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**THE CRISIS IN LIBYA: NEXT STEPS
AND U.S. POLICY OPTIONS**

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Chairman Corker, Ranking Member Cardin, Committee members, I am grateful for this opportunity to speak with you about Libya's political crisis and a way forward for U.S. policy.

For those of us who've followed and visited the country since 2011, its unraveling has been heart wrenching. There is perhaps no more painful testament to Libya's dashed hopes than the eastern city of Benghazi, the birthplace of the revolution. Swathes of the city are now a shambles of spilled concrete and twisted iron, scarred by heavy-caliber rounds, including the sites of the early anti-Qadhafi protests. Many Libyans who gathered here in the heady first days of the uprising now find themselves on opposing sides of a civil conflict that has torn apart families and killed or wounded thousands. In the past months, stability has returned to Benghazi, but the costs have been considerable: displacement and destruction, a rupturing of the city's social fabric, and worsening divisions across the country.

Amidst Libya's collapsed authority, it was not surprising that the self-proclaimed Islamic State found room to expand, starting in 2014. The United States and its allies had hoped that fighting the menace posed by the terrorist group could serve as a springboard for unity among the country's warring political camps. In fact, the opposite has happened; Libya is more divided than ever. Campaigns against the Islamic State's strongholds in the west, center, and east proceeded pell-mell by local armed groups, without any oversight by a central authority. Even those militias that defeated the terrorist group in its coastal stronghold in Sirte, aided by American airpower, were only loosely tied to the United Nations-backed Presidency Council in Tripoli—and many have now turned against that government.

Today, the Presidency Council is failing in basic functions of governance. It is paralyzed by internal feuding and by a dispute with the central bank. It is unable to fully establish itself in the capital amidst a myriad of militias. More importantly, the Council confronts an existential challenge from an eastern faction led by Field Marshal Khalifa Hifter, backed by Egypt, the United Arab Emirates and, increasingly, Russia. The Hifter-allied parliament in the east has refused to lend its endorsement to a new Government of National Accord presented by the Presidency Council, with its key objection being the issue of control over Libya's military. Leaders in this camp have also made alarming statements about moving their forces west to Tripoli and settling Libya's political differences through military force. For their part, Islamist-leaning figures ejected from Benghazi have vowed to continue the fight against Hifter's forces. The two sides have clashed over oil facilities in the Sirte Basin and, more recently, airfields and supply lines in the southern desert.

Meanwhile, the country is sliding into economic ruin. Oil production has plummeted and the Libyan central bank is quickly burning through its reserves. Ordinary citizens are afflicted with untold suffering: shortages of medical care, fuel and electricity, and the collapse of the Libyan dinar. The surge of African migrants across Libya's deserts remains unchecked, abetted by a lucrative and abusive trade in smuggling. Jihadist militancy, whether in the form of the Islamic State, al-Qaeda, or some new mutation, could still find purchase.

These dangers, Mr. Chairman, demand immediate engagement from the United States. Having expended considerable military effort in helping Libyan forces wrest territory from the Islamic State last year, the United States should now turn its diplomatic attention to ensuring the country does not slip into greater chaos. The following observations and recommendations for how to do this stem

from multiple visits over the past few years to Tripoli, Misrata and the west; Benghazi and the east; Sirte and the oil crescent, and the oft-neglected southern region.

Navigating the Landscape

Part of what makes Libya so confounding is that multiple crises are interlinked. At the most basic level, the United States faces two broad imperatives: preventing the resurgence of terrorist activity and supporting the formation of an inclusive, stable government. To ensure that these two lines of effort are mutually reinforcing the new U.S. administration must first understand the complexities of Libya's political map.

First, it should shun the easy and incorrect categorizations of Libya's players as "nationalist," "Islamist," and "secular." All of Libya's actors believe they are serving the national interest, all agree on some role for Islam in political and social life, and many would reject the secular label. Even Hifter's side, commonly typecast as secular, counts among its allies doctrinaire Salafi Islamists who have exerted influence over policing and social affairs in the east.

The administration should also reject the wrongheaded fantasies of fixing Libya through partition, for the simple reason that the vast majority of Libyans do not want this, to say nothing of its sheer unworkability. Similarly, it should rebuff the beguiling overtures of would-be Libyan saviors—whether exiles or ex-regime figures who promise to "deliver" the country or its tribes and regions from the chaos. Libya has few real power brokers, and their influence does not extend very far into what has become a fragmented and hyper-localized landscape.

Finally, the United States must avoid subcontracting its Libya policy to regional states, especially Egypt and the United Arab Emirates, whose exclusionary and securitized approach will only produce more division and radicalization. Punting the Libya file to Europe is also a non-starter; without U.S. muscle, a European role will lack credibility, inviting Russia to be the key power broker.

With these caveats in mind, the United States and its allies must redouble their efforts along several fronts.

Smart Counterterrorism

The Libyan-led campaign in Sirte last summer and fall deprived the Islamic State of any real territorial control. That said, the specter of a jihadist resurgence looms. The remaining Islamic State militants—estimated in the low hundreds—are currently "pooling" in the center, west, and south. The likely next strategy will be one of dispersal to underground cells in and around cities, where militants may try to mount a high-visibility attack on an oil facility or government asset to demonstrate continued viability. A more worrisome trend is the growth of al-Qaeda linked groups in the southwest corner and in the northeast—buoyed in part by defections from the Islamic State.

What struck me during my visits to a number of areas afflicted by a jihadist presence, whether Sirte, the southwest desert, Sabratha, or Benghazi, is that any traction the Islamic State received often resulted from poor or non-existent governance and was highly transactional: smugglers welcomed the terrorist group out of a shared interest in illicit profits; marginalized tribes saw it as useful protection against rivals; some Islamist militias in Benghazi forged an alliance with it against the common enemy

of Hifter's forces. These dynamics highlight the importance of denying jihadists sanctuary through a broad-based approach.

Here, non-military strategies are essential. The promotion of economic development and entrepreneurship, municipal-level governance, education, and civil society is a vital adjunct to traditional counter-terrorism tools like intelligence, surveillance and reconnaissance, border control, train-and-equip, and direct action. Prison reform is especially important to prevent radicalization and recidivism.

In the effort to identify and assist Libyan partners to defeat terrorism, the United States must proceed carefully. Given the absence of a national, cohesive military, Western assistance to a particular armed group—whether the provision of intelligence or a train-and-equip program—could upset the balance-of-power and cause more factional conflict. Moving forward, the United States should only back those forces subordinate to the internationally recognized government and even this support should be limited in scope and targeted toward specific threats. In the past, more ambitious efforts to stand up Libyan military forces, whether the conventional “general purpose force” or specialized counter-terrorism units, failed because Libya lacked the institutional structure to absorb new trainees and, more importantly, because of political divisions.

All of this points to the urgency of inclusive reconciliation and an enduring political settlement in preventing jihadists from gaining further traction.

Towards A Lasting Reconciliation

In recent months, near-universal consensus has emerged that the December 2015 Libyan Political Agreement (LPA) that produced the Government of National Accord needs to be amended. While some of these failures were inherent in the power-sharing formula of the agreement, obstruction from the eastern, Hifter-allied bloc also contributed. Here, interference by the Emirates and Egypt was pivotal—despite endorsing the LPA in principle, they continued to “hedge” against it, with military and financial assistance to Hifter's faction. Increased Russian support to the east, which included, among other things, printing much-needed currency, further eroded the prospects for unity.

Recently, some of Libya's regional patrons have pushed for new negotiations. The question now is what kind of government will emerge from these maneuverings.

The American red line must continue to be elected civilian control over the military. Proposals for a military council to govern Libya are hardly a recipe for enduring stability and, for most Libyans, run counter to the values for which they fought in 2011. Already the eastern areas under Hifter's control have witnessed a militarization of governance, marked by the replacement of elected municipal leaders with uniformed military officers. Attempts to apply this rule across the country would cause more conflict and would be a boon to the jihadists' narrative.

On the flip side, the bedlam that afflicts Tripoli and parts of western Libya is equally deleterious. Here, local militia bosses hold sway, skirmish with their rivals, run their own prisons, and are often deeply involved in the criminal underworld. Many are aligned with the Presidency Council.

A starting point to resolve the impasse is a new Libyan-led negotiation supported by the United States, European partners and regional states. The goal of the talks should be the revision of the

political structures created by the LPA, specifically the composition of the Presidency Council. But they should also include two important tracks absent in the first agreement.

First, the new dialogue should include the leaders of major armed groups who must formulate a roadmap for building a national-level military and police, while at the same time demobilizing and reintegrating militia members. Second, the talks must set up a mechanism for the transparent distribution of oil revenues, especially to municipal-level authorities. On this track, the United States must continue to lead the diplomatic effort to safeguard the integrity Libya's financial institutions; namely, the central bank, the oil corporation, and the investment authority. Relatedly, the negotiations should explore such confidence-building measures as the demilitarization of strategic assets like the oil crescent, airports and ports that have been the targets of chronic factional wrangling. American diplomatic leadership is essential to persuading the foreign patrons of Libya's camps to play a constructive role in this process.

Once such an agreement is in place, the United States and its allies must stand ready to assist whatever Libyan government emerges—and not just on counter-terrorism. With its formal institutions gutted by dictatorial rule, Libya's citizens are its greatest resource—and that is why it is so important that the United States preserve its capacity to engage directly with the Libyan people.

Mr. Chairman, Committee members, my travels across Libya over the past few years have underscored the desperation of its plight. Yes, the Islamic State was dealt a significant blow, thanks in large measure to the sacrifices of brave Libyans. But Libya is now more polarized than ever and the growing vacuum could breed more radicalism. Now is the time for American leadership to resolve the crisis, safeguard American interests, and help the country realize the early promise of its revolution.

Thank you for the opportunity to speak with you here today.