alternative set of leaders who would not necessarily have the same values and ideas about the revolution and the transition's end result. The majority of the GNC subsequently refused to disband, leading to the formation of separate legislatives and executives in the east and west in August 2014, respectively the HoR and its affiliated executive the Interim Government (IG) and the GNC and its affiliated executive the National Salvation Government (NSG).



This map is provided as a rough indication only of the alignment of municipal areas to the Eastern or Western Blocks. It is based on community choice rather than military control.

The LPA agreed in December 2015 was intended to reintegrate these two blocks by accommodating the interests of the leaders of each and by ensuring that all parties continued to have a voice at the national political table. The HoR would be recognised as the legitimate legislative body, key GNC individuals would be nominated to an advisory Higher State Council and leaders from the two blocks would agree a PC, which would appoint a GNA to be approved the HoR. However, the members of the GNA appointed by the PC have not been approved by the HoR, meaning that the HoR does not recognise the GNA's authority, instead continuing to view the IG as the legitimate national executive body. This has meant that the political divide that began in 2014 has continued after the LPA under a slightly different arrangement (table 1, pg. 6).

	Western Block		Eastern Block	
	Legislative	Executive	Legislative	Executive
Jun. 2014 – Dec. 2015	General National Council	National Salvation Government	House of Representatives	Interim Government
Jan. 2016 – present	Higher State Council <i>*advisory rather than legislative body</i>	Presidential Council Government of National Accord		

Table 1: Legislative and executive alignments pre-/post-LPA

While the Western Block is well understood, as its institutions are more developed with a history of governing the entire country and it is the preferred partner for most international actors, more analysis is required of the Eastern Block. First, how developed are the institutions that are geographically based in the east and that control territory there, as these institutions were only created in 2014 when the IG moved to the east? Second, what are the aspirations of Eastern Block leaders? Do they view themselves as having national authority or are they intent on establishing a separate state? Third, what is the public sentiment in the east about the Eastern Block institutions and the political process? The present analysis suggests that while more research is required:

- IG institutions have deepened their roots since the political crisis in 2014 in the lives of constituencies in the east. The very process of governing has also led to increased credibility and functionality of these institutions. Although Eastern Block institutions are still substantially weaker than those in the west, they should be taken seriously.
- Eastern Block leaders have a genuine national ambition and view themselves as having national legitimacy. There is, however, constant pressure from federalist leaders who see the Eastern Block as a means of promoting autonomy and even independence for the east.
- Public opinion in the east is largely supportive of these institutions, viewing them as legitimate. Importantly, the public in the east does not want to be ruled from Tripoli. It is not clear whether this equates to a widespread desire for independence.

The national division has led to a paralysis of the transition and the reform agenda that should go with it. Tripoli-based institutions are unable to project authority nationally, and the Eastern and Western Blocks are undertaking parallel initiatives. There are no formal mechanisms for public oversight of decisions made by GNA officials in Tripoli, as the national legislative body – the HoR – does not recognise or work with them. As a result, reforms developed by Western Block institutions are done so on the basis of decrees and are likely to be delivered only in the west. The Eastern Block has, in turn, undertaken reforms that apply only to territories under its control. This means that there are separate living experiences for Libyans in the east and west. Further, because of the political crisis in the period 2014-2016, municipalities in the west and south are often viewed as having greater legitimacy than central authorities. This is not the case in the east, where elected councils in some cities have been replaced by military appointees. In spite of the perceived legitimacy of many Libyan municipalities, public finances are heavily centralised and there is no clear framework for the distribution of funds to the local level; which can lead to competition between municipalities and a belief that some form of leverage is required over central authorities to access funds.

The national political divide and paralysis of the transition has led to an economic crisis. The economy has contracted since 2011, and the resultant reduction in wealth has fuelled increased competition over remaining resources. Influential groups profit from this conflict economy and are hence incentivised to protect it. The crisis has also resulted in endemic levels of corruption as Libyans look to secure an income. There is only limited stimulus for economic recovery, as the private sector is underdeveloped, Libyans are dependent on public sector jobs and economic growth is driven by publicly funded large capital projects. The south is most affected by the economic crisis, which has fuelled local conflict and enabled the Eastern and Western Blocks to compete for influence there.

The ongoing turmoil has weakened the potential for civilian and democratic governance. This is because the position of armed groups has solidified at the community level as defenders of local interests, and because security actors have gained influence in the political and economic life of the competing blocks. In the Eastern Block, this influence is mostly formal and overt, as the Libyan National Army (LNA) become involved in governance, taken on key civilian tasks and captured key economic areas through its Military Investment Authority. In the Western Block, the influence of security actors is less formal and less visible. Influence is exerted on high-ranking officials in the GNA, as these officials depend on security actors for their position. In the event that GNA initiatives threaten the interests of security actors, they have blocked them through pressure on civil servants working at the administrative level or through violence on the streets. Finally, armed groups and security actors in the west play a key role in black market money exchange and credit fraud.

These factors have further created or worsened sub-national conflicts: inter-municipal conflicts, intra-municipal conflicts or violence by or against extremist Islamist groups. Sub-national conflicts are mostly historic, although they have been deepened by: (1) groups taking different sides during the civil conflict and subsequent events; and (2) perceived injustices since 2011, both during and after violence, as the main approach by the victors in each dispute has been communal punishment. In the south, sub-national conflicts are also driven by ethnicity and identity. There is a symbiotic relationship between the sub-national conflicts and the national political divide, meaning that progress at the national level is not possible without in parallel addressing sub-national issues (and vice-versa).

Box 1: Fear of marginalisation in Libya – a key conflict driver

Fear of marginalisation is a key conflict driver in Libya. At the political level, this fear in part drove the public protests in Benghazi at the beginning of 2011 and ongoing federalist aspirations. It is also behind attempts by various interest groups to take over national government agencies and the refusal of the GNC to hand over authority to the HoR.

Marginalisation fears are often based in sub-national conflict. For example, in the conflict between Zuwarah and Zaltan/Al Jamel/Raqdalin, both sides have reflecting marginalisation narratives. Zuwarah, an Amazigh community, argues that the Arabic-dominated state will not provide justice for accused abuses by Arab Zaltan/Al Jamel/Raqdalin fighters in 2011, and hence that it needs to take direct action. Zaltan/Al Jamel/Raqdalin argue that they are discriminated against as they are not pro-revolution communities and traditionally were areas of recruitment for Qaddafi's security forces, and hence they will not be treated fairly by a revolutionary government that is more likely to favour Zuwarah.

The following pages unpack the five dynamics, their causes and impacts in more detail.

1: De facto division of Libyan State into two entities

Structural, historical and institutional causes	Fragility conflict and violence	Principal impacts on individuals and society
<ul style="list-style-type: none"> - There is a widespread fear of marginalisation in most political and identity groups, which leads to a belief that the group will not be treated fairly unless it pushes its interests through control over state apparatus and the use of force. - The United Nations (UN)-led mediation process has become stuck, with some national and international actors taking the position that a sufficiently strong agreement is in place. However, no implementable agreement has been reached and the strategy for achieving a political agreement requires revision. - The symbiotic relationship between sub-national conflicts and the national political divide means that it will be difficult to achieve a sustainable political solution without in parallel addressing sub-national conflicts. 	<p>Two separate political blocks now exist within the same state – a ‘Western Block’ and an ‘Eastern Block’. This division is manifest in:</p> <p>Parallel executives and line ministries, with the eastern institutions a growing reality staffed by c. 40,000 paid employees and with growing experience of governance.</p> <p>Both Eastern and Western Blocks have taken actions to monopolise or duplicate public agencies. Even when agencies have not been duplicated, they can be unwilling or unable to work across the divide (see box 2, pg. 9).</p> <p>Consolidation of the geographical authority of the two political blocks by encouraging alignment of municipalities and associated community/political/tribal constituencies.</p> <p>Alignment of armed groups and security actors with the Eastern and Western Blocks. This alignment is dynamic and open to change, especially in the Western Block.</p>	<ul style="list-style-type: none"> - Eastern Block political institutions have become a reality with wide public support and vested interests in their maintenance. - There is a risk of violence in the west as attempts by Tripoli to encourage alignment of western constituencies tap into existing sub-national conflicts. - There is a risk of increasing violence in the south-west, as the Eastern and Western Blocks look to gain the alignment of municipalities and local armed groups. - While key figures in the Eastern and Western Blocks have agreed to the need to unify national agencies, the evidence is of further pressure for division. - There is a creeping division in public financial management that makes the funding of public services to Eastern Block-aligned municipalities challenging. - The existence of two parallel blocks has led to a paralysis in policy making and reforms. This issue is of such importance that it is covered separately below.

Box 2: The division of national public agencies

Agencies working across the divide

- The Hospital Division of the Tripoli Ministry of Health (MoH) is the sole national body responsible for budgeting and management of hospitals, and maintains direct relationships with all Libyan hospitals across the country.
- Key semi-public agencies, such as General Electrical Company of Libya (GECOL), the Libyan Mine Action Centre (LibMAC), the Public Works Company (PWC) and the public communications companies (e.g. Libiyana) continue to have a national presence under one unified leadership.^(a)
- The national immigration service is still unified within the Passports and Citizenship Authority under the Ministry of Interior in Tripoli, meaning that at the time of analysis only one set of visas are issued for entry to Libya.^(b)
- While there are two ministers of sports associated with each of the political blocks, they have agreed not to split the National Company for Sports Infrastructure and Investment, but to collaborate in its management.^(c)
- The National Oil Corporation's position as the sole manager of Libya's hydrocarbon wealth has not yet been seriously challenged or undermined by the two blocks.

(a) GECOL has managed to unify eastern and western electricity grids during the political crisis, and has on occasions acted as an intermediary between Eastern and Western Block officials in planning for works on critical energy infrastructure. Interviews with foreign diplomat and GECOL Chief Executive, Tripoli, March 2018.

(b) This is partly because Libya's diplomatic missions report to Tripoli and partly because those international missions that have returned to Libya are based exclusively in Tripoli. This state contrasts with other fragile contexts where parallel institutions have developed their own visa processes.

(c) Interview, senior sports official, Tripoli, April 2018.

Actions that duplicate or undermine national agencies

- The Eastern MoH and Ministry of Education (MoE) have respectively created a Primary Health Care Unit and Schools' Maintenance Unit in parallel to the bodies operating under the MoH and MoE in Tripoli; albeit there is informal coordination with the Tripoli-based agencies.^(a)
- Some public bodies that continue to have a national presence are either refusing to provide services or making the delivery of such services difficult in the east. For example, the PWC has stopped payments to its employees in the east.^(b)
- A parallel Central Bank of Libya (CBL) has been established in the east of the country, has with Russian support printed localised currency for use in the east^(c) and is making budgetary allocations.
- The Civil Society Commission, which is based in Benghazi, is reluctant to accept its budget allocation from the Tripoli CBL for fear it would undermine its ability to operate in the east. In addition, the Commission's operations have been further compromised by a PC decree to relocate it to Tripoli under a new board.^(d)
- There is a legal dispute over who heads Libyan Investment Authority (LIA), with one contender backed by the GNA/PC and the other backed by the HoR/IG.^(e)

(a) Author's interviews, public officials, Tripoli, April-May 2018.

(b) Report validation workshop, Tunis, 21 January 2019.

(c) Most money is visually the same, but with a signature of the head of the Eastern CBL, rather than the Tripoli Head. However, paper one-dinar notes are not accepted in the east and have been replaced by one-dinar coins.

(d) Author's interview, civil servant, Benghazi, May 2018. 2018;

https://m.facebook.com/story.php?story_fbid=1970705986553467&id=1623492794608123

(e) Author's interview, civil servant, Benghazi, May 2018.

2: Paralysis of the national transition and absence of a consistent policy and reform agenda

Structural, historical and institutional causes	Fragility conflict and violence	Principal impacts on individuals and society
<ul style="list-style-type: none"> - The existence of parallel political blocks in the east and west, and their desire to act as the sole 'legitimate' governance authority has been at the heart of the challenges for the development of unified policies and reforms. However, there are several other structural causes of note. - The capacity of the public sector is critically low and undermines attempts to develop and deliver policies/reforms. - The process of decentralisation undertaken in Libya since the 2011 civil conflict has not led to a clear division of responsibilities between central and local authorities. Most importantly, while municipalities are on paper responsible for delivering services, in practice financial allocations for services are made centrally. - In addition, there is no clear framework for the distribution of finances to the municipal level to respond to local urgent needs during the transition; with municipalities using leverage over central agencies to secure funds. 	<p>The national political conflict and existence of two blocks have led to a paralysis of the transition, as manifest in the absence of a consistent policy and reform agenda.</p> <p>Tripoli-based institutions have demonstrated only limited ability to project authority, with a focus on shoring up support from key constituencies.</p> <p>The two blocks have undertaken parallel and sometimes contradictory policies and reforms – e.g. on migration management and application of the Sharia Banking Law.</p> <p>The division of the Libyan Political Agreement-recognised legislative, the House of Representatives, and executive, the Government of National Accord, across the national conflict divide has meant there are no formal mechanisms for public oversight and scrutiny of policies and reforms undertaken from Tripoli.</p> <p>The political conflict has enhanced the role of municipalities in the west and south vs. the central state, as they are widely viewed as more legitimate than national bodies. The role of municipalities in the east has been limited by the Libyan National Army.</p>	<ul style="list-style-type: none"> - Libyans are required to negotiate two sets of policies and legal requirements across the country. This creates two separate living spaces. - Policies developed in Tripoli are delivered through decree and are consequently open to changes depending on the interests of ministerial leaders; as demonstrated by failed attempts to enable municipalities to manage local revenues via decree. - Reforms have the potential to be contested and/or not implementable in the Eastern Block-aligned municipalities, to be unsustainable and to even worsen the national political divide. - Municipalities have in many cases taken responsibility for pushing policies/reforms required for the stability of their areas. This can lead to direct competition between local and central authorities. - The lack of a clear process for allocating funds and services locally, creates competition between municipalities, and deepens feelings of marginalisation and distrust of central authorities.

3: Economic crisis, structural and conflict-related

Structural, historical and institutional causes	Fragility conflict and violence	Principal impacts on individuals and society
<ul style="list-style-type: none"> - The dominance of the extractive industry as an engine of growth for the Libyan economy, through funding of large public works, means when public income from the extractive industry contracts, so does wealth and available resources. - The reliance of the Libyan workforce on public sector employment, and a concurrent anaemic private sector, increases competition for available state jobs. - Consecutive Libyan governments have used the budgetary process to provide salaries and subsidies as a means to: (1) reduce unrest and maintain public order; (2) buy the allegiance of key community/political/tribal groups; and (3) reduce the threat posed by armed groups and security actors. This is instead of strengthening the economy. - There is a public breakdown in trust in the banking sector, leading to a distortion in the value of the Libyan Dinar (LYD) and a nationwide liquidity crisis. - The economy in the south is weaker than in the rest of the country. 	<p>Libya has seen a reduction in wealth and an increasing scarcity of resources as the economy has shrunk because of a decline in oil production and the price of oil sold, with a 62% reduction in GDP in 2011, 23.5% in 2014, 10% in 2016 and 8% in 2016.</p> <p>There has been a resultant increase in competition over the wealth that remains and increasingly scarce resources. This competition is taking place at multiple levels: within municipalities; between municipalities; between the Eastern and Western Blocks; and through attempts by groups to control the two blocks. International assistance has also become the focus of competition.</p> <p>Key influential constituencies, including armed groups/security actors, are profiting from the conflict economy, through trafficking and protection rackets, the financial black market (estimated at c. 26.5 billion LYD in 2016) or Letter of Credits and personal US\$ allowance money scams,.</p> <p>There is only limited stimulus for recovery, with a focus on using oil revenues to buy growth. However, this strategy is vulnerable to bouts of violent conflict that impacts on oil extraction and hence public finances.</p>	<ul style="list-style-type: none"> - Families have suffered from a reduction in livelihoods due to limited liquidity and rising commodity prices; resulting in 28.5% inflation in the first half of 2017. Public sector workers and those living in municipalities in the south are most affected by falling livelihoods. - Dropping livelihoods have accelerated migration from the south to the north. - The operating environment for public agencies and businesses has deteriorated. Public agencies have often been unable to pay contractors, with some providing services without payment since 2014. As a result, international agencies have become the preferred partners for businesses in Libya. - The labour market is unstable with a deficit of sufficiently skilled workers, especially migrant labour - The conflict economy has also strengthened reliance on the black market as a source of income for many Libyans, especially in the south.

4: Weakening of the potential for civilian and democratic governance

Structural, historical and institutional causes	Fragility conflict and violence	Principal impacts on individuals and society
<ul style="list-style-type: none"> - Widespread fear of marginalisation leads to a desire to maintain armed groups and hold on to arms. - The present strength of armed/security actors in the west is based on a history of attempts by consecutive Tripoli-based governments to co-opt arms groups as a way of buying national influence. - Militarisation in the east is built on public support for the anti-extremist 'Dignity' operation. However, there is an ongoing disagreement as to how much influence the military should have in civilian affairs. - In the south of Libya, armed groups are formed along ethnic and tribal lines; with primary goals of defencing their group/tribe's rights and capturing black market economic activities. - The fall in livelihoods and the conflict economy has created an environment in which: (1) community/tribal/political groups are more likely to view distribution of resources as a 'zero-sum' contest requiring the use of armed groups and personal weaponry; and (2) individuals are more likely to engage in corruption so as to gain income. 	<p>The potential for democratic governance in Libya is weakening rather than strengthening due to a number of trends.</p> <p>Most communities in the west and south maintain strong ties to local armed groups, with the actions of armed groups negotiated through informal conversations between armed groups, traditional and municipal leaders for the benefit of the community.</p> <p>In the west, security actors have informal influence on civilian government through relationships with high-ranking officials and the ability to block initiatives that challenge their interests at the administrative level or through violence on the streets.</p> <p>In the east of Libya there is an ongoing process of militarisation of society, with the Libyan National Army becoming influential in governance, internal security issues and economic questions. This influence is, in contrast to the west, overt and formal, and as a result is being openly contested by those leaders more in favour of civilian governance.</p> <p>Corruption in Libya is at endemic levels, and has accelerated since the 2011 civil conflict and especially since the 2014 political crisis.</p>	<ul style="list-style-type: none"> - The overall impact of these trends is for individual Libyan's only to be able to access governance through local armed groups and national security actors; hence reinforcing their role as power brokers in society. - Through a vicious cycle, the perceived failure of democratic government has shifted public sentiment towards greater support for strong-men figures who can deliver on society's immediate needs.

5: Sub-national violent conflict

Structural, historical and institutional causes	Fragility conflict and violence	Principal impacts on individuals and society
<ul style="list-style-type: none"> - Inter-municipal conflict can be based on historical grievances related to (inter alia) land disputes, justice issues or local political dominance. These grievances may have developed prior to the Qaddafi period, during the Qaddafi period, or because of the experiences during and after the revolution. - Intra-municipal conflict is usually related to ethnicity and identity (especially in the south), pro-/anti-revolution divides and different interpretations of Islam. - The potential for intra-municipality divisions to result in violence depends on the relative strength of informal local political and security agreements to manage differences of interest. - Conflict dynamics also tend to repeat themselves due to the inability of Libyan conflict management processes to address the underlying drivers of conflict and to transform attitudes. Key among these weaknesses is a consistent failure to provide for compensation. - Sub-national conflicts are influenced by the national political conflict in a two-way symbiotic relationship. 	<p>The 'Libyan conflict' contains a range of sub-national violent conflicts:</p> <p>Inter-municipal conflicts involving violence between two or a number of municipalities. Such conflicts dominate in western Libya. For example, Bani Walid-Misrata, Nalut-Tiji or Zawiyah-Worshefena.</p> <p>Intra-municipal conflicts, when different constituencies inside a municipality compete for local dominance. For example, in Benghazi, Kufra or Mizdah. Such conflicts are mostly in southern Libya.</p> <p>Violence used by or against extremist Islamist groups, either to promote their goals or to suppress their manifestation. This includes Benghazi, Derna and Sirte.</p> <p>Generally, there have been no direct confrontations between Eastern and Western Block military forces; but rather 'proxy' fights involving aligned community/political/tribal constituencies and associated armed groups. Since mid-2017, there have been moves towards direct conflict in the south-west.</p>	<ul style="list-style-type: none"> - The impact of sub-national violence is most immediately visible in increased levels of human suffering due to exposure to violence, higher levels of mortality rates and displacement. - Displacement has led to substantial population increases in a few cities in Libya and a resultant over-stretching of public services in them (e.g. Tripoli) - Communal punishment is the norm in Libya, whereby a whole community is punished for the actions of some of its members. Presumed pro-Qaddafi and pro-extremist groups have been the main targets for communal punishment; potentially fuelling both grievances and extremist narratives. - Intra-municipal conflicts due to weak local political and security agreements are likely to impact negatively on the functionality of the local municipality. - The symbiotic relationship between sub-national conflicts and the national political divide also means that it will be difficult to achieve a sustainable political solution without in parallel addressing sub-national conflicts.

2. Key challenges for international assistance

International assistance to Libya was initially characterised by an optimism bias that the vision for the transition articulated in August 2011 was in the interest of all Libyans and hence would be widely supported. The resultant international strategies emphasised technical bilateral assistance focused on reinforcing the capacity of central institutions and reform processes. Most bilateral assistance was suspended following the political crisis in 2014, with aid instead targeting municipalities. The rationale for this shift was that while national authority was contested, municipalities were universally recognised as legitimate.

The LPA created momentum for re-establishment of bilateral relations with GNA institutions in Tripoli in 2016 and a general refusal to engage with those established by the Eastern Block. Post-LPA mediation and diplomatic initiatives were initially geared towards obtaining HoR approval of the GNA and hence full implementation of the LPA; although the UN Special Representative's Sep. 2018 Action Plan shifted the focus towards revision of the LPA and national dialogue. Nevertheless, international actors have on the whole taken sides in support of the Western Block, and are viewed by Libyans to have done so. This approach deserves critical examination and the following questions are proposed to assist this.

- **What potential is there to re-envisage the political process?** Implementation of the LPA does not address the political and social divisions that have emerged during the transition, rather focusing on political agreement of a unified government. The political process would ideally involve discussion on what the transition should entail and how governance should be done, as well as increased capacity for sub-national mediation.
- **How should we support public reform in advance of a political settlement?** Support for reform in Tripoli runs the risk of only being delivered in aligned municipalities, and in deepening both the political divide and societal division. Reforms generated in Tripoli will also not undergo public scrutiny from the HoR. Yet, there is need for improvements to public service delivery nationally. For example, procurement of medical equipment and medicines, and decentralised public financial management.
- **How can we support the delivery of public services in the east?** While there is a deficit in public service delivery nationally, it is most keenly felt in the east, as Western Block institutions are unwilling or unable to provide services there. Most donors' strategies do not allow for direct technical assistance to Eastern Block agencies, further limiting the potential to improve service delivery to eastern constituencies.
- **Can we counter the influence of the security sector in governance, especially in the east?** Security actors' interference is more overt in the Eastern Block and more subtle in Tripoli. Security sector reform (SSR) is unlikely to counter this influence and SSR initiatives would not extend to the Eastern Block. If the international community does not support governance by Eastern Block institutions, civilian functions are likely to become militarised at a more rapid rate than those in Tripoli.
- **Can we reduce violent and proxy competition over municipalities, especially in the south-west?** Eastern and Western Blocks are in competition for influence over municipalities. This has involved prioritising resources to ally municipalities in an untransparent manner. In 2017, it also started to involve more direct military confrontation in the south-west; a trend that is likely to continue. Prevention of competition in the south-west would involve agreements on local distribution of resources and political mediation between the two blocks.

3. Principles for delivering assistance into Libya

The following principles are designed to assist aid agencies answer the above questions, whether their focus is peacebuilding, development or stabilisation.

1: Adopt a peacebuilding approach to statebuilding

A key factor driving fragility, conflict and violence in Libya is the fear held across constituencies that they could be marginalised in the future, and that unless they have direct influence on national-level decision-making then they are unlikely to be treated fairly. This fear has contributed to the failure to reach a political settlement, attempts to capture the central state and increased localised violence. It is important that international support for statebuilding aims towards a pluralistic Libyan state that is representative of and serves the wide range of constituencies in the country, rather than those who have direct influence on national institutions. This means that aid to Libya should be measured equally on whether it makes a tangible improvement in target groups' perception of the fairness of central state institutions, rather than in technical performance improvements alone. For example, before supporting decentralisation of public competencies, should it be a priority to increase transparency over the distribution of finances between municipalities?

Adopting a peacebuilding approach also requires understanding of the different contexts in the Eastern Block-aligned municipalities, in Western Block-aligned municipalities and in the south. The different contexts require different aid objectives and ways of working. The general differences are summarised in the table below. It should be noted that this table is indicative only and that there are also large differences in context within each area.

	Eastern Block areas	South	Western Block areas
Nature of sub-national conflict	Violence by or against extremist groups, with communal punishment.	Intra-municipal conflict, influenced by ethnicity and identity.	Inter-municipal conflict, historic or due to recent grievances.
Nature of centre-municipality relationships	Strong centre with widespread communal support.	Strong municipalities, but competition for influence between the two blocks	Strong municipalities that are influential in Tripoli and may to a large extent self-govern.
Nature of civil-military relations	Unified security sector under the LNA with overt influence on economy and governance.	Community-based armed groups, focused on trafficking and ethnic issues.	Both community-based and political groups. Informal influence and control of black market.
Economy and public services	Limited access to public funds or to international aid.	Economic crisis, with limited services and a large black market.	Greater access to public funds and international aid.
Stability and the potential for violence	Growing stability following anti-extremist operations.	Increasing violence in the south-west, due to competition between the two blocks.	Intermittent violent contest for control of Tripoli.

Table 2: Differences in context between east, west and south

2: Ensure assistance does not ignore the national political divide

The political divide is leading to a duplication of national agencies, is forcing municipalities and local constituencies to take sides, and is fuelling the potential for violence in the south-west. Development assistance that focuses on Tripoli and aligned municipalities has the potential to contribute to these negative dynamics. In particular, aid that targets a GNA/PC-aligned public body will consequently most likely only be delivered in GNA/PC-aligned municipalities. The result is that aid may further the division in practice between the Eastern and Western Block agencies, and in the shared living space, unless the divide is actively planned for. Any intervention should look to: (1) where possible, build linkages between Eastern and Western Block agencies and prevent further division; (2) be delivered in both Eastern and Western Block-aligned municipalities, so as to reinforce the shared living space; and (3) disincentivise competition over the south-west and reinforce stability there. Similar to principle one, proper application of this principle entails a nuanced understanding of the different contexts in Eastern Block-aligned municipalities, Western Block-aligned municipalities and in the south of the country. For example, application of this principle could entail support for primary health care that includes facilitation of dialogue between the parallel primary health care units and is piloted in the south.

3: Integrate individual and socio-political change

In line with learning on effective peacebuilding from the Reflecting on Peace Project,² aid to Libya should link: (1) change at the individual-personal level; with (2) change at the socio-political level. Individual-personal change means that the attitudes (thinking) and behaviours (acting) of Libyans are transformed so that they are better able to manage conflict. Such change applies to both leaders ('key people') and the wider public ('more people'). Socio-political change means that the environment in which Libyans live reduces the likelihood of them using violence. Socio-political changes could include improvements in the functioning of institutions, more effective legislation or changes in normative cultural practices (e.g. the tendency for victors to use communal punishment). For example, support for anti-corruption could look to change key people through support for Audit Bureau staff, more people through a public anti-corruption movement, and the socio-political environment by supporting revisions of standard operational procedures related to anti-corruption.

² Reflecting on Peace Project Handbook, Collaborative Learning Projects, 2004: <http://www.steps-for-peace.org/wp-content/uploads/2013/07/ReflectingOnPeacePracticeHandbook.pdf>

4. Recommended peacebuilding actions

The following recommended actions are designed to both meet the most pressing peacebuilding needs in Libya and assist practical implementation of the above principles.

1: Support a further shift in strategy on the national political process

The UN Special Representative's September 2018 Action Plan marked an important change in direction for the political process, towards discussion of amendments to the LPA, a wider national dialogue and a timetable for elections. This change should be deepened through dialogue across the national political divide on a vision for a successful transition that addresses the root causes of conflict and fragility in the country, rather than being based on technical milestones (e.g. holding of elections or institutional unification). This dialogue could include reflection on alternative governance arrangements to the one proposed in the LPA. The international community should support dialogue on the transition through identification of collective measures of success for bilateral aid focused on the root causes of conflict and fragility. A Recovery and Peacebuilding Assessment could help in this regard, as long as it is inclusive of leaders across the divide, rather than being developed solely with institutions in Tripoli.³ The international community should also explore ways in which it can engage more widely with Eastern Block interlocutors, so that it is more effective in planning aid and so as to diffuse a perception in the east that the international community is opposed to eastern interests.

