

## **“U.S.-Libyan Rapprochement: Lessons Learned”**

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From the outside, recent U.S. diplomatic success with the Libyan government seemed seductively easy. After two decades of international pariah status, Libya committed in 2003 not only to forswear terrorism and abandon its weapons programs, but to turn over those programs to U.S. inspectors. In the process, Libya detailed previously secret procurement networks and allowed U.S. and UK intelligence specialists to map what they thought they knew about Libyan proliferation against actual facts on the ground. The operation looks precisely like the kind of success that needs to be repeated with a host of troublesome regimes around the world that are aiming to develop chemical, biological and nuclear weapons. Yet, before seeking to apply to Libyan experience to other cases, it is important to understand better the outlines of the Libya case itself. From that baseline, similarities and differences with other cases can be drawn.

Such an examination suggests that Libya represented an unusually attractive target for U.S. diplomatic engagement. In particular, U.S. grievances against Libya were relatively discrete, and it was possible to sequence resolution of those grievances over time so as to build mutual confidence. In addition, U.S. politics remained relatively quiescent, and incentives for cooperation (mostly from parties other than the U.S. government) were extraordinarily large. Among other candidates for diplomatic engagement—and especially Syria, Iran, and North Korea—none enjoys the same series of advantages. For Syria and Iran, the problems are far less discrete and far harder to sequence, and the U.S. (and local) politics far harder to navigate. In North Korea, the

problem comes down to how one can incentivize an inward-looking totalitarian regime, for which opening up would almost certainly be suicidal. For all these reasons, such candidates seem considerably less promising at the outset than Libya did.

Nevertheless, the sometimes-surprising successes of the Libya case suggest the desirability replicating that experience. Not only has the United States won important cooperation from the Libyans on counterterrorism, eliminated uncertainty over proliferation in North Africa, and helped secure justice for the families of victims of Libyan-sponsored terrorist acts. The discovery and subsequent disruption of proliferation networks that had been supplying the Libyan government had effects that ripple beyond North Africa to the Persian Gulf, Africa, and Asia. In this way, the benefits of U.S. engagement with the Libyans have exceeded many of the initial expectations not only of skeptics, but of advocates as well. Success with any of the above-mentioned countries would likely have significant follow-on benefits thereby not only reducing regional tensions in nearby areas, but also materially affecting global security.

### **The Setting**

Before seeking to apply the lessons of Libya to other countries, it is useful to examine the circumstances and settings under which U.S.-Libyan rapprochement progressed. Outsiders had long considered Libya a unique case, finding the government to be irascible, unpredictable, and hostile. Yet, many aspects of the Libyan case made it well suited for the sort of diplomatic turnaround that occurred.

The key diplomatic challenge faced by both the Libyan and the U.S. side was how to build trust. This problem was particularly acute for the Libyans, who must have felt themselves at the mercy of an immensely stronger power. Given more than two decades

of American hostility, how could they be assured that U.S. gestures were not merely a trick to subvert and ultimately destroy a regime which, as recently as May 2002, Undersecretary of State John Bolton suggested was aggressively pursuing chemical, biological and nuclear weapons, while also being firmly ensconced on the U.S. list of state sponsors of terror. The U.S. side also had a problem trusting the Libyan side, given what it saw as a long pattern of erratic and troubling behavior from the senior leadership.

Yet, despite these problems, Libyan and American negotiators enjoyed several advantages.

**The problems were clear.** For years, the Libyan government's behavior was a maddening thorn in the side of the U.S. government. One of the inspirations for Secretary of State Madeline Albright's phrase "rogue regimes," Libyan malfeasance had been a headache for every U.S. president since Jimmy Carter.

Yet, by the time that George W. Bush came into office, the problems to be solved in a deal with Libya were refreshingly straightforward and discrete. The first task was to win Libyan acceptance of responsibility for the bombing of Pan Am flight 103 and payment of compensation to the families (Libyan suspects in the bombing had already been turned over to a Scottish court and tried by the time Bush entered office).

The second task was to dismantle Libya's nuclear, chemical, and biological weapons programs, about which little was known and there was great concern.

These tasks shared several attractive characteristics:

- *They had clear metrics.* Paid compensation can be measured, as can weapons systems and documentation. There is little qualitative judgment involved.

- *They were verifiable.* One could judge Libyan compliance on these issues with relative confidence by a combination of overt and covert means.
- *They were discrete issues.* Difficult though these issues were, they had no blurry edges. Once defined, they could be encompassed.

Over time, other American objections to Libyan behavior had faded away. Libya had retreated enough from supporting acts of international terrorism that a White House official could confide privately in the spring of 2004 that Libya had been “out of the business” for about a decade. Libya had long ago ceased military training and support for groups such as the Irish Republican Army and the Palestine Liberation Organization. In any event, as Qadhafi often complained to visiting Americans, those groups had all abandoned armed struggle, joined political processes, and made their journey to the White House, while he remained internationally isolated.

Ongoing objectionable Libyan behavior, such as meddling in African politics, never really challenged U.S. strategic interests. While concerns over such activities would certainly color ongoing diplomatic discussions, they did not need to be a persistent part of these discussions over the strategic relationship.

**Sequencing was possible.** The various problems in the U.S.-Libyan relationship could be solved one at a time, with the resolution of each problem building confidence and paving the way for the resolution of the next. In this case, the negotiators benefited from the fact that no item on the agenda was of life-threatening urgency. The issues resultant from Libya’s bombing of Pan Am 103 could come first (thereby helping the U.S. political environment), and the weapons issues could follow. Issues related to Libya’s actions in the Middle East and Africa could wait still longer, and indeed until

after a series of other agreements. While negotiators must have rued a pace for talks that seemed almost leisurely at times, that pace also allowed for the introduction of a progressive structure to those negotiations that allowed breaking down the problem into smaller parts and solving each in turn. An alternative way to resolve U.S.-Libyan differences would be to make a sort of “Grand Bargain” that included simultaneous sweeping concessions from both sides. In an environment with so little trust, however, striking such a bargain likely would have been political dynamite on both sides.

**Interlocutors were reliable.** After several years of sporadic negotiations, the United States government (and in this case, its United Kingdom counterpart) grew confident that the Libyan interlocutors enjoyed the support of Colonel Qadhafi, and that Colonel Qadhafi would follow through on his commitments. Neither had been certain at the outset. U.S. negotiators must have had two experiences in mind: the U.S. experience with Iranian “moderates” in the early 1980s that led to the Iran-Contra scandal (but never resulted in a change in Iranian government policy), and the U.S. experience with the Palestinian authority in the 1990s, when the leadership neither consistently backed up its negotiators nor adhered to commitments they had made. Libya’s maintenance of a consistent negotiating team created a perceived “channel” to the Libyan leadership, and over time, confidence in that particular channel grew.

The Libyans also enjoyed growing trust in their interlocutors. In the mid-1990s, Britain successfully negotiated an end to Libyan support for the Irish Republican Army, and helped lead efforts to suspend UN sanctions in 1999 after Libya turned over the Pan Am 103 suspects for trial. Throughout the negotiations between the U.S. and Libyan governments, the UK government stood as a testament to the notion that adversarial

relations could be reversed, and as a guarantor that the U.S. would abide by its commitments.

In addition, the clear and consistent benchmarks outlined by the U.S. and UK side helped convince the Libyans that demands by their negotiating partners were directed toward discrete goals, not part of a covert effort at regime change. Conscientiously delivered rewards for positive Libyan behavior built further confidence that the outcome of the negotiating process would be the positive pathway forward outlined by the governments in question.

**U.S. politics remained contained.** In retrospect, the relative quiescence of U.S. domestic politics throughout this period is striking. While Clinton Administration officials involved in early talks with the Libyans were deeply fearful of the political consequences if word of their contacts leaked out, Congress—which had rushed to add Libya to a 1998 bill aimed at sanctioning Iran—remained on the sidelines throughout the Bush Administration’s negotiations. Much of the credit in this regard goes to Libya’s success with the families of the victims of Pan Am 103. Much of their support for U.S.-Libyan rapprochement came from the structure of the compensation Libya offered them. The Libyan offer of \$10 million per family was broken out in 3 tranches: \$4 million when UN sanctions were lifted, \$4 million when U.S. sanctions were lifted, and the final \$2 million when the U.S. took Libya off its list of state sponsors of terrorism. While many families remained bitterly angry, the prospect of a multi-million dollar settlement, combined with an acceptance of responsibility, represented a form of closure that most families supported. In addition, many families were moved to lobby the U.S. government,

whose actions would directly influence how much the families were paid, but which was not itself a party to the settlement.

Were the families to unite against rapprochement, or were they to split on the issue, it would have been hard to pursue a U.S.-Libyan track. Instead, strong and ongoing bipartisan support for a settlement kept the broader political process on track. It is worth noting in this regard that many of the families seem to consider the \$8 million they have already received as adequate, and they are happy to keep Libya on the terrorism list as ongoing punishment for their loss.

