

Libya-A tale of two cities

Although Islamist forces have the edge in Tripoli, Haftar's forces are ahead in Benghazi as a new battle is joined over control of oil revenues

5th December 2014

The two main political camps are fighting for power in two distinct conflicts, one centred on Tripoli, the other on Benghazi. General **Khalifa Haftar's** 'Operation Dignity' troops are at war with Islamist groups for the control of Cyrenaica in the east. Haftar's forces have the upper hand so far. They are loyal to a government in Tobruk under its Prime Minister, **Abdullah el Thani**. The other conflict pits militias from the mountain town of Zintan and their allies from the Fezzan against the Islamist *Fajr Libya* (Libya Dawn) alliance, which is supported by backers in the wealthy coastal town of Misurata and in the capital, Tripoli, itself. The *Fajr Libya* forces control Tripoli, supporting a government under Prime Minister **Omer el Hassi**, and have the upper hand in that theatre of war.



Meanwhile, a perilous contest for control of the nation's oil and money is under way and it is this, rather than the fighting, which could split Libya in two. And the fighting is spreading to towns in the south, near the El Sharara oilfield, and drawing in rival ethnic groups in the area

such as the Tebu (backing El Thani) and the Tuareg (backing El Hassi). In the last six weeks, the fighting has claimed some 400 lives as Haftar's forces hem jihadist groups, such as *Ansar el Sharia*, into a last redoubt in the port area of Benghazi (AC Vol 55 No 21, [Comrades in arms deals](#)).

Haftar, a retired general who took part in Colonel **Moammar el Gadaffi's** coup in 1969, was captured by **Chadian** forces in 1987 and then spent two decades in the **United States**. He launched his offensive against Islamist terrorism in May (AC Vol 55 No 11, [Enter the General](#)). It was a response to the Islamists' ruthless campaign of violence in which scores of senior military officers and US Ambassador **John Christopher Stevens** and three colleagues were murdered (AC Vol 53 No 25, [Unity under strain](#)). In Tobruk in late August, Prime Minister Abdullah el Thani appointed Haftar's deputy, **Abdel Razek el Nazuri**, as his Chief of General Staff, incorporating Operation Dignity's much needed capabilities into the feeble national army. By late September, the Operation had been transformed into an **Egyptian**-backed campaign against Islamism in general (AC Vol 55 Nos 12, [Cairo leans on Khartoum](#), and 23, [Security leaks and party splits](#)).

The conflict in the west is now being won by those on the other side of the ideological divide. *Fajr Libya* succeeded in August in expelling the Zintani militias from Tripoli International Airport, which was destroyed in the fighting. The Zintani fighters retreated to the mountains south of Tripoli and the conflict shifted to some of the coastal towns and into the desert.

Under occupation

An intermittent battle has raged between the rival areas of Zawiyah and the Tripoli suburb of Warshefana. Tripoli itself has been relatively calm although one observer described it as a 'city under occupation'. *Fajr Libya's* airport victory has allowed it to make important gains because it physically controls ministries and other institutions in the capital. The Tripoli government is headed by Prime Minister Omer el Hassi, who was appointed by the former General

National Congress, the parliamentary body that was replaced in June's elections by the House of Representatives (HoR).

The HoR, based in Tobruk, appointed Prime Minister El Thani to lead it. While El Thani has been internationally recognised, El Hassi has not. On 6 November, the balance swung back towards the GNC when the Supreme Court controversially ruled that the HoR's election was unconstitutional and therefore invalid.

While there are good reasons to doubt the impartiality of the Tripoli-based judges who took this decision, the United Nations, European Union and USA have held back from expressing definitive opinions on its validity. This is because the favoured international solution is still a 'grand bargain' under which both sides are forced to compromise over national unity. The UN Support Mission in Libya has announced it will host a new round of 'national dialogue' on 9 December in another effort to bridge the gap between the two sides.

While the HoR clearly has the democratic right to rule, having been elected in a nationwide poll that was judged to be free and fair, it has lost much of its *de facto* authority since the election (AC Vol 55 No 17, [Parliaments at sea](#)). This is partly because most of the Libya is out of its control. However, this is also because, strongly influenced by its foreign backers, Egypt and **United Arab Emirates**, the HoR has adopted highly partisan positions. 'It is too late for that side to become an inclusive body', said a European diplomat.

The main reason why wages and subsidies are still being paid nationally, and some oil production and exports have also continued, is that some core Tripoli-based institutions, such as the Central Bank of Libya, Libyan Investment Authority and National Oil Corporation (NOC), have established a shaky autonomy from both sides. This precarious balancing act may soon be upset, if some members of the HoR have their way.

