On December 19, the Libyan regime stunned the international community by agreeing to end all its weapons of mass destruction programs. “Libya will co-operate with the [UN nuclear] agency with complete transparency,” pledged Foreign Minister Abdel Rahman Shalgham. In a typically melodramatic gesture, the official newspaper *al-Jumhuriya* declared, “The Libyan move is a declaration of war against the diplomacy of death.” Since then, Tripoli’s cooperation with the US and IAEA’s inspectors has revealed much not only about its program, but also about the shadowy international network that has trafficked in sale of illicit nuclear equipment.

The Libyan case raises important questions regarding how to address rogue regimes seeking reintegration into the global community. How did one of the most militant Third World leaders come to abandon his ideological struggle and temper his revolutionary designs? Does the Libyan case offer any lessons for dealing with an Iranian theocracy that has long indulged in both sponsorship of terrorism and pursuit of weapons of mass destruction?

**Libya Looks Ahead**

By the late 1990s, Libya’s economy lay prostrate as the reduction of oil prices and lack of managerial efficiency led to the decline of Tripoli’s financial fortunes. A prolonged recession resulting in an estimated 30 percent unemployment and 50 percent inflation rates confronted the regime with problems it could neither resolve nor contain. In the meantime, the inevitable austerity program led to a further reduction of salaries and subsidies forcing many Libyans to take second jobs to maintain basic subsistence.

The debates regarding the direction of the state and its policies that emerged at this point took place under an ominous demographic shadow. Historically, many revolutionary regimes have benefited from the support of the youth, a segment of the population that has proven receptive to their ideological exhortations and pledges of anti-imperialist emancipation. In Libya, the opposite was becoming the reality, as the demographics were overwhelming the regime’s development plans and providing Qaddafi with an important source of opposition. At the time when the median age in Libya is 22, the inability of the regime to provide a meaningful future undermined its prospects among an increasingly disillusioned and volatile constituency.

Libya’s problems were further compounded by economic sanctions resulting from its complicity in the Lockerbie bombing. The Lockerbie process proved a watershed, as it constituted not just an economic setback, but also a psychological one for the Libyan strongman. Throughout his tenure, Qaddafi remained confident that, despite his behavior, the lure of Libya’s oil wealth and its commercial appeal would obstruct any American attempt to craft an international consensus behind a policy of isolating and coercing Libya. The Lockerbie sanctions enacted by the United Nations in 1992
irrevocably shattered that perception. The United States managed to convince even states such as Italy and Germany that enjoyed close economic ties with Libya to support sanctions until Qaddafi complied with America’s requests. For the first time, Qaddafi’s militancy had incurred a palpable cost. The UN sanctions prohibited sale of oil equipment, technology and financial transfers to Libya, limiting, its ability to extract and export its oil. The reality remains that the colonel’s domain is most vulnerable to multilateral sanctions, as its economