

THE PATH FORWARD IN LIBYA

HEARING

BEFORE THE

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ONE HUNDRED FOURTEENTH CONGRESS

SECOND SESSION

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THE PATH FORWARD IN LIBYA

THURSDAY, MARCH 3, 2016

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC.

The committee met, pursuant to notice, at 9:59 a.m., in Room SD-419, Dirksen Senate Office Building, Hon. Bob Corker, chairman of the committee, presiding.

Present: Senators Corker [presiding], Risch, Johnson, Flake, Gardner, Perdue, Cardin, Menendez, Coons, Murphy, Kaine, and Markey.

OPENING STATEMENT OF HON. BOB CORKER, U.S. SENATOR FROM TENNESSEE

The CHAIRMAN. We will start a minute early today. The Foreign Relations Committee will come to order.

I want to thank our witnesses for testifying today. I know Mr. Wehrey just returned I think maybe this morning from Libya, or last night, but this will be fresh input, and we appreciate that very much.

Like many policy issues, Libya has come in and out of the spotlight over the last 5 years. Today, we are again focused on Libya because of the struggle to form a unity government and the growth of ISIS within the country.

One of the tragedies of Libya has been our inability to build substantial policies that will help Libya progress out of the revolution. I hope this time the focus on Libya will not fade and that you can help us determine what our approach should be. Again, we thank you both for being here.

I think it is worth noting that even if a unity government is successfully seated in Tripoli, Libya will only be back to where we were in 2013, after U.S. Ambassador Chris Stevens was tragically killed and 2 years before ISIS established itself in Libya.

For a country with vast oil wealth and void of widespread sectarian tensions, Libya should become a success story. I think we all are disheartened that U.S. policy, or lack thereof, has hindered Libya's progress. I hope our witnesses today can give us a sense of how we got here, and what options we have going forward.

Libya raises important questions about the efficacy of U.S. military intervention and the necessary follow-up. American intervention helped to depose a brutal dictator but the complete lack of a plan moving forward created a vacuum, allowing ISIS to form a terrorist safe haven in the country.

By contrast, in Syria, our complete failure to act when we had the opportunity to shift the balance in favor of Free Syrian opposition clearly shows that American inaction can be just as disastrous.

I hope you can help us answer some of those questions in a constructive manner so that we do not use Libya as an anecdote for or against intervention but rather we learn from the past to better inform our actions in the future.

I want to thank you again and turn to our distinguished ranking member, Senator Cardin, for his comments.

**STATEMENT OF HON. BENJAMIN L. CARDIN,
U.S. SENATOR FROM MARYLAND**

Senator CARDIN. Mr. Chairman, first off, thank you for convening this hearing. This is an extremely important subject, what is happening in Libya, and finding a path forward. We have two I think outstanding witnesses who can help us better understand the current situation in Libya, and how the United States can help move that country forward toward a unity government at peace.

It has been just over 5 years since the Libyan people courageously came together to challenge the brutal Qadhafi regime. The ensuing transition has not been easy as the Libyan people inherited a state built on a cult of personality rather than on long-lasting national institutions.

Now Libyan leaders and the Libyan people have an opportunity. In December 2015, after tireless efforts by Libyan leaders, the United Nations, the United States, the Europeans, the Arab diplomats, Libyans, all agreed to form a Government of National Accord. Five years after their revolution, rival Libyan parliament and other factions should honor their people's sacrifice and implement this agreement, which offers the best hope for stability and prosperity.

This is an important moment, and it is my hope that the Libyan leaders will move their country forward toward a better future. The alternative, quite frankly, is more division, a weakened Libya, and an opening for ISIL and other violent extremist groups to further entrench themselves and terrorize the Libyan people, bringing about misery and death.

A united Libya is critical for restoring security and improving the well-being of its citizens.

I cannot stress enough that in Libya, as in many war-torn countries across the Middle East, there is no military solution to the conflict. We cannot win a military battle. We need to bring the country together.

Only a negotiated political settlement can end the chaos, violence, and human suffering, and set the country on a path of inclusiveness and stability.

Because we know the current path is going nowhere in a country blessed with abundant energy resources, it is estimated that nearly a third of the population need humanitarian assistance, and over a million Libyans are suffering from malnutrition. Continued violence is creating a public health crisis with more than 40 percent of health facilities not functioning.

I am also deeply alarmed by reports of a growing ISIL presence in parts of Libya. But I also believe that outside military interven-

tion, absent the political process and broad Libyan buy-in, may just exacerbate the problem. Only a strong, confident, and united Libya can work together with the international community to combat terrorism. The urgency to convey the need for unity to Libyan leaders cannot be overstated.

If ISIL is permitted to grow on Libyan soil, not only will it cause untold suffering, but it will also destroy critical energy infrastructure needed for reconstruction.

A national unity government is needed now, so that Libyans may begin a process of disarming and demobilizing militias and transitioning these young men into sustainable employment.

At the same time, work on security sector reform and building a unified national military that is responsive and accountable to all Libyan citizens must begin immediately.

The reality is that instability in Libya affects the entire Mediterranean. I am deeply disturbed by the continued reports of human smuggling and the plight of migrants, some of whom have drowned on the perilous journey from Libya to the Italian coast.

Libya has become a transit point for trafficking in persons from sub-Saharan Africa. Only a stable state with firm borders can prevent these human atrocities and lend assistance to those in need.

A stable Libya able to secure its own borders is also critical for ensuring the security of our partners in North Africa, especially Egypt and Tunisia.

The time has come for Libya to unite and embrace a better future. The United States Government has demonstrated its willingness to provide full backing to a unified Libyan government, as well as offer technical, economic, security, and counterterrorism assistance.

I strongly support these efforts. We should be prepared to offer our support should implementation of the Government of National Accord move forward expeditiously.

I also would like to applaud the United Nations and its support mission in Libya for its continued diplomatic engagement. It is imperative that our partners in Europe remain committed to supporting Libya at this critical time, and all countries must work together to have a sustainable solution and a stable future for Libya.

Mr. Chairman, I look forward to hearing from our witnesses.

The CHAIRMAN. Thank you very much for your comments.

We will now turn to our witnesses. Our first witness is Dr. Frederick Wehrey, senior associate for the Middle East Program at the Carnegie Endowment for International Peace. Our second witness today is Dr. Claudia Gazzini, a senior analyst on Libya for the International Crisis Group. We thank you both for your contributions.

I think you know you can summarize your comments. Without objection, your written testimony will be entered into the record.

If you would begin, Fred, we would appreciate it. We thank you again very much.

**STATEMENT OF FRED WEHREY, PH.D., SENIOR ASSOCIATE,
MIDDLE EAST PROGRAM, CARNEGIE ENDOWMENT FOR
INTERNATIONAL PEACE, WASHINGTON, D.C.**

Dr. WEHREY. Thank you very much. Chairman Corker, Ranking Member Cardin, committee members, I am grateful for this opportunity to speak with you here today about Libya's worsening crisis and the next steps for U.S. policy.

I just returned last night from Libya, where I saw firsthand the country's humanitarian plight, political divisions, and the struggle against the self-proclaimed Islamic state. I spoke to the young militia fighters who are on the frontlines against the Islamic state. I heard stories from the victims of its atrocities.

What struck me most is that Libya's fragmentation into armed militias, tribes, and towns has created a vacuum that the Islamic state is exploiting. This dissolution also presents a number of risks for U.S. and Western strategy against the Islamic state.

First, there is no national military command through which the U.S. and its allies can channel counterterrorism aid. The country is split between two loose constellations of armed actors—so-called Dignity camp in the east and the Dawn camp in the west. Now over the last year, these two factions have fragmented, splintered to the point that they exist in name only.

Although the factions signed an agreement in December for a new Government of National Accord, that government remains stillborn and unable to exert its authority. A key stumbling block is the question of who and what faction will control the country's armed forces.

Perhaps most worrisome is that these two camps are still, in my view, more focused on viewing each other as a threat rather than the Islamic state. Many are, in fact, using the danger posed by the Islamic state as a pretext to wage war against local rivals over political supremacy, turf, and economic spoils.

Both sides accuse the other of collusion with the Islamic state. I saw this firsthand during a recent visit to the western town of Sabratha in the wake of the U.S. strike against an Islamic state facility last week.

A great risk is that outside intervention against the Islamic state before a cohesive government is formed could sharpen these political fault lines. It could boost the power of militia bosses, and sow the seeds of future conflict.

The current strategy appears to involve Western Special Operations Forces liaising with, training, and advising Libyan militias, backed by aircraft using precision-guided munitions. But by assisting armed groups against the Islamic state, these special operators could, in fact, encourage greater factional conflict, and they could reduce the incentives for political reconciliation.

Already, we are seeing signs of this happening in Benghazi with recent advances by the military forces of light with General Khalifa Hifter. This danger is also present in the town of Sirte and surrounding areas where the Islamic state is exploiting longstanding tribal grievances.

Now to prevent further fracturing, the U.S. should lend military assistance in a way that promotes reconciliation and cooperation between rival forces on the ground. It must tie military and

counterterrorism assistance for the fight against the Islamic state to a process of integration of armed groups into a national command structure. To be eligible for counterterrorism training and equipment, for example, armed groups should accept the unity government.

But that alone will not be enough. U.S. counterterrorism assistance should include the establishment of regional coordination mechanisms among local militias. The goal here is to set the stage for building a new cohesive and democratically controlled military. This will also mean intensifying Western diplomatic engagement to overcome the current standoff over who will command the army.

A key priority should also be the redoubling of a U.N.-led security dialogue among armed actors on the ground. And the U.S. must also limit meddling in Libyan affairs by regional states under the guise of counterterrorism, which thus far has been highly partisan and destabilizing.

Over the mid- and long-term, once a unity government has returned, the U.S. must redouble its efforts to address radicalism's root causes. This should include reforming the oil-driven economy, supporting civil society and municipal-level governance, training the army and police, and restructuring defense institutions.

Mr. Chairman, my recent trip left me with a strong appreciation for Libyans' resilience. The political fissures that rack the country are not unbridgeable.

Contrary to some alarmist accounts, Libya has not fallen to extremism. Libya still has multiple actors willing and capable of defeating the terrorists' narrative and territorial control.

But the United States must work carefully to ensure that its strategy against the Islamic state harnesses and unifies these forces, rather than further divide them.

Thank you for the opportunity to speak here today.
[Dr. Wehrey's prepared statement follows:]

PREPARED STATEMENT OF FRED WEHREY

Chairman Corker, Ranking Member Cardin, Committee members, I am grateful for this opportunity to speak with you about Libya's worsening security crisis and the next steps for U.S. policy.

I have just returned from two weeks in Libya, where I saw firsthand the country's humanitarian plight, political divisions, and growing vulnerability to the self-proclaimed Islamic State. I spoke to the young militia fighters who are on the frontlines against the Islamic State. I heard stories from the victims of its atrocities. What struck me most is that Libya's fragmentation and the devolution of power—to armed militias, tribes, and towns—has created a power vacuum that the Islamic State is exploiting. This dissolution makes it exceptionally difficult for the United States and Western powers to intervene.

There is no national military command through which the United States and Western allies can channel counterterrorism aid. Perhaps more worrisome is that many of Libya's factions are still more focused on viewing each other as more of a threat than the Islamic State. Many are using the danger posed by the Islamic State as a pretext to wage war against local rivals over political power, turf, and economic privilege. A great risk is that outside intervention against the Islamic State, before a cohesive government is formed, could exacerbate political conflicts, bolster the power of local militias, and throw the country into greater turmoil.

To be sure, the growing threat of the Islamic State demands a forcible response, above all from Libyans themselves, backed by Western support. That assistance is likely to involve special operations forces—who are reportedly already on the ground—liaising with, training, and advising Libyan units, backed by aircraft using precision-guided munitions. But any strategy to tackle the Islamic State should first

aim at bridging Libyan political divides and providing aid in a way that promotes cooperation between rival military forces.

The Islamic State and Libya's Political Vacuum

Since the summer of 2014, the Islamic State has exploited a governance vacuum within Libya, expanding their reach from what was once just a toehold into a foothold. It has clashed with, and in some areas displaced, older jihadist groups affiliated with al Qaeda. It has used Libya's lawlessness to attract foreign recruits, conduct training, and plot operations abroad. The Islamic State now controls the central coastal city of Sirte and is attacking the nearby petroleum facilities to prevent much-needed revenue from reaching Libya's central bank. In the western city of Sabratha it took over a logistical hub to train Libyan, Tunisian, and other foreign combatants to fight in Syria. More recently, it has sent hundreds of fighters from Iraq and Syria to Libya in a calculated fallback strategy; the total number of Islamic State fighters in Libya is estimated to be between 3,000 and 6,500.

For Libyans and Western governments alike, the biggest obstacle to confronting the Islamic State is Libya's political fragmentation. The country is split into two loose constellations of armed actors. The first is the Tripoli-based "Dawn" coalition, which comprises Islamist fighters and militias from the western part of the country. The second is the "Dignity" umbrella, which is drawn from eastern tribes, federalists, some western militias, and Qaddafi-era officers recruited into a self-styled "Libyan National Army" led by General Khalifa Hifter.

In the past year, internal power struggles have fractured these two groups to the point that they exist only in name. Worse, both have been so focused on preventing rivals from gaining ground that they've allowed the Islamic State to expand, often cynically using the terrorist group's presence to accuse their adversaries of collusion. Even in instances where regional militias agree on the Islamic State threat, their distrust of each other has hampered military effectiveness on the ground. For example, I recently spoke to several fighters from Sabratha who told me that competing interests between pro-Dignity and pro-Dawn forces—drawn from Sabratha's rival tribes and surrounding towns—had undermined the effort to root out Islamic State radicals.

Representatives from the two sides recently signed a UN-brokered agreement to form a unity government which, Western officials hope, will soon issue a formal invitation for military assistance. But the unity agreement is fragile and incomplete, having been pushed through under Western pressure despite resistance from key local players. The Presidency Council, the executive body established by the agreement, has started to falter before even having managed to form a government. Unless it can obtain the formal support of Libya's two rival legislatures and take office in the capital Tripoli, the unity government will be widely perceived as a Western puppet and a "third government."

Even if the new government does overcome the initial hurdles, it will quickly face the daunting task of re-establishing centralized military command and building loyal, integrated units out of a collection of disparate militias. A key stumbling block is Hifter's continued presence as commander in chief of the Libyan National Army. The Dignity camp's failure to remove him gives fuel to rejectionists in the rival camp and precludes the creation of a single chain of command under the new government. The loose alliance that Hifter leads is itself rife with divisions: the majority of his forces in Benghazi are not uniformed army troops but irregular neighborhood and tribal militias.

The Risks of A Proxy Strategy

Western military strategy against the Islamic State is proceeding along two paths: a training program to stand up new army units loyal to the government and a counterterrorism effort focused on providing assistance to those forces on the ground that are most capable and most willing to confront the Islamic State. Neither path offers a remedy to the problem of factionalism in Libya's security sector—and both could make matters worse.

The training program is based on the flawed premise that Libya lacks skilled fighters. In fact, it has lacked governments capable of bringing skilled fighters under a centralized command. A Western training effort in 2013–14 to build a national army—the so-called general purpose force—failed because there was no national military structure for recruits to join. Those recruits that did complete the training returned to Libya and were either put on leave or melted back into militias. Another training program risks repeating this error, unless the new government agrees on a roadmap for building a unified and professional military. In the best-case scenario, such efforts would result in a reliable military for future governments

to use. But it would not offer an immediate response to the urgent Islamic State threat.

In the meantime, Western governments will seek to back existing forces against the Islamic State. And that is where the problem lies. By liaising with and assisting armed groups against the Islamic State, Western special operations could empower factionalism and reduce the incentives for political reconciliation. Already, this appears to be happening with the recent advances of Libyan forces under General Hifter in Benghazi. In addition, navigating the patchwork of competing militia claims will be a daunting challenge. In setting up a physical presence—a training camp or an operations center—on the turf of a particular armed group, Western special operations forces could create the impression of partisanship, causing rivals to seek out counterbalancing alliances.

This danger is especially dire in Sirte and surrounding areas. The most powerful militias equipped to liberate Sirte from Islamic State control are from the nearby coastal city of Misrata. But an explicit American and European partnership with Misrata would antagonize key familial segments of Sirte's population, who in 2011 suffered abuses when Misratan militias overran the territory. By the same token, simultaneous Western support to militias to the east of Sirte, such as the Petroleum Facilities Guard under Ibrahim Jadran, could end with those militias turning their guns on their Misratan rivals in a scramble for the region's oil resources.

Focus on Political Unity and Local Military Coordination

Counterterrorism assistance in Libya must reinforce the building of inclusive political and security institutions. A key priority should be to support the establishment of integrated structures and units in the security sector. At the political level, that will require intensive engagement to overcome the standoff over the army leadership and promote cooperation between representatives of rival camps in the Presidency Council, its government, and the military command.

On the ground, the West must tie assistance for the fight against the Islamic State to a process of integration of armed groups. To be eligible to receive counterterrorism support, for example, armed groups should accept the unity government and subordinate themselves to its national command structure. But that won't be enough. To avoid destabilizing the country, Western military assistance must also include the establishment of coordinating mechanisms between Libyan military forces on the ground. These could include command centers between militias on a regional basis, with the aim of gradually creating centralized command structures and, eventually, dissolving local militias into consolidated army units. Western advisers should encourage militias from Misrata, Ajdabiya, and southern Libya, for example, to cooperate with army officers from Sirte to lead the offensive against the Islamic State in the city.

Regional command centers would be staffed by local army officers, militia commanders, and foreign special operations advisers who would facilitate the transfer of intelligence, de-conflict ground movements with airstrikes, and, perhaps most importantly, act as neutral political arbiters. For such assistance to work, Western states—France, the United Kingdom, and the United States—will need to coordinate their efforts closely. They will also need to ensure that regional military forces from Egypt, Qatar, and United Arab Emirates support this strategy and do not attempt to set up parallel advisory and assistance channels—these states' previous meddling has been deeply partisan and unhelpful in both combating the Islamic State and resolving Libya's civil conflict.

Above all, Western involvement in Libya should be geared toward supporting the unity government, which will need to back any efforts to promote battlefield coordination among regional militias. No single group should receive assistance unless it is considered both neutral in local power struggles and loyal to the unity government. Further, if the government makes progress on re-unifying command structures, Western assistance should flow through a national chain of command, rather than directly to regional coordination centers. Of course, if the Presidency Council remains paralyzed by internal divisions, or the agreement collapses, the Western-backed regional coordination centers will have no chance of ever evolving into a foundation for an integrated military. At the very least, however, the strategy will reduce the risk that military assistance will widen political rifts and contribute to the failure of the unity government.

Alarmist assessments of the Islamic State in Libya should not lead to a hasty and heavy-handed intervention. The Islamic State may be expanding its presence in Libya, but it has not been able to tap into the popular discontent of broad segments of the population—yet. Unlike in Iraq or Syria, the Islamic State cannot prey on sectarian fears in Libya. It has not shown an ability to set up durable governance structures in areas it controls. Libya still has multiple societal and political actors

capable of and willing to fight back against the group. The Western approach should work carefully to ensure that it harnesses and unifies these actors rather than dividing them.

Thank you for the opportunity to speak with you today.

The CHAIRMAN. Thank you.
Dr. Gazzini?

**STATEMENT OF CLAUDIA GAZZINI, PH.D., SENIOR ANALYST,
LIBYA, INTERNATIONAL CRISIS GROUP, WASHINGTON, D.C.**

Dr. GAZZINI. Thank you. I appreciate this opportunity to appear this morning on behalf of the International Crisis Group before the Senate Foreign Relations Committee to discuss the political, economic, and security crisis in Libya.

The International Crisis Group has been working in Libya since 2011. We are an independent, nonpartisan, nongovernmental organization that provides field-based analyses and policy recommendations. As their analyst for Libya, I am proud to say that our work is very field-based. Essentially, we talk to all stakeholders, politicians, militia leaders, smugglers, at times, to get a view of what is happening in the country.

This is what I do. This is what I have been doing for the past 4 or 5 years in the country. I mention this because talking to a wide array of stakeholders on the ground sometimes gives us a deeper, at times more critical, perspective of the events taking place in the country.

For example, while most diplomats were and remain upbeat on the possibility of implementing the U.N.-backed Libyan political agreement, on the basis of our meetings with the Libyan stakeholders back in December, we took a more critical view of the possibility of implementing that political deal. We warned that that agreement lacks sufficient Libyan buy-in.

So today, before looking at what is the path ahead for your government for Libya, let us look at where the country stands.

From a political point of view, Libya is still institutionally divided. The Libyan political agreement, the U.N.-backed plan signed by a group of Libyan politicians in December and backed by the U.N. Security Council, was supposed to end the political crisis that has divided the country institutionally since the summer of 2014.

Despite the ongoing efforts by U.N. Special Representative Martin Kobler, Libya still does not have a unity government in place. Sizable numbers of members of the two rival parliaments continue to oppose the terms of the agreement and the government lineup that has been proposed.

So in short, Libya today remains a divided country, and the chances of implementing that U.N.-backed deal remain scant. Even in the most optimistic scenario, the agreement will take time to implement and the future government will face the problem of how to take seat in Tripoli.

But the country's economic situation is also dire. Libya, as you know, is an oil-rich country, but over the past 2 years, production of crude oil has plummeted because of attacks on oil fields and oil terminals. The drop in oil prices has forced the country to run a deficit of up to \$2 billion to \$3 billion a month. This has rapidly drained the country's reserves of foreign currency, which are now

between \$50 billion and \$60 billion, less than half of what they were just 2 years ago.

Further compounding the country's economic problems is the fact the country's main financial institutions—its Central Bank, the National Oil Corporation, and the country's sovereign wealth fund—are institutionally divided along the same political lines mentioned before.

The country's security landscape is also dire. The two rival military coalitions have become increasingly fragmented and the leadership of both coalitions is contested.

So what to do? What is the best course of action for the United States at this moment in time?

Certainly, the threat of the Islamic state in Libya is of great concern but rushing an international military intervention in Libya to counter the Islamic state would be shortsighted and would probably backfire. Any such intervention should be discreet, measured, and linked to a political strategy aimed at bringing Libyan armed factions together and political factions into a single government. That must remain the overarching goal.

Any effective action against the Islamic state in Libya will require local Libyan allies. This should be a Libyan-led effort. The best way to achieve this would be to encourage a dialogue between Libyan security actors.

Security arrangements and political negotiations must go hand-in-hand and not, as has been the case over the past 2 years, treated as two separate processes.

Similar strategic mistakes were made with the economy. The question of how to better manage, secure, and distribute Libya's resources and wealth cannot wait. A short-term requirement to stabilize Libya's finances would be an agreement by the rival camps on two broad issues. What measures can be taken to increase oil and gas production in order to replenish the state coffers, and how to maintain a coherent, unified financial system.

Let us not forget that there is no better recipe for ISIS expansion in the country than a country that is on the verge of economic collapse, a country where an illicit war economy thrives.

The Libyan conflict is multidimensional and complex. The political dimension cannot be dealt with separately from the economic dimension. And both are dependent on security arrangements.

What is needed is a more concerted effort by all stakeholders on these three fronts simultaneously. We think that the U.S. has a major role to play here, particularly in ensuring that regional actors that are also enmeshed in the conflict play a more constructive role.

So in conclusion, there needs to be simultaneous efforts to overcome Libya's economic fractures and economic and financial crises, build bridges in a fragmented security landscape, and build confidence in a future government of national unity.

Only these three simultaneous efforts can prepare the ground in Libya for an inclusive, constructive, and, hopefully, lasting agreement, and for a return of a united and peaceful Libya.

[Dr. Gazzini's prepared statement follows:]

PREPARED STATEMENT OF CLAUDIA GAZZINI

I appreciate the opportunity to appear this morning on behalf of the International Crisis Group before the Senate Foreign Relations Committee to discuss the political, economic, and security crisis in Libya and possible ways forward. We want to thank the chairman, ranking member and members of the Committee for calling U.S. attention to the situation in Libya. For the past three years, Libya has continued a downward trajectory towards security and political fragmentation, economic collapse and—more recently—towards becoming a haven for, and therefore the latest frontier in the fight against, the Islamic State.

The International Crisis Group has been working in Libya since 2011. We are an independent, non-partisan, non-governmental organization that provides field-based analysis and policy recommendations to governments, the United Nations, the European Union and other multilateral organizations on the prevention and resolution of deadly conflict. Crisis Group came into being because our founders believed that too often, major powers and international organizations ignored the cables, however incomplete they might be, coming in from Rwanda, or Srebrenica or the Congo. After the Cold War, there were no strategic linkages from those countries affecting major powers, other than the sheer horror of the human suffering being inflicted.

In some cases, after-action reports blamed inaction on an absence of sufficiently early warning. In others, it was the absence of mechanisms to implement a perfect response. Most of the time, it was the failure to forge the political will to respond.

We were founded in 1995 by distinguished diplomats, statesmen and opinion leaders including Career Ambassador Mort Abramowitz, Nobel Prize winner and former Finnish president Martti Ahtisaari, the late Congressman Stephen Solarz, and former U.N. deputy secretary-general and British diplomat Lord Mark Malloch-Brown, now our co-chair.

Jean-Marie Guéhenno, our current president, is the former head of U.N. peace-keeping under Kofi Annan.

Our board of national and international leaders includes six former heads of state including President Ricardo Lagos of Chile; and eight former foreign or defense ministers including Javier Solana of Spain and the EU, Lakhdar Brahimi of Algeria, Emma Bonino of Italy and Sweden's Carl Bildt and distinguished U.S. foreign policy leaders including former Senator Olympia Snowe, Ambassador and former Under-secretary of State for Political Affairs Thomas Pickering, and former NATO Supreme Commander Wes Clark.

We publish some 60 reports each year on what is happening on the ground prepared by our staff in about 10 sub-regional and national offices in Africa, Asia, Latin America, Europe and the Middle East, covering between them more than 50 conflicts. We maintain advocacy and research offices in Washington where we interact with the U.S. government, in New York with the U.N.; in Brussels where our global headquarters engages the European Union, in London with outreach to Europe.

Our main asset is our field-based research. We talk to stakeholders on the ground and try to understand, in real time, what is happening and why. This is because we believe that the first step towards resolving deadly conflict is to gain a deep and nuanced understanding of what moves rival factions or governments to take up arms, who is backing them and for what purpose.

In a country as fractured as Libya, this means talking to representatives from and those with access to Libya's rival parliaments and governments, militia leaders, army officers, smugglers, tribal leaders, displaced people, jihadists, as well as wide range of businessmen and civil society activists, medics, women and foreign stakeholders. On the basis of these conversations and on-the-ground observations, we draft publicly available reports and make concrete, implementable policy recommendations.

That is essentially what I do in my capacity as senior Libya analyst for the International Crisis Group. While most Western embassies and organizations pulled out of Libya in the summer of 2014 when armed groups launched a violent assault on Tripoli international airport, we remained present in the country. In mid-2015 we also relocated our operational base outside of Libya, but continued to travel there on a regular basis. Throughout this past year, I have visited the west, the east, and south of the country on multiple occasions.

I mention this because I believe that access to the country and talking to a wide array of stakeholders on the ground gives us a deeper, more fine-grained (and at times more critical) perspective on the events taking place and the challenges ahead. For example, while most of the foreign diplomats were (and remain) upbeat on the possibility of implementing the U.N.-backed Libyan Political Agreement (LPA), on the basis of our meetings with a wide spectrum of Libyan stakeholders in late 2015 we at Crisis Group took a more critical view of the deal's potential and

warned that the agreement lacked sufficient Libyan buy-in, and that attempting to push an agreement without broader elite support would unfortunately doom it to failure and possibly precipitate a sharp deterioration of the situation.

Before looking at the path ahead for Libya, let us see where the country stands today.

From a political point of view, Libya remains institutionally divided. The LPA, a U.N.-backed plan signed by a group of Libyan politicians on 17 December 2015 and backed by the U.N. Security Council on 23 December, was supposed to put an end to the crisis that has split the government and divided this oil-rich country since mid-2014. It was also supposed to lead to the creation of a government of national accord (GNA). Despite the ongoing mediation efforts of the U.N. Secretary General's Special Representative, Martin Kobler, Libya today still does not have a unity government in place. The internationally-backed Presidency Council—a committee of nine men including a Prime Minister-designate, Fayeze Serraj, tasked with proposing the cabinet line-up for the GNA—continues to operate from outside Libya, first in Tunisia and more recently from Morocco. A sizable number of members of Libya's two rival parliaments continue - for different reasons - to oppose the terms of the agreement. Some Libyans who backed the U.N. deal are now calling for its complete reset. In short, Libya today remains a divided country and the chances of implementing the U.N.-backed deal remain scant. Even in the most optimistic of scenarios, the agreement will take time to be implemented and the new government will face a number of difficult hurdles, including taking its seat in Tripoli, a city currently dominated by anti-deal forces. This is deeply regrettable, because it is clear that most average Libyans are tired of these divisions. Their lives are getting worse by the day and most want to see a unity government in place that restores order and launches economic reconstruction.

Libya's economy is reaching a critical point. Libya is an oil-rich country, but over the past two and half years attacks on oil fields, pipelines and export facilities have dramatically reduced production—from over 1.8 million barrels per day in early 2011 to around 300,000 barrels per day today. Together with the drop in global oil prices, this has forced the country to run a deficit of up to \$2-\$3 billion per month. This is rapidly draining the country's foreign currency reserves, which now are estimated to be \$50-60 billion, less than half of what they were only two years ago. There are growing cash shortages, and fuel and medicine are difficult to come by in a country that is heavily dependent on the importation of both, as well as of food. The Libyan dinar is worth a third of the official rate on the currency black market, and living costs have risen dramatically. Smuggling—of ordinary goods but also weapons and people—is thriving, as is corruption. In short, a parallel war economy is taking over as the state heads towards bankruptcy.

Further compounding the country's economic problems, Libya's main financial institutions are institutionally divided along the same political fracture lines that have split the country since 2014. The two most important state financial institutions—the Central Bank of Libya (CBL) and the National Oil Company (NOC)—remain physically under the control of the Tripoli authorities, but the Tobruk-based parliament and its associated government have established their own parallel CBL and NOC. The two sides also continue to contest the ownership of the assets of a third crucial entity, the Libyan Investment Authority (LIA, the sovereign wealth fund), in international courts. In December 2015 Crisis Group published a report about the state of the country's economy in which we urged international action to contain the rifts and help reverse the negative economic trend. In 2016 Libya's GDP growth is expected to be minus 8 per cent, potentially the world's worst performing economy. But I regret to inform you that, to this day, international engagement on the economic front is virtually non-existent.

The country's security landscape is also dire. Libya's two rival military coalitions—Libya Dawn in the west and Operation Dignity in the east, allied respectively with the Tripoli-based and Tobruk-based parliaments—have become increasingly fragmented, and leadership of both coalitions is contested. In the west the rifts are largely between (in some cases within) security units supporting the U.N.-backed proposed unity government and those against it. Similar fractures also exist within the so-called Libyan National Army (LNA), which operates in eastern Libya and is backed by the House of Representatives in Tobruk. Despite public attempts to minimize these rifts for the sake of public consumption, a number of local commanders have broken ranks with the leader of the LNA, General Khalifa Haftar, who has been one of the main obstacles to peace negotiations. There are opportunities to capitalize on these divides to form a moderate pro-peace bloc, but one should tread carefully: greater fragmentation could foster local conflicts, especially if Libya's neighbors continue to see the country as a theater for their rivalries. Yet it is critical for international supporters of a Libyan government of national accord to make

a concerted effort to bring the country's security actors together in support of such a government. The absence of a security track as part of U.N.-led negotiations has been particularly glaring in this respect, an error that should be rectified as a matter of urgent priority.

Despite a U.N. arms embargo, new firearms and ammunition continue to enter the country, provided by regional powers that are backing one side or the other. Egypt and the United Arab Emirates in particular have allegedly continued to provide support for General Haftar in the east, while Turkey and Qatar have in the past provided support for militias in western Libya. The US and other concerned parties have pushed these regional actors to take a more constructive approach, but some continue to provide support to their proxies and, despite their official support of the negotiations, continue to act in a manner that is counter-productive to peace. More must be done to stem this flow of weapons and funds, which only perpetuates the conflict, especially since weapons often find themselves on the local market where they can end up in the hands of radical groups.

This brings us to the question of extremist armed groups, which unfortunately have proliferated since 2011 and the tragic attack on the U.S. consulate in Benghazi. More focus needs to be directed to finding a security roadmap for the country. The most worrisome group is the Islamic State, which has made important advances in Libya in 2015 and sees the country as its major new front outside of Iraq and Syria. IS affiliates have managed to build a base in the city of Sirte, a former Qadhafi stronghold where Libya's main east-west and north-south roads intersect, and have expanded 200km east towards the country's main crude-oil export terminals. IS supporters control a few neighborhoods in Benghazi, eastern Libya's largest city, and are present in the outskirts of Derna. They have also carried out deadly attacks in the country's west and cells of IS operatives are believed to exist in towns such as Sabratha, Bani Walid, Jufra.

Based on the above facts, what can be done? What is the best course of action for the U.S. government to take in Libya?

The international community, including the U.S., has understandably focused on IS because of the potential transnational threat it poses. Some have talked of military intervention to prevent the group from turning Libya into a platform from which it could attack neighboring countries such as Tunisia, which last year saw two major attacks believed to have been planned in Libya. These neighbors and Europe feel particularly threatened, and Libyans are also growing increasingly anxious despite a tendency towards denial about the IS threat.

But one should proceed with caution. Rushing an international military intervention in Libya to counter IS would be short-sighted and would probably backfire. Any such intervention should be discreet, measured and linked to a political strategy aimed at bringing Libyan factions together into a single government. That must remain the overarching goal. A large-scale air and ground campaign would likely create more problems than it would resolve, particularly if it is perceived to take the side of one mainstream camp against the other. It is particularly important that any unity government, if formed, or the Presidency Council that exists today but lacks broad support not be pushed to issue a formal invitation for any type of military intervention: because of the fragility of the ongoing political process, this would enable spoilers to accuse their pro-peace rivals that they are enabling a foreign occupation of Libya, which would almost certainly provoke a nationalist backlash.

Any effective action against IS will require local Libyan allies: this should be a Libyan-led effort. The best way to ensure this would be to encourage a dialogue between Libyan security actors. As I stated earlier, this has been a sorely missing element of the U.N.-led negotiations over the past year, and is more necessary than ever to bring to the table Libya's real powerbrokers. While working towards supporting the political track's aim of establishing a unity government, this security track would help resolve local-level differences between armed groups, encourage their coordination and the elaboration of a compromise on how the country's security will be managed, as well as help create the conditions for a coordinated anti-IS strategy. Security arrangements and the political negotiations must go hand in hand, and not—as has been the case over the past year—treated as two separate processes.

Indeed, one of the main reasons that implementation of the deal signed in December is stalling is because there was insufficient preparation in securing the support of security factions, especially in the east of the country. In the months preceding the signing of the agreement, the U.N. made weak and contradictory arrangements to set up a security plan for Tripoli (the idea being that the GNA was supposed to be based there), and obtained the backing of some armed groups from the nearby city of Misrata, some brigades in Tripoli and others from Zintan. But the broader military divides were never bridged and rivalries between different local factions

were never overcome. Disagreements on future security arrangements and top security positions continue to undermine the efforts to form a government of national accord to this day. For this to have a chance, more resources have to be set aside to pursue what Crisis Group has long advocated for—a security track dialogue.

Similar strategic mistakes were made with the economy. The question of how to better manage, secure and distribute Libya's resources and wealth cannot wait. Some issues can be addressed through U.N.-led negotiations or parallel initiatives, pending a more formal review by a future unity government. The incentives all sides have are two-fold: if they do not act quickly to stem the bleeding, ordinary Libyans' living conditions will deteriorate beyond the threshold of the sustainable, and the current leadership on both sides will lose support as a result. Furthermore, should militia members' salaries stop being paid, mutiny and chaotic, predatory behavior is likely to ensue. More thought and preparation has to be put into these questions.

A short-term requirement to stabilize Libya's finances would be an agreement by the rival camps on two broad issues: what measures can be taken to increase oil and gas production in order to replenish state coffers, and how to maintain a coherent, unified financial system. These issues become ever more urgent as the five-year mandate of the Tripoli-based governor of the CBL expires this month, which will likely trigger a political contest over who will appoint a successor.

The Libyan conflict is multidimensional and complex. The political dimension cannot be dealt with separately from the economic dimension, and both are dependent on the security dimension. The international community should not repeat the mistake of last December, when it decided to push ahead with a political agreement with insufficient preparation, announcing a unity government when no unity was achieved and no body of any sort was in a position to govern. Rushing things through and ignoring the crucial task of making the necessary security and economic arrangements prior to any deal will only serve to undermine efforts to stabilize Libya and could impede the creation of a common front against IS. What is needed is a more concerted effort by all stakeholders on these three fronts. The U.S. has a major role to play here, particularly in ensuring that regional actors that are enmeshed in the conflict play a more constructive role through enticements in the form of promises of security and development assistance.

In conclusion, neither forcing a political deal alone nor implementing a strictly counter-terrorism strategy in Libya will be successful if either is carried out in isolation. There need to be simultaneous efforts to overcome Libya's economic fractures, build bridges in a fragmented security landscape, and build confidence in a future GNA. Only these simultaneous efforts can prepare the ground for an inclusive, constructive, and lasting agreement and a return to a united and peaceful Libya.

Thank you.

The CHAIRMAN. Thank you. Thank you very much.

Dr. Wehrey, do you agree with Ms. Gazzini's point that us becoming involved in dealing with ISIS prior to the resolution of these other issues would hamper diplomatic efforts within Libya?

Dr. WEHREY. I do, but I want to qualify that in the sense that I think that there are ways to do this on the ground discreetly in ways that mitigate the broader political risks that I just outlined.

So the question is one of the time horizon. How long can we wait? I was there, and this Islamic state is building. So there are armed actors on the ground that are talking to each other about moving forward against the Islamic state. So the question is how we discreetly support those forces in a way that does not exacerbate the broader fault lines and that lays the seeds for reconciliation down the road.

The CHAIRMAN. I know an air assault has been contemplated. So prior to the government unifying, you do not think that would be a good step to take. Instead, you think something more discreet on the ground would be appropriate. Is that what you are saying?

Dr. WEHREY. That is what I am saying. Very low level. I mean, the airstrikes, the surgical ones, I was there in the aftermath of this one on Sabratha. I was also there right after the U.S. grabbed Bukatala. The sense among Libyans is sort of, there is a sense

about, well, we should have been consulted and some blowback. But a lot of it is like, good riddance. Let us get rid of these guys.

So the spoilers, the rejectionists, will attack our strikes. I think as long as they are measured and discreet, they could serve utility. In tandem, this discreet strategy of special operators liaising with Libyan actors I think could work.

The CHAIRMAN. Speaking of special operators, it appears there are a wide variety of foreign special operations forces on the ground in Libya. Both U.S. and Europe have bold plans for support supporting the GNA. If the GNA is heavily supported by the West, does that not cause them to lack legitimacy in the eyes of Libyans?

Dr. GAZZINI. There is, first of all, in my point of view, a problem of how Libyans endorse this GNA. The procedures established in the agreement that Libyan stakeholders signed establishes that this GNA should be formally endorsed by a vote of the Tobruk-based parliament. At the moment, the discussion seems to be whether a vote is actually needed or not. I mention this because the extent of support that Western countries and non-Western countries will give to this future GNA has to be measured. And it also has to follow, from our point of view, a correct and proper endorsement mechanism of this government. It would be risky to throw on this future government of national unity a level of military assistance that will foster this idea of it being a creation, and not only a creation, a puppet of the will of Western countries.

The CHAIRMAN. Dr. Wehrey, do you agree or disagree?

Dr. WEHREY. I do agree. I think there is a sense that this is a third government, that it has been imposed. So, yes, if there is military support flowing to that government, it could create some dissonance.

Again, I just think that speaks back to this notion that we have to get all the security actors, all the armed forces, on the ground on board with this new government before we start opening up a third channel of assistance.

The CHAIRMAN. So I think we all know, just listening to testimony in Armed Services and other conversations we have, the U.S. is very concerned about the 5,000 to 6,000 ISIS members in Libya. You are saying that we should not be too heavy-handed in trying to seat this new government.

So I would say there is significant concern that ISIS is growing. What are the prospects of there actually being a government seated, without additional involvement by the U.S. and others? Do you see this happening anytime soon? And in the process, what happens to ISIS?

Dr. WEHREY. Again, I was in Tripoli. The security situation there is really fraught with risks. There is a patchwork of militias that are controlling different turf. So how do you get this government to come and return and set itself up? Do you have an agreement among these militias to protect the new government? We are not there yet. So this is really dangerous.

I think what is happening in the interim is that local actors are going after ISIS, whether it is in Sabratha, whether it is in Derna. Some of these actors are not necessarily the sorts of people we would be dealing with normally. Some of them are tribal. They are

Mafia-like. They are Salafists. But they are the ones that are pushing back against the Islamic state.

In some cases, and I want to emphasize this, they are not often going after the Islamic state, per se. They are going after their rivals, and they are saying, "These guys are Islamic state. We arrested them." But there is no way to verify this.

So it is very fraught right now. That is why I think some measure of support on the ground liaising could sort of shape the environment where we harness these local actors before there is a unity government that seats itself.

The CHAIRMAN. Since he has answered that question, and I have 1 minute and 9 seconds left, any observations about, and I know this is a big question to ask with a minute left, but do you have any observations about what we have learned relative to our involvements in Libya?

Dr. GAZZINI. I think one lesson that can be drawn on the international engagement in Libya is that insufficient engagement in bringing together security groups in the country will not lead to a stable country, will not pave the way for a stable political life of the country. We made this mistake in December, pushing forward a political agreement without sufficient security sector arrangements. We take a risk now again of pushing forward an anti-ISIS coalition or military intervention without making those necessary footsteps to bring the armed groups on the ground together.

Dr. WEHREY. Just to echo that, I think a big problem was that there was never a consensus early on about what the new military would look like, the demobilization of the militias. There was no security sector reform track.

There was a huge focus early on on establishing the elections, voting, supporting civil society. But in the absence of a security track, I mean, those efforts fell apart. So the new parliament fell victim to militia pressure.

So I think one lesson we have to learn is getting these actors to agree on a road map for building a new military, what is the role of the old officers, the remnants of Qaddafi's army? What is the role of the new so-called revolutionaries? How do we begin a process of getting the young men who are carrying arms into jobs and in schooling?

And let us do that before we start training, because one of the lessons we learned from the general purpose force is, we start training these guys abroad, they come back to Libya, there is no military for them to join, so they are put on leave or they join their militias.

The CHAIRMAN. So getting the militias involved in the national security sector is something that has to happen?

Dr. WEHREY. One way or another, yes.

The CHAIRMAN. With that, Senator Cardin.

Senator CARDIN. Once again, thanks to both of you for your testimony. I am trying to get a handle on how we move forward a Government of National Accord. There are two competing governments currently operating, two competing parliaments.

Let me just first ask, if we had the support from the two competing sides, would that be sufficient to get legitimacy to a Government of National Accord?

Dr. WEHREY. It might, but the problem, as I mentioned in my talk, is that there is no faction that speaks for both camps. So what you have had over the last year is the so-called Dawn and Dignity have actually fractured into various towns and municipalities and militias.

So even if you had representatives from the two sides that agreed, you would have a very diffuse landscape where spoilers could play a role.

Senator CARDIN. So the representatives of the two factions cannot really speak for the population?

Dr. WEHREY. No. This is what I found on the ground, and I think Claudia would agree, on the ground, there are these security actors who are calling the shots. They look at the people who negotiated this agreement as not representing them. So the reality of Libya is the devolution of authority to towns and municipalities.

Senator CARDIN. So what is the next step? My understanding is that there are differences between the two parliaments, but regional is the major division factor right now. How do you get then to the multiple stakeholders to have the type of buy-in necessary to get a Government of National Accord?

Dr. GAZZINI. There are many reasons why, until today, many members of the two parliaments opposed the prime minister designate and his cabinet lineup. Some are personal issues. Some are ideological. But I think there are two major factions that oppose this deal that are driven by two considerations, essentially, security and economics. There is a big faction in the Tobruk-based house of representatives that opposes this government lineup essentially because they perceive this government as proposing a future security arrangement that excludes their General Khalifa Hifter, which they view as a hero and which the Government of National Accord views as actually a problem, an impediment.

The other faction is a constituency in the east, Federalist, that wants a greater share of the country's resources. Over the past 1.5 years, they have benefited tremendously from the presence of the government and the parliament in the east of the country, benefited financially just by having these politicians in their area.

They fear that this future government will not give them the same benefits of the past 1.5 years. So that is why we say that in order to move the political process forward, get more buy-in by the members of the two parliaments, it is essential to build the trust between security actors and these constituencies that feel disenfranchised.

Senator CARDIN. Do you believe if we could get buy-in by the representatives of the two parliaments, that the concern about the fragmentation within the local communities can be resolved by working through the leaders of the two parliaments?

Dr. GAZZINI. The members of the parliaments, to a certain extent, are pressured by their local constituencies, their military constituencies as well, sometimes even threatened by these local fragmented security groups. So if the security groups are involved and start not opposing a political future, then the members of the parliaments themselves would have an easier life.

Senator CARDIN. What would it take for the U.S. to return its mission to Tripoli? Would that be pressure that could be used to bear to bring stakeholders together?

Dr. WEHREY. You would have to have a plan for the security of Tripoli.

Senator CARDIN. I understand the security issues have to be resolved. But is that a leverage factor for the United States?

Dr. WEHREY. I think so because a lot of these groups want access to U.S. aid and Western aid. So I think that can be an incentive.

But again, I just think the divisions right now over who will predominate in the security sector—will it be the old officers led by General Khalifa Hifter? Will it be the younger revolutionaries and Islamists? This division has not been worked out.

As was mentioned, in the east, there is this sense that General Khalifa Hifter is riding this wave. They do not want to relinquish him as the commander. In the west, there is a real sense that if the other side comes to power, they are going to throw the Islamists in jail.

So there are these mutual recriminations and those have to be resolved at the security level before there can be any return of diplomatic facilities.

Senator CARDIN. So you all are coming back to security as the next major hurdle, if we are going to be able to get the type of buy-in necessary. So how do you convene a representative group to resolve the security issues and control of the militias?

Dr. WEHREY. Yes, there is a role for the U.N. here. There is a role for a neutral broker. You do it in some neutral place. So there are pragmatic military leaders, military officers, militia leaders from both sides that do see a path forward. The question is how you identify the middle ground. And you get them together and you build a roadmap for a new security architecture.

But right now, you have extremists, hardliners on both sides, that have the wind in their sails, that are using this ISIS campaign. So we are not there yet.

Senator CARDIN. Let me go to a couple other important parts to all this. That is, in the meantime, there are people hurting. The humanitarian needs are dramatic.

Is there a network in which we can effectively help the people of Libya deal with the humanitarian crisis?

Dr. GAZZINI. I think there are two levels of engagement on that. One is local level engagement directly to alleviate the humanitarian conditions through the municipal council and society organizations that can distribute aid.

But let me tell you, to a certain extent, the humanitarian crisis in Libya, the presence of IDPs, the shortages of food, the high living costs in the country, are a reflection of a broader systematic, institutional chaos in the country's economic and financial institutions. I think the U.S. has also a role to play in convening the Libyan economic and financial stakeholders who are at loggerheads at the moment, and pave the way for their own dialogue process to reach a consensus on the management of key financial economic institutions of the country. This will help the humanitarian situation as well.

Senator CARDIN. One last comment or question. It seems to me, from what you are saying, that the threat of ISIL or extremists is not looked upon as a unifying factor to develop a unified government because the local militias do their own thing in dealing with the threat. Is that a fair statement? Do you think we could use the real threat of ISIL development in that country as an incentive to unify the country with a unified government?

Dr. GAZZINI. Absolutely, Senator. There are conflicting narratives between the two broad camps about what ISIS is. The Tripoli side still blames ISIS as being a puppet of the former Qaddafi loyalists operating in the east of the country. Those in the east of the country blame Misrata and Tripoli-armed groups of maneuvering ISIS in Sirte into doing their own wishes.

So unless this very dangerous conflicting narrative is overcome, it is impossible for these groups to come together to fight a common enemy. As long as they remain fragmented the way they are—and we are talking about geographically groups that are at loggerheads in and around this area of Sirte, which is an ISIS stronghold. So an important part of the security sector dialogue is to overcome these conflicting narratives.

Senator CARDIN. [Presiding.] Thank you.

Senator PERDUE?

Senator PERDUE. Thank you.

Let me see if I get this right. Libya has a negative current account. They have this crushing debt that they have a growing difficulty in servicing. And they have grinding gridlock between two political factions. That sounds like Washington, D.C. The only difference is we do not have Democratic and Republican militias. I do not mean to make light of it, but I think we have to keep that in mind as we try to help these people there.

I want to address two issues that you both spoke to. The first is the Dawn coalition and Dignity coalition. They are both getting support from somewhere. It looks like Qatar, Turkey, and Sudan have picked one side, and Egypt and UAE are possibly on another.

Can you describe what those different countries are doing and how important their influence is or could be in bringing these two factions together? Dr. Wehrey?

Dr. WEHREY. Over the course of the conflict, it has had an enormous impact. So from the eastern side, Egyptian military support, advisers, supposedly airstrikes, also from the United Arab Emirates, have been instrumental.

So I think, in many senses, Egypt sees General Khalifa Hifter as its proxy in this broader conflict.

I think there has been some lessening of the gulf support on the eastern side. My understanding is that some voices within the Egyptian Government are becoming disenchanted with General Khalifa Hifter. But it is still very present.

On the other side, we have seen a lessening of the Turkish and Qatari support, to the point where I was visiting some militias in the Dawn coalition and they are very worried about funding and outside support.

But weapons are coming into the country. There is no shortage of them. They are coming across borders.

Senator PERDUE. But are these outside countries influencing divisiveness? Are they encouraging them to get together and try to work this out politically?

Dr. WEHREY. I do not know if we are there yet. I think there has been some improvement where they see this as a problem, but I do see them still waging this proxy battle.

Senator PERDUE. In that scenario, how do we ever create a national army to take care of national security? How do we do that? How do they do that?

Dr. WEHREY. Well, again, that is why I mentioned we need to have a regional engagement strategy where we tell the gulf, we tell the Egyptians, that we need to get them on the same page with building this military. One of the problems over the past 4 years was you had these regional actors setting up chains of supply to individual militias. That has to stop for us to create a new national army.

Senator PERDUE. Dr. Gazzini, you spoke about the financial situation and the impending collapse. I would like to go into that just a minute.

It looks like 97 percent of their government's revenue comes from oil and natural gas.

By the way, what are they paying for the debt that they are adding? Obviously, they are able to access the debt markets. What interest rates are they paying on that?

Dr. GAZZINI. No, this is not debt. They do not receive credit from abroad. Libya still has funds, but it is a balance of payment deficit that they are running every month. So when I mention \$2 billion to \$3 billion, it means that they have to tap into their own reserves \$2 billion or \$3 billion every month.

Senator PERDUE. And they have about \$50 billion to \$60 billion in reserves?

Dr. GAZZINI. Left, yes. The actual figure is disputed.

Senator PERDUE. Of course. But we are not talking about years. We are talking about months. We can measure this in months.

Dr. GAZZINI. And a lot of this is nonliquid assets as well, yes.

Senator PERDUE. It looks like the remaining liquid foreign reserves are about \$50 billion to \$60 billion. I think you have that in your testimony.

Dr. GAZZINI. Yes.

Senator PERDUE. So what can we do to help them? If their economy collapses, if this fiscal collapse really happens, then what hope do we have of having a diplomatic solution? Does that not really ripen the ground for ISIS?

Dr. GAZZINI. Yes, exactly. I mean, the economic crisis in the country is a perfect, perfect recipe to allow ISIS to expand even further. They can have greater incentive to control even refineries and key oil-producing areas of the country.

What the U.S. and the international community at large can do is put more pressure on the rival management chains of Libya's financial institutions. Let me tell you, Libya has a Central Bank located in Tripoli, which still pays all the salaries to government employees, but it has a rival chain of managers of a rival central bank located in the east of the country. The same for the National Oil Corporation, which manages the country's oil and gas assets. The

same for the Libyan sovereign wealth fund and other state-owned companies. This is not sustainable.

The U.S. Treasury, the U.S. Government, can do more to convince the rival managers of these institutions to reach at least a consensus. This would help very much.

Senator PERDUE. One final area to look into, what are the prospects for Tunisia and Algeria, just the neighbors there? Is ISIS now using Libya as a base? It looks to me like Libya is an attractive area. They are recruiting from Africa, from sub-Saharan Africa and even in the West. Is that right?

And secondly, what threat does that pose for Algeria and Tunisia and Egypt? Does this not pose a destabilizing influence on factions in Egypt?

Dr. WEHREY. It is an enormous threat. The Tunisians are a significant presence in the west, in Sabratha, in the Sirte Basin. My understanding after my visit to Sabratha was that area was used basically as a transit hub, a logistics hub, a processing station for Tunisian jihadists coming in.

Unfortunately, and somewhat alarmingly, what we are seeing now is a big backlash in these areas by local militias against any kind of Tunisians. So they are basically kicking out Tunisian foreign workers. They are asking Tunisians to register.

So the Tunisian presence is a real issue for the Islamic state, and it could absolutely spillover to Tunisia, and it is.

The question we have to ask is, what is ISIS's potential to spread among Libyan actors? There is a real potential there, especially in the Sirte Basin and areas of the east.

Also, Algeria, I think the Algerians are playing somewhat of a containment game. The borders are closed down in the Ghat area in the southwest. I was down there. I do not see the Algerians really playing a constructive role within Libya itself. I think they are sort of in containment mode.

Senator PERDUE. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Markey?

Senator MARKEY. Thank you, Mr. Chairman, very much.

Dr. Wehrey, the Wall Street Journal recently reported that the United States military and some allies, including France and the U.K., have for months been preparing plans for a second intervention into Libya to support a potential Government of National Accord.

The report also said that we and our partners have already established a coalition coordinating center in Rome.

Could you talk a little bit about your view of what the risk of overreach could be, if we did have a second military intervention?

Dr. WEHREY. Absolutely. I think the key question is, who exactly are we going to partner with on the ground? As I mentioned, there is no central body to work with. So the danger is we are going to be essentially backing disparate regional-based militias in this fight against the Islamic state. They have their own agendas.

When we give assistance, when we give military aid, we cannot control how it is used. In the midst of this sharp political conflict, as we both mentioned, these actors are more focused on each other rather than the Islamic state.

So the question is, when we inject military force into this highly unstable situation, are we going to make it worse? So that is why we need to proceed very carefully before we intervene. The nature of that intervention, as I mentioned, if it is discreet, if it is advisory, I think those risks can be mitigated.

Senator MARKEY. What is the daily production of oil right now?

Dr. GAZZINI. Around 300,000, 400,000 barrels a day.

Senator MARKEY. So that is down from about 2 million a day?

Dr. GAZZINI. A little less than 2 million.

Senator MARKEY. So they were doing 2 million a day at \$100 a barrel back in 2011. Now they are down to 300,000 barrels a day at \$30 a barrel. So in a country of 6 million, 2 million barrels day is a very wealthy country for only 6 million, you can do a lot of good things. So with 300,000 barrels, not so good.

What is the prospect of ISIS moving toward the oil production areas in this country and being successful in taking it over and using it for their own purposes?

Dr. GAZZINI. As you know, since February 2015, Islamic state affiliates in Libya have attacked some oilfields in the Sirte Basin area. Three were destroyed in successive attacks.

Recently, in January, they did attempt to attack the oil terminals in the Sirte Basin. These are the country's two main crude oil-exporting terminals. So obviously, ISIS affiliates have shown signs of wanting to enter that area and attack the area.

My analysis is that at the moment what they are trying to do is to actually destroy the oil and gas infrastructure in order to prevent the Libyan state from accruing revenues from the oil and gas, and practically pushing the Libyan state to bankruptcy. There are no signs at the moment they have the willingness or capacity to take over the oil facilities to actually use those as their own stream of revenue, but we cannot rule that out in the future.

Senator MARKEY. In most of these countries, it is two things. It is ideology, sectarianism, and oil. That is the formula. So following the oil is always I think the most helpful thing, because they are looking for cash to fund all the things that they want to do.

So if ISIS was moving toward controlling some of this oil territory, would that incentivize the U.S. and other coalition partners to say we have to get in there and make sure they do not control the oil? Would that be a wise thing for us to?

Dr. GAZZINI. If you look at that area of Libya, it is a very sparsely populated area. It is a desert, fundamentally, so it should be easy to provide intelligence, surveillance, aerial surveillance of the area, and also help the Libyan actors on the ground to be able to preempt any attack.

These attacks that ISIS carries out are very visible because they come with four, five, six armored vehicles and drive through 100 kilometers of desert. That is not a normal civilian convoy driving through.

So I think the U.S. can help by providing intelligence and logistics support.

Senator MARKEY. So given the lowering dramatically of the oil revenue going into the hands of the government, that would mean that prospective targeted sanctions against all Libyan parties would have even more power over the limited amount of financial

assets that they control. How effective would primary and secondary sanctions be on the parties in Libya who are not cooperating with trying to put together a unified national government?

Dr. GAZZINI. About a year ago, people looked into the possibility of calling for an asset freeze of Libyan assets abroad. The conclusion of that was that it would create more havoc than not. It would cause the exchange rate of the Libyan dinar to skyrocket and cause even more inflation in the country. So experts ruled that aside.

Any decision that will be taken has to take into consideration the consequences on the ground.

Senator MARKEY. So how can we put pressure on the bad actors inside Libya, if you cannot go after their assets, because they are still living pretty well? They have their financial assets, so they are kind of immune to the problems on the street because they still have a cash flow going into them. So how do we square that circle? How do we punish the bad guys and not punish the country, but move the bad guys more toward working to get a peaceful resolution?

Dr. GAZZINI. Many times, it is not about good and bad in Libya. Everybody feels self-righteous—

Senator MARKEY. Bad guys to the extent they do not want to work toward peace.

Dr. GAZZINI. Yes, I understand what you mean in this respect. But sometimes it is enough to help create a moment of encounter between the two opposing factions or two opposing managers in order for them to possibly reach an agreement. Those moments of encounter are not there. It is not that somebody is ideologically opposed to reaching an agreement. Sometimes it is simply that they need to be pushed, helped to create those moments of agreement. I think the U.S. can do more in that direction.

When we are talking about oil revenues going to the states, there is another factor. Local ceasefires and local arrangements with local security units will also help reopen some of these oilfields and oil terminals that have been closed.

So it goes hand-in-hand with that process that both Fred and I were talking about of having to move the security sector arrangements in a linear way, in a progressive way, but in one direction.

Senator MARKEY. Dr. Wehrey, comment?

Dr. WEHREY. I agree. I have spoken to some of these hardline actors about, are you afraid of an asset freeze? Many of them brushed it off.

So again, to the extent that these measures create a chilling effect within their community, I think the community level is really key here, in that these individuals depend on the support of communities and young men. If the communities themselves are on board with an agreement, then they will be self-policing. This is a very tightknit society.

So again, I think there are measures we can do. The threat of ICC prosecution, asset freezes, these are gestures that signal to Libyan communities that these individuals are outside the pale. But we should not rely on those measures alone.

Senator MARKEY. Thank you, Mr. Chairman.

The CHAIRMAN. [Presiding.] Senator Gardner?

Senator GARDNER. Thank you, Mr. Chairman.

Thank you both for your time today. Could you talk a little bit about the coalition that is currently involved in Libya right now that the United States is talking to about their sort of involvement in Libya, the coalition of nations and what that would look like and perhaps who the key players are that may be missing right now in terms of addressing conversations about Libya?

Dr. WEHREY. Well, again, I think the key coalition partners in this are the Europeans, the Italians, the French, the British. I think as we both have mentioned, regional states have a role to play here in the sense that they, in some cases, need to back off.

The Libyan perception is often very sensitive about outside involvement, about European involvement. So, again, I think having the endorsement of the United Nations is very important.

But each of these states bring certain capabilities to bear on to Libyan challenges. After the revolution, I think there was this great sense in the United States that we expected the Europeans to step up to the plate and help out, especially on the security sector reform front. Many of them have niche capabilities to help in certain areas, police training, other areas. So I think they would be absolutely essential. I think the way forward is a multilateral one.

Senator GARDNER. Is there a key partner that we are missing in this discussion with Libya right now that is not playing an active role that should be?

Dr. WEHREY. I mean, I think the gulf is absolutely essential to this. To the extent they are still funding both sides, it is essential to get them on board with the broader strategy.

But I am not sure I would qualify them as an actual coalition partner in this.

Senator GARDNER. Right. You may have mentioned this before, too, but how many Libyans do we believe are presently fighting for the Islamic state in Syria? How many Libyans are fighting in Syria?

Dr. WEHREY. Within Syria?

Senator GARDNER. Yes.

Dr. WEHREY. I do not have that number.

Senator GARDNER. We do not know that. Okay. If they return, what does that pose, the fighters coming from Libya to Syria, returning to Libya then, what threat does that pose in Libya?

Dr. WEHREY. Well, it is a huge one. That return was what triggered the foundation of the Islamic state, the so-called Battar Battalion returned from Syria infused with the Islamic state's ideology. They set up the nucleus. So it is absolutely critical.

My understanding, based on my recent visit, is that a lot of Libyans went to Syria and Iraq to fight with sort of vanilla jihadist groups, but then joined the Islamic state and came back. To the extent that that process accelerates, it is very worrisome.

Senator GARDNER. The airstrikes that we have been reading about in the newspapers, they are not targeting infrastructure like they are perhaps in some of that ISIS-dominated areas in Iraq, or some of the oil production facilities, refining facilities in Libya. They are not targeting that, as far, as you know?

Dr. WEHREY. As far as I know, no. They have been against high-value individuals. And then recently, this farm, which I saw, it was

basically a processing center for Tunisian jihadists where they would come and get training before going on.

Senator GARDNER. General Dunford had stated in January testimony before Congress that it is fair to say that we are looking to take decisive military action against ISIL in conjunction with the political process. What decisive military action would actually do something different in Libya than we are seeing in Syria?

Dr. WEHREY. I do not know what decisive would look like. I think the key hub of the Islamic state, where it has really established an operational foothold, is the city of Sirte. The liberation of that city I think would qualify as decisive.

But other than that, the strategy is not really decisive. It is one of eroding the emerging nodes of the Islamic state, whether it is in the west. Much of this will be through intelligence, working with local actors.

But if I was to say, if there is one center of gravity, it would be the town of Sirte.

Senator GARDNER. Ms. Gazzini?

Dr. GAZZINI. Certainly, Sirte is the main focus of IS activity. It is its stronghold. But let us not forget that in order to confront this organization in full in Libya, you also have to tackle its presence in Benghazi and its presence in the other eastern city called Derna.

I mention this because in these other cities, ISIS affiliates have been able to coopt other groups on their side, in Benghazi especially. So for U.S. strategy to work, or an international strategy to work against ISIS, it is not sufficient to think of a military action targeted in Sirte. It also has to take into consideration how to resolve the strategic alliances, alliances of convenience that IS affiliates in Benghazi have been able to weave with other local Islamists and non-Islamist groups.

Senator GARDNER. Thank you. I need to head back to the Energy Committee. I apologize, Mr. Chairman. I will yield back my time. Thank you.

The CHAIRMAN. Senator Menendez?

Senator MENENDEZ. Thank you, Mr. Chairman.

Thank you both for your testimony.

I am trying to glean what the path forward is, from both your testimony and your responses.

Mr. Wehrey, I looked at your testimony in advance of the hearing. I was struck, as you seem to be, that the complicated reality on the ground is one that has been centuries in the making—transactional society, hundreds of militias, competing ethnic and tribal affiliations, very aggressive regional loyalties that on any one day can include homegrown foreign-born radicals, neighbors simply seeking to defend their homes and families, gangs stealing oil and wealth, and engaging in gratuitous violence, tribes and states in cold and hot wars against one another for generations, regional actors exploiting or protecting natural resources like oil and water.

It is amazingly complicated. So what I am trying to glean, and looking at the reality and the summary of both of your answers to some of the questions, the fragmentation means that there are literally hundreds of different groups that potentially have to get buy-in, which is more or less the same situation we faced right after the 2011 military action.

So what are the tools within our disposal, and that of the international community, in our arsenal of tools that could bring this fractious group, or at least the most significant elements of it, together, not only for their interests. Obviously, they want to continue to be involved and engaged, and of importance. I get that.

But normally, when you bring security elements together, you bring them together in favor of a nation, some things that I want to fight for and die for, because I believe that nation at the end of the day represents the interests of me and anyone else who lives within Libya and in this disparate group.

So I am trying to figure out what we bring to bear on these fragmented groups at this point in time to move us in a direction that not only creates a security situation we want, the allies that we want to fight ISIS, which is critical to us, but also to some sense of national government here, because otherwise we have brokered a truce among security groups who are not committed to national government.

Can you sort of give me some sense of that?

Dr. GAZZINI. Thank you. You are right to say that it is difficult to bring all these fractured groups together in the absence of an inspirational figure or inspirational government. Unfortunately, the lineup of this proposed government of national unity has done very little to be that inspirational figure. Its media appearances have been abysmal. The news of infighting in the nine-member presidential council has actually caused a lot of disaffection.

But in practical terms, what are the tools that the international community and the U.S. have? These are very practical. More human resources, even within the U.N. team, dedicated to security sector arrangements. Throughout 2015, there were only five or six people in the U.N. team trying to forge a consensus or a dialogue between the security units. I think five people is a bit too little. There is scope to increase the numbers.

It is important for these international advisers and individuals who can support this process of dialogue between the security units to actually be present in the country. One of the problems that of course you know is that the embassies are not located in Libya. It is difficult for groups and international advisers to go and meet these military commanders on the ground, because they are in the ground. They are not sitting in a Tunis hotel waiting for a meeting with international interlocutors.

But as both Fred proved and what I am doing in Libya also proved, you can go into the country. You can sit with these commanders. And that simple fact would help them move toward a process that would head toward unity, I think.

Senator MENENDEZ. Mr. Wehrey, do you have any comments? I hear that, and that is a facilitation of a conversation, which of course is worthy in and of itself. But then what else do we bring other than additional human capital to create that facilitation of a dialogue to bring disparate groups together?

I am always thinking about what leverage you bring to the table, what capital you bring to the table, how you incentivize people. That is what it what I am trying to glean. So I appreciate that element of the answer.

Do you have any other perspectives?

Dr. WEHREY. I think we have to be sort of humble about what leverage we bring. I mean, there is sort of a constituency in Libya that sees the tremendous humanitarian and economic costs of this conflict. I think some of those actors were the ones that started this dialogue. But the parties themselves have to come to this realization that they need to stop.

I think we should not exaggerate the divides in Libya. I mean, this is a small country, many different families are related. There is interdependence of trade. The expectations of a breakup I think are overblown.

I do think we need to increase the mandate of the U.N., in terms of the security front.

But I think our guiding principle in the interim is to do no harm. First, do no harm. I mean, where we are today was the result of one faction in the east undertaking a campaign in the guise of counterterrorism that basically forced disparate Islamist militias and radicals to coalesce and opened the door for radicalization. Part of the Islamic state's appeal is because of this factional civil war that was aided by regional actors. So I think we need to limit the damage from that.

But I do think there has to be some humbleness. The factions themselves have to come to the table before we can force them.

Senator MENENDEZ. Thank you, Mr. Chairman.

The CHAIRMAN. I appreciated you reading his testimony. Sometimes, I wonder whether we take all of those historic issues into account before we take action. I think we do not. Then to leave as we have with no focus on the security front is fascinating and has led us to a very bad place.

Senator Murphy?

Senator MURPHY. Thank you very much, Mr. Chairman.

Mr. Wehrey, thank you for your testimony and your work, as well as Ms. Gazzini.

Just to follow up on Senator Menendez's question, you sort of opened up the avenue here. You said your first responsibility was the Hippocratic oath, do not do harm. What is a potential U.S. action, what is a mistake we could make, that would compound the factionalization that could actually result in the situation getting worse, which is unimaginable? What should we guard against as potential next step out of abundance of enthusiasm to try to be helpful here?

Dr. WEHREY. I would go back to counterterrorism and the idea that we are fixated on the threat from the Islamic state. That could lead us to intervene in ways where we exacerbate the partisan fault lines.

There was an effort in the past, in 2013, to train a counterterrorism battalion in Libya. There were real questions about who was in that battalion and are we creating a real democratically controlled military unit or are we creating a factional militia. We are giving it support, but who is to say it will use that military support in ways that we want or against adversaries that we consider terrorists.

So I think that is a real risk, that you inject assistance, you inject support into this mix, and you cannot control how it will be used.

Senator MURPHY. But you sort of describe a chicken and egg problem here in that if you train up a counterterrorism force today, ISIL may not be a big enough problem that they would concentrate their force there and they will go after somebody else. But then if you wait for ISIL to become big and bad enough that it actually is a relevant player in the theater in the way that it may not be today, then it is too late to train up the capacity to take them on.

Dr. WEHREY. Yes, this is a real dilemma. As I have outlined in my testimony and in an article I have written, I think there are ways we can mitigate that through close oversight, so that when we have these advisory missions—I think familiarizing our operators, the people that are interfacing with the complex militia landscape, is the best way to go in mitigating the risk. So when you train a particular unit, ask the question, who is in that unit? Is it Zintani? Is it from Misrata? Just being aware of the landscape I think is absolutely essential.

But we do not have the luxury of time, you are right.

Senator MURPHY. In answer to a question from Senator Gardner posed to both of you, but the question was again to you, you were asked who is sort of the missing player here, and you did talk about the gulf states, who have been on both sides of this dispute for some time. Qataris are on one side. The Emiratis on another.

What are the conversations we need to have with the gulf states to get them of one mind? They, frankly, tell us what we want to hear. They tell us that they are just committed as we are to a unity state, that they are working on the ground to try to make that happen. That never seems to be the case.

How does dissonant is what we are hearing from the gulf states, that they are trying to be responsible players, and what you see on the ground as they seem to be supplying funds and potentially arms to both sides, to several sides of this fight? I would ask that of both of you.

Dr. GAZZINI. You are right to mention that on the surface all the international players are players in the Libya file. They are there. There are none really absent. But it is a matter of intent. What is the purpose of their being present in the conversation on Libya?

I think there is a core of gulf countries that is present, but has different goals. They want a unified government in Libya, but they want it on their own terms. They want a unified government in Libya that can implement the same national security measures that they see as essential.

I am referring to the UAE here and Egypt. As you know, domestically, they have a very absolutist vision of what is their national security and what has to be done in order to implement that national security. That means ruling out any power-sharing agreement with groups that are deemed, from their point of view, as a menace, as a threat, or even as terrorists, even though that label does not comply to our label of what a terrorist group is.

So I think what can be done is to try to influence their vision on their own national security and what is the best course of action for Libya. I think Libya will continue to be at war. Groups will continue to confront each other across the country, if this exclusivist vision is there. We have to tell them that it is in their own best interests to put aside their own concerns and allow for a power-

sharing deal even with those groups that in their country are not allowed to operate.

Dr. WEHREY. I would just have a conversation with them that their approach to Libyan politics that excludes Islamists could produce a threat down the road that affects them in the sense that ISIS and terrorist groups thrive on recruiting losers from the new political order. So if there are Islamists that are excluded, if they are kept out of politics, I mean, they could be susceptible to radicalization, and the Islamic state could recruit them. So this, of course, is not a conversation just about Libya but the broader Arab world, the post-Arab Spring landscape, the role of political Islam.

Senator MURPHY. Obviously, all of the proxy players in this fight answer that question very differently about whether Islamists are brought into governing or kept out.

Thank you very much, Mr. Chairman.

The CHAIRMAN. Thank you very much.

Senator Coons?

Senator COONS. Thank you, Chairman Corker.

I would like to thank both of the witnesses today for your testimony in this incredibly challenging and complex environment, and in confronting the question of what we can do that will cause no greater harm than it could possibly move us in a positive direction.

So just having reviewed your testimony and looked at some of the answers you have given to these difficult questions, you recommend, if I understand correctly, tying assistance, tying military training, equipment, support in the counter-ISIS fight, to first making significant progress toward political reconciliation and inclusion, both within military units and then nationally, in terms of some sort of government.

Talk me through in a little more detail—and if you addressed this already, forgive me—how military strikes by the West will be perceived, misperceived, or used in order to advance intra-factional fights, and how we can actually drive agreement to a governance structure that promotes compromise over the long term? And what are the lessons from Iraq and from Syria that you would apply to this circumstance, if they are relevant?

Dr. GAZZINI. At the moment, the U.S. airstrikes have been discreet and limited. There has not been very much visible backlash to these strikes. It is difficult to say now what would happen if this type of airstrike were to increase in numbers and intensify. There could be backlash, especially the more you target, the more the chances of making an error, and you do not want to do that.

So as long as it remains discreet and based on credible intelligence, then these airstrikes will possibly not lead to domestic opposition.

But what we are advocating is that the political process be pushed forward hand in hand with the process in the security sector and in the economic field as well. One of the mistakes made in December was to push for a political deal between some 20 signatories, political signatories, without having done the groundwork amongst the security units. To have a lasting political deal, you need the security units to back that. And you also need the economic and business elites to back that as well.

So it is a matter of bringing the three levels of conversation—politics, security, and economy—forward together and all the while doing a counterterrorism strategy to contain the ISIS threat.

Dr. WEHREY. I would agree. Military strikes, so far, have had a minimal impact. With the strike on Sabratha, the Tobruk-based government, of course, raised the flag that we were not consulted, this is a violation of our sovereignty.

But again, the ripple effects have been minimal so far.

The lessons learned from Iraq and Syria, let me just extract one from Iraq. I think the real lesson from Iraq is the attention to exclusionary politics and how that creates radicalization and also especially with the security sector, that organs within the security sector, if they are captured by one faction and they are used against a minority or another group, can have devastating long-term effects. So in Iraq, we were not attuned to that.

So I think moving forward, if we do start training and assisting the Libyans with their security sector, we have to pay attention to what is called a whole-of-government approach to building institutions, ensuring the different regions and tribes are represented in those institutions, and really exerting scrutiny that these institutions are not captured by one faction, as they were in Iraq, and used to marginalize communities, because that just sows the seeds of ISIS.

Senator COONS. Let me ask another few questions, if I might, about ISIS and the relationships between ISIS in Iraq and the Syria and Iraqi ISIS and Libya. How closely connected are they? What evidence is there really of command and control? Is this simply just a place to send additional foreign fighters and to have a separate foundation or base from which to act? Or are they really closely connected? And is there a natural limit to how far ISIS can expand in terms of its geographic control within Libya because of the strength of local militias that are also well-armed, well-experienced, and aggressively fighting for their share of both physical territory, political space, and oil wealth. Is there a real limit?

And how this does this compare or how is this distinct from Syria. The consequences of Qadhafi and his state collapsing have been dramatic, some might even say catastrophic for several other sub-Saharan African countries and for the region. What if any lessons would you conclude about the path forward in Syria?

That is for the rest of my time. Thank you.

Dr. WEHREY. I do think that there are inherent limits to the Islamic state's expansion in the sense that they have not been able to play this sectarian card where they can pray upon Sunni marginalization. They obviously have this hub within the Sirte Basin. But I visited this checkpoint called Abugrein that is manned by Misrata militias, so that is really the sort of frontline.

So there are real limits as to how far they can expand westward because of the presence of these Misrata militias. They are certainly trying to put out feelers to the south and in communities, like Bani Walid and Jafra.

But the question really in Libya is that everything is hyper-localized. Everything is very local. So it is very difficult for any group to really expand its territory, including the government. Everything is town and tribe related.

Now that is not to say they cannot attract recruits from some of these older jihadist groups, other Islamist militias. That is what we see in Benghazi. Because the Islamist militias were confronted with a common enemy, General Khalifa Hifter, they banded together. The story in Benghazi is really that these Islamist militias are losing ground to the Islamic state. The Islamic state is sending foreign fighters in.

I think that is the real concern, the degree to which the Islamic state central decides to invest in Libya through funding, through fighters, through training, advice, that is the real worry. The Islamic state does not have to control a lot of communities or territories to present a threat in terms of cells, in terms of training, a capacity to inflict damage on Tunisia and other vulnerable neighboring states.

Dr. GAZZINI. I disagree to a certain extent, in the sense that I do not think there are actual limits to the capacity of growth of ISIS in Libya. There is no checkpoint beyond which they cannot go. This is because of the security fragmentation in the country.

I mentioned earlier that there have been ISIS-led attacks against oil fields in the central area of the Sirte Basin and actually what has stopped those attacks from allowing ISIS affiliates to move forward was a security group called the Petroleum Facilities Guard. Now if you look at the fact that the commander of this unit that patrols this 200 kilometers of coast is hated by other security actors and political actors in the country, and they will refuse to send him aid in military and support him with military reinforcement, tells you how vulnerable the whole country is.

These political military rivalries between security units, if this state of fragmentation continues, could allow areas that are now not under ISIS control to be easily taken over, if there is no collaboration between those anti-Islamist, anti-ISIS forces in the country.

So I think this is an actual limit of Libya's capacity now to control this organization and limit its growth.

You questioned earlier, what are the relations between ISIS in Syria and Iraq and Libya? I have traveled to ISIS-controlled territories before they were fully ISIS-controlled territories, but they were already there, Sirte, Ben Jawad, Harawa.

A year ago, most of the commanders of that area were actually still Libyans, and the rank-and-file was jointly Libyan and foreign. I think in this past year, we have seen a big change. We have seen the flow of more operatives coming from Syria and Iraq, including amongst the ranks of the commanders.

This also explains the change of their tactics in this area. A year ago, there was not much violence directed against the local population that largely went by. Only individuals who were associated as being recruits of local security units were arrested and killed or put to trial.

Now we have seen a much more violent face of ISIS operatives in Libya, I think because of this arrival of foreigners to the country.

Senator COONS. Thank you.

The CHAIRMAN. Thank you. You all have been outstanding witnesses.

The picture you paint in Libya is not particularly optimistic, and you feel that Libyans need to resolve the situation with very light involvement from the United States. At least that is what I believe you are saying.

Just to go back to the very beginning, how have your observations of Libya affected your thinking relative to the actions that the United States and others took to remove Qadhafi?

Dr. WEHREY. It is not so much the removal but what came after. I think we missed a crucial window the first year—I call it the lost year—when it was still possible to get a handle on the security sector to save I think the very fragile experiment that was post-Qadhafi Libya.

There was this obsessive focus on elections as a marker of success. I have spoken to both Libyans and American diplomats who were involved in this, and there was a sense that if we got this right, and the elections were fair and transparent, then we could basically declare victory, without this broader attention to the power of the militias, to these factional divides. That is the real sense of loss I think.

So it is not the decision to remove him, but it is the crucial question of follow-up. We do not do that very well. Institutionally, I think we relied excessively on the United Nations and the Europeans to do that. The United Nations were not equipped to do it.

So again, that was the crucial lesson learned from that period.

The CHAIRMAN. Ms. Gazzini.

Dr. GAZZINI. My organization, the International Crisis Group, in June 2011, said that there were the grounds for a mediated negotiation with the Qadhafi regime. We were in the peak of the war. NATO-led intervention was winning its battles. But we felt that moment the war could stop and there were opportunities to engage in a dialogue with the regime. Unfortunately, that did not happen.

The intervention led to a policy of seemingly regime change. I think that very action of going after the regime produced this culture of disrespect and violence toward your political enemy, which currently exists in Libya. This idea that you do not need to compromise, because actually you can get it all, if only you go after your enemy. It is this culture that we infused in the country because of what happened that October 2011 when we went after the head of this regime. It is that culture that is now ruining the country and fostering this lack of trust toward your compatriot.

The CHAIRMAN. Dr. Wehrey, do you have any response to that?

Dr. WEHREY. No, just to reemphasize what I said before, that the decision, this was a revolution. I think the responsibility of the international community was to shepherd what came after. I think that is where the focus should be in terms of actual lessons learned.

I mean, I think much of what we are seeing today in Libya is the result of 42 years of mismanagement of Qadhafi. The culture of impunity, the divide in rule, that came not from NATO's intervention but that came from the way Qadhafi ran politics.

To say that this was a peaceful country ignores the tremendous strife and divisions that were boiling under the surface. To say that he was keeping a lid on Islamic extremism is I think disingenuous because many of them were going abroad.

So again, going back to the follow-up, there could have been a greater management of the consequences after the revolution. There was this overwhelming appreciation of the international response, pro-Americanism. There was a sense among many Libyans that they wanted a democratic, unified state.

So the question is, what went wrong? Why was armed force the currency of the day? Why was there is no greater attention to the security sector, to building security institutions early on, before they became fragmented and subject to militia power?

The CHAIRMAN. What did it send to the region? I did not think we should have done what we did. I still wish for good things in Libya.

We had a person who had done away with their weapons of mass destruction, and the signal that sent was: if you do away with your weapons of mass destruction, you are going to be taken out. That is what a lot of people learned from that.

I think it sent a lot of signals in the region, and we are where we are.

Let me flip it and just ask one different question.

Someone asked you what we have learned from Syria to help in Libya. As it relates to Syria, what have we learned from Libya relative to how we go about a transition, if you will, with Assad?

Dr. GAZZINI. I think Libya teaches us that we need to be a bit more critical when talking to domestic interlocutors. One of the failures of the post-2011 process was to actually take at face value what was being told: "We can do it. We can manage our political transition. You do not need to disarm. We can take care of our security factions. We will do it. We will do it." These were not lies. Libyans genuinely believed they could do it, that they could manage their own transition. Don't we all make that same mistake of thinking that we can solve our own problems?

But I think a bit more critical thought in the ability of local groups to manage that process, to disarm and go beyond their own parochial interests, is needed for a future course of action as well.

The CHAIRMAN. Senator Risch?

Senator RISCH. Briefly, Ms. Gazzini, I do not want to quarrel with your answer when asked what lessons we learned, and that is that we taught the people they should not—I am oversimplifying what you said, I think—but that the path forward was not sitting at the table and talking your differences out, but rather that military force is the way you accomplish what you are trying to do. I gather that is what you were saying we taught the people there, or they believed that after the initiative that removed Qadhafi.

Am I phrasing that incorrectly?

Dr. GAZZINI. Yes, fundamentally, my argument was that what happened in Libya in that October, November, 2011, at the end of the NATO intervention, meaning going after members of the regime, Muammar Qadhafi himself, created this culture, A, of impunity; and second of all, it fostered a culture by which Libyans thought it was all right to go against your political enemy and not open up channels of dialogue, even when it could be in your own personal interest to do so.

Senator RISCH. I guess I do not argue that that is what they believe. I think they believed that long before that initiative ever

happened. And I think they believe that today. Unfortunately, my experience, and after listening to all the people who come through here every day, that part of the world, it seems to be that is their belief there.

If your argument is that contributed to making it more believable, I could buy that. But to say that somehow we instilled that, I mean, that looks to me like that has been going on in that part of the world for centuries, that that is how you do that this. You take up arms and do what you want to do, but you do not sit down at the table, like we Westerners to do, to resolve stuff.

So thank you though for your thoughts. I appreciate that. In that regard, I respectfully disagree with you.

But our experience here in this committee as we listen to people is that that is just the way they do business there. How you change that, I certainly do not know.

But in any event, Dr. Wehrey, do you have any comment on that?

Dr. WEHREY. Again, I would argue that this was a product of Qadhafi's legacy, the way he ruled. There was no participation in governance. There was no communication among civil society. There was no dialogue. So you are absolutely right. To expect them to move from that situation to liberal democracy is exaggerated.

Of course, they have this very triumphalist notion that it is winner-take-all, it is polarized, deep suspicion of other, whether it is another community, whether it is another tribe. This is the way Qadhafi ruled. He played communities against one another. He prevented dialogue.

So I think this is really the legacy of his misrule.

Why are there no Libyan Mandelas? Why are there no Libyan inspirational figures? Because he completely deprived the system of any chance for that to evolve.

There was no bureaucracy. The muscle tissue of governance was not there. He himself was the center of everything. It was hyper-centralized. He controlled everything.

So when he goes, what is to follow?

Senator RISCH. Would you agree with me that in that part of the world, that is not unique to Libya or Qadhafi?

Dr. WEHREY. Absolutely. These are hyper-centralized states. The oil curse, the absence of investment in human capital, I mean, this is rife across the region.

Senator RISCH. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Cardin?

Senator CARDIN. There are two issues I at least want to put on the table.

After listening to the hearing here, it is apparent that there is not going to be a quick solution in Libya, and that just because the United Nations has taken action, that does not mean we are going to see an effective government any time soon. With that in mind, there is a continuing crisis in that region with migration and trafficking that will require a strategy. We cannot wait and allow people to be at risk the way they are. The Chairman has been one of our great leaders on trafficking in persons. We also have, of course,

the migrant issue and safety of migrants, which is a huge international problem.

So we are going to need your help in how we can be effective in dealing with that issue, because it is a high priority for America, and we would appreciate any advice you might want to give us on that.

The second matter is something we have been talking about on this committee for a long time, and that is, those who commit atrocities need to be held accountable. As we look at a national government in Libya, as we look at international engagement, there has to be accountability for those who have committed atrocities. It has to be in a very open, transparent way.

We always welcome a host country being able to handle it itself. If it cannot, then we look for the international community to come in and provide a framework. But that has to be part of this equation.

Of course, too many times, we have been putting that down as a second priority rather than a high priority.

So I just mention those two points, because I do not want this hearing to end without putting those two issues on the table. I welcome our witnesses' engagement with us as we try to deal with these continuing problems.

Thank you, Mr. Chairman.

The CHAIRMAN. Well, I thank you, too. I think this has been a great hearing. I think that both of you have put forth a very different view as to how ISIS needs to be dealt with. That is something that I am going to take from this meeting and appreciate.

I look forward to having discussions in that regard. I am semi-shocked, especially, Mr. Wehrey, with your point of view, but I am not criticizing that. As a matter fact, your point of view has a greater effect on me than someone not of your ilk, but I think it is a very different point of view than many who are looking at dealing with ISIS.

Do you agree with that?

Dr. WEHREY. I think the general thrust of U.S. policy, as I understand it, is sound. I would just urge greater caution to these complexities that we have outlined, that we need to be very cognizant about who we are dealing with, about injecting military force, about training. I think we have some capable people in the Defense Department, State Department, that I think understand these complexities. My understanding is that the strategy is proceeding according to those complexities, respecting those complexities.

The CHAIRMAN. We thank you both.

If you would, if people want to ask questions, we will leave the record open until the close of business on Monday. If you could answer those fairly promptly, we would appreciate it.

The CHAIRMAN. This has been a major contribution to our committee. We thank you for that, and the meeting is adjourned.

[Whereupon, at 11: 32 a.m., the hearing was adjourned.]