**Incentives for cooperation were clear and growing.** The final element to be considered here is the huge reward to be reaped from a settlement, both by Libya and the United States. On the financial side especially, Libya's international pariah status was a persistent obstacle to modernizing its economy and fully developing its oil industry. Durable international sanctions may have cost the regime a total of \$33 billion in lost revenue, and rising oil prices through the early years of this decade made those costs increase more steeply. Unprecedentedly large though its \$2.7 billion settlement to the Pan Am 103 families was, Libyan officials judge that they will recover the full amount in just a few months of renewed economic activity.

Second, a growing set of common interests was driving the U.S. and Libya together. Principal among these was the Global War on Terrorism, in which the Libyan government felt as much of a threat from radical rejectionist groups in the country as the U.S. did. It is no coincidence that the Libyan government unleashed a flurry of approaches to the United States in the month following September 11. The U.S. and Libya were coming to have the same enemies.

Finally, the Libyans were keenly aware of overwhelming U.S. power, both in terms of intelligence capacity and military might. The U.S. interception of a ship carrying centrifuges from Malaysia in October 2003 was a public indicator to the Libyans that they could not be sure of what the Americans knew about their proliferation networks, and what remained secret. In such an event, trying to “game” the Americans was a likely fruitless task in which the Libyans were likely to fail. U.S. military success in Iraq was a further demonstration of capabilities, and while it may much of the negotiation process began long before even a potential military action against Iraq, U.S. military capacity could not have been in doubt.

### **Other Candidates**

Given the success the U.S. had resolving its most vital differences with Libya, suggestions have abounded that the U.S. should attempt to win a similar strategic turn from longstanding foes such as Syria, Iran and North Korea. In practice, U.S. success in each case is far more difficult to achieve.

### **Syria**

Syria is the most oft-cited candidate for “the Libya treatment.” Some advocates point to the fact that Syrian President Bashar al-Asad has the right inclinations but needs to strengthen his hand against conservative and reactionary forces in his own government. Yet for a variety of reasons, Syria is a poor candidate from which to seek such a strategic turn.

First, the fact that Bashar al-Asad needs support against domestic foes highlights the political difficulty he would have in making a fundamental strategic turn. Constantly under scrutiny for being willing to make the concessions his legendary father was

unwilling to make, it is hard to imagine Asad the younger feeling the freedom to be so bold. Indeed, Syrians' apparent feelings that they have few diplomatic cards to play make them act exceedingly cautiously, for fear that they will waste a card with little result. Asad faces a slew of potential internal foes, from members of the domestic intelligence services to the military to members of the business elite, and keeping those forces in check appears to take most of his energies, even absent a dramatic change in policies.

Second, the U.S. agenda with Syria is far messier than its agenda with Libya. Not only is it tied to Syria's chemical weapons program, but it is also tied to the Syrian-Iraqi border and Syria's involvement in Lebanon, and it is deeply intertwined with the Arab-Israeli conflict. Syria at the current time cannot point to a decade of relatively good behavior, as the Libyans could at the time that U.S.-Libyan relations resumed. Instead, critics point to Syria's daily activities endangering the lives of American military personnel, Israeli civilians, and even American civilians in Israel, Iraq or beyond. Progress one month seems to yield to backsliding the next. Consequently, it would be much harder to sequence a U.S.-Syrian rapprochement, especially with such strong and persistent voices in the U.S. and Syria calling for subtle warfare rather than reconciliation.

Finally, Syrians seem to be seeking a larger payoff for a strategic reorientation than either the United States or any possible combination of countries would be willing to pay. Syrian interlocutors repeatedly describe the country as "potentially America's best friend in the Middle East," but the relatively low resource base and underdeveloped industrial capacity suggests that the number of external suitors to bolster a Syrian-U.S. deal are small in number. Syrian oil is a diminishing resource, and despite the recent

association agreement with the European Union, Western officials are perhaps more likely to walk away from partnership with Syria and adopt a classical deterrent stance to the country than engage with it. Syria, it seems, is threatening in ways that make improving the relationship more difficult, but not so threatening as to making suing for peace look attractive.

### **Iran**

Another candidate for strategic reversal is Iran, which has had strained relations with the United States for a quarter century. But for many reasons, Iran is an even worse candidate for such a reversal in the near term than Syria.