2: Support technical cooperation across the conflict divide

This cooperation would improve short-term service delivery and provide concrete agreements that build confidence, thus contributing towards the political process. Suggested focus areas are:

- Planning for public financial management of service delivery in Eastern Block-aligned municipalities. The approach taken should be on an agency/service basis and be sensitive so as not to disturb or undermine any cooperation that exists.
- Agreement on decentralisation and division of resources between municipalities. Transparency on distribution of resources is critical for increasing a sense of fairness in central government, and for decreasing competition between the blocks.
- Restoration of trust in the banking system and improvements in national liquidity. The national liquidity crisis has become a substantial driver of conflict, and is tipping parts of the country into 'zones of fragility' especially in the south.
- A national learning process on de-radicalisation. Anti-extremist violence continues after the end of military operations through communal punishment, potentially storing up grievances that will further the spread of extremist ideologies in the future.

3: Support negotiation across the political divide on unification of national public agencies

Both blocks have made a commitment to unified national institutions. Support should be provided for direct negotiation across the political divide on the technical processes for reunification and strengthening of national agencies, rather than presume that unification

³ The Post Conflict Needs Assessment conducted in 2012 did not analyse the underlying drivers of conflict and gave priority to the perspectives of leaders in the revolutionary movement.

will automatically follow public commitments. These negotiations should be conducted on an agency-by-agency basis, and based on identification of entry points where progress is more likely to be made (e.g. on national auditing and sports management).

4: Increase civilian oversight of armed groups and security actors through a national anti-corruption campaign under the auspices of a unified Audit Bureau

A direct approach to SSR will not work in Libya given: (1) the close relationships between armed groups and communities in much of the country; and (2) the influence of security actors in both the Eastern and Western Blocks. Instead, the influence of armed groups and security actors could be tackled through a wider anti-corruption process that has the purpose of increasing public scrutiny over financial flows to armed groups and security actors and reinforcing trust in central institutions. Technical support to the Audit Bureau would assist unification of parallel institutions related to audit and anti-corruption. An indirect approach to SSR through anti-corruption could also enable international engagement on civil-military relations in the Eastern Block, without requiring direct interaction with eastern political and security leaders.

5: Provide a surge in support for sub-national conflict mediation and transformation

Conflict resolution has for the most part focused on the national political divide, with more limited support for measures that look to mediate or transform the wider political and social divisions afflicting Libya. Learning from national Libyan experiences of conflict mediation and transformation to date, this surge should include:

- Funding and capacity development for inter-community conflict mediation, especially in western Libya.
- Establishment of a national psychological support programme to deal with conflict-related trauma.
- Establishment of an international funding and expertise body for transitional justice and compensation in Libya.
- Commitment to strengthening informal local political and security agreements through all municipal level capacity-development projects.

6: Develop a comprehensive peacebuilding programme for south-west Libya

South-west Libya is the epi-centre of confrontation between the Eastern and Western Blocks. It is also the area of Libya most affected by the economic crisis and by intra-community conflict, with violence in one community often affecting the stability of surrounding areas. While the need on the ground is great, both national authorities and the international community have only limited ability to deliver development programmes in the south-west, or to support local peace initiatives. The international community should support a comprehensive peacebuilding programme that includes preventative political mediation between the two blocks, a larger footprint that can more directly assist mediation initiatives locally on the ground and a regional economic development programme that addresses instability in the region. The GNA has committed to a 1 billion LYD development package for the south-west; but unless it is part of a more comprehensive approach, that also includes the Eastern Block, it is unlikely to reduce the potential for violence.

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The opinions expressed in this publication are the responsibility of the author and do not express the opinion of Seton Hall University, BMZ or GIZ. Any mistakes or inaccuracies are the responsibility of the author alone.

Bomb blast at the Tibesiti Hotel in the eastern city of Benghazi on Wednesday 1st June 2011
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