On 1 December, CBL Governor **Ali el Hibri** confirmed to *Africa Confidential* that politicians in Cyrenaica were debating whether the NOC should open bank accounts in the eastern town of El Beida so that payments for oil exports would no longer be transferred to Tripoli. 'Until now, this has not been decided, it is an idea which is on

the table,' said El Hibri, arguing that, 'whether it is in the east or west, it doesn't matter. In the end you are going to pay public spending.' However, he admitted, 'People in Tripoli take this kind of idea as enemy action.'

The first suggestion that the El Thani government was considering an attempt to establish unquestioned control over the NOC emerged in mid-November, via international oil market rumours that a new Chairman had been appointed, with plans to establish a new headquarters in the coastal oil town of Ras Lanuf. Yet it was not until the Organisation of Petroleum Exporting Countries (OPEC) meeting in Vienna on 27 November that Deputy Prime Minister **Abdel Rahman el Taher** introduced **El Mabrouk Bou Seif** to journalists as the replacement for the Tripoli-based NOC Chairman, **Mustafa Sanalla**.

Resource control

The decision by OPEC to recognise El Thani's government while not inviting El Hassi's was immediately condemned by Tripoli-based Oil and Gas Minister **Mashallah Zwei**. He authorised a statement that same day, saying the NOC's 'main office in Tripoli is still officially responsible for follow-up and adoption of all oil and gas sector activity in all of Libya, including the operation of fields and production.' It added that the NOC Chairman, board members, managers and staff were 'authorised to perform their duties as normal without any change in the legal status of their responsibilities.'

Should Tobruk re-establish the oil payment system beyond the reach of the Tripoli institutions, it would immediately control most of the resources in the east. El Hassi's government might, however, have a grip on some oil infrastructure west of the capital, including some offshore oil and gas production and export facilities, as well as the main gas pipeline to **Italy**.

The key part of the western infrastructure not in its hands at present is the oil pipeline from the south-west to the Zawiya terminal and refinery. This is blocked by Zintan militias. Western governments regard unilateral moves by either side to control these economic resources as a 'red line', AC understands. A source involved in

diplomatic discussions on these matters recently noted that 'if they try to get hold of the resources or money, then we will have a very big problem in Libya'.

Rather than allowing the *de facto* division of the country with rival governments selling oil and accepting payments independently, international bodies are more likely to impose sanctions on all exports. Hitherto, UN and EU diplomacy has focused on establishing a dialogue between the rival governments or at a minimum, to maintain the status quo until the publication of a draft constitution by the Beida-based Constitution Drafting Assembly provides an alternative route out of the morass.

Yet while Western governments and the UN oppose attempts by either warring party to control the main institutions, other international players are pushing strongly in the other direction. In particular, Egypt and Abu Dhabi in the UAE, have emerged as strong supporters of the El Thani government.

In an interview with Italy's *Corriere della Sera* newspaper on 28 November, Haftar said that **Algeria**, Egypt, **Saudi Arabia** and the UAE had supplied ammunition and arms 'but only their older technology'. Egypt is also said to be giving other undeclared military help to Haftar's campaign; recent air strikes on Islamist positions are understood to have been carried out by Egyptian and Emirati jets, without any consultation with the US or other Western governments.

Sources familiar with diplomatic negotiations over Libya say Western countries and the UN worry that Egypt and the UAE's help is encouraging the El Thani government's reluctance to negotiate. They said that the West so badly needs Egyptian and UAE co-operation over the Islamic State in **Iraq** and Shams/Levant (ISIS/ISIL, also known as Da'ish or IS) that they believe they cannot realistically exert any pressure on them over Libya. Such dynamics show the extremely limited role that Western powers are willing to play in tackling one of Africa's worst civil wars, whose destabilising effects could spread across the Sahel.

The warring parties

Tripoli

- * Leader: Prime Minister **Omer el Hassi**.
- * Claims legitimacy from the rump General National Council, elected in August 2012 and officially dissolved in August 2014.
- * Domestic support: Fajr Libya (Libya Dawn): Misurata militias, Islamist groups, Tuareg groups.
- * International support: **Qatar, Turkey** and **Sudan**.
- * Opponents: Zintan militias, Operation Dignity.

Tobruk

- * Leader: Prime Minister **Abdullah el Thani**.
- * Claims legitimacy from: House of Representatives, elected June 2014.
- * Domestic support: Operation Dignity, led by General **Khalifa Haftar**, Libyan air force, special forces and other army units; Cyrenaican federalist groups, including **Ibrahim el Jathran's** Cyrenaica Political Bureau; some Tebu (Toubou) militia.
- * International support: **Egypt, United Arab Emirates** and, discreetly, **Algeria**
- * Opponents: Benghazi-based Islamist militias, including the 17 February Martyrs and Rafallah el Sahati brigades; Benghazi- and Dirna-based Islamists, including *Ansar el Sharia*.