The first reason has to do with Iranian politics, which have grown increasingly fragmented over the last decade. Multiple centers of power in the country, combined with constantly shifting alliances, give little confidence that a deal struck, for example, with the Foreign Ministry would carry over to the regular army or the Revolutionary Guards. The system of checks and balances that thwarted the will of the reformist parliament in the early part of this decade would certainly threaten to scuttle a deal with the United States, raising fears that a deal with Iran would only represent a deal with an individual faction and only invite entrepreneurial efforts by other factions to win their own gains.

Second, the U.S. agenda with Iran is far more complex than the agenda with Syria, and infinitely more complex than the agenda with Libya. Iran appears on the verge of developing a nuclear capacity, and reportedly has a robust chemical weapons capacity. Iran substantially and actively supports groups that have killed U.S. and Israeli civilians. Iranian assets are deeply involved in both Iraq and Afghanistan, threatening the lives of U.S. troops and endangering a variety of strategic interests of the United States. It would

be remarkably hard to narrow the agenda and sequence a U.S.-Iranian rapprochement, because of the difficulty in putting any of the vital issues aside while others are resolved. Doing so would inevitably raise charges that lives were being put at risk as a consequence. All of this, combined with the history that the two countries share, makes the politics of U.S.-Iranian rapprochement a remarkably sensitive issue in both countries.

The final obstacle is one of timing. If one gives credence to reports that Iran is within months, or perhaps just a few years, of developing a nuclear capacity, its leadership is likely to wait until it has such a capacity to consider a strategic reorientation. They might reason that Pakistan and India managed to test nuclear weapons without incurring dramatic costs, and North Korea has seen its bargaining power enhanced since it announced a nuclear weapons capacity in 2003. Whether, upon acquiring a nuclear capacity, Iran would seek to bargain constraints on that capacity in return for a increased regional influence and a change in its relations with the outside world is outside the scope of this essay; what is important is that if Iran's leaders indeed believe they are close to having such a capacity, they would likely wait to strike a comprehensive deal after their hand is strengthened, instead of before.

### **North Korea**

Of all the countries under consideration, North Korea may be the most likely to comply with the Libyan model. Whatever one makes of the disappearance of Kim Jong Il's portraits in the streets, there is little question that the country's leadership is in firm control of national policy. At the same time, U.S. issues with North Korea are relatively discrete, and limited to the country's own nuclear program and its sale of nuclear materials to other countries. Finally, U.S. politics on North Korea are relatively

unproblematic, and mostly limited to high-level debates on strategy and doctrine rather than grassroots disputes over North Korea's threats to its neighbors.

The key problem in the North Korean case is one of assets. For a country with so few resources, how can incentives be structured—especially when any significant opening to the world would almost certainly spell the end of the current regime? The last effort to establish a system of rewards, the Korean Economic Development Organization [KEDO] ultimately failed, as the North Koreans cheated and went ahead with their development programs anyway. Perhaps something could be brokered between the neighbors, as South Korea, Japan, China and Russia all remain alarmed by North Korean behavior. Still, without a deeper change in the nature of the North Korean government and the society it has created, such incentives would seem to be palliatives rather than solutions; they would almost certainly fail to create a dynamic that would lock in better North Korean behavior in the long term.

### **Conclusion**

Although less clear five years ago than it is today, Libya may have been a kind of low-hanging fruit among regimes from which one could win a strategic reorientation. The missing ingredient all along had been understanding regime motivation. Many Western leaders had written off Colonel Qadhafi as unfathomable and mercurial, and for that reason had been reluctant to engage in any dialogue. Their distaste for the Libyan leadership, however, seems to have obscured the many ways in which Libya was a problem that lent itself to resolution.

The benefits of the Libyan turn have been massive. On the U.S. side, those gains have been partly for U.S. companies, which find themselves entering an opening market

with pent up investment demand and access to the kinds of oil exploration opportunities that are all but unheard of in the rest of the world. In addition, the U.S. government's efforts to understand and roll up proliferation efforts around the world have benefited enormously. From the Libyan side, most of the benefits have come indirectly—not from the U.S. government, but from corporations seeking to enter the Libyan market. Libya has shed its international pariah status, and Tripoli in five years is unlikely to bear much resemblance to its current state.

For the reasons described here, Syria, Iran, and North Korea represent more complex problems. Many in the U.S. argue that the only way forward is regime change. Yet regime change is often hard to force, and even harder to control once it has been set in motion. The Libyan experience suggests the possibility of positive change even with unsavory leaders, provided those leaders are sufficiently motivated, and the tasks are sufficiently contained and sequenced. Rapprochement may be an undesirable alternative, but in these cases, it may be less undesirable than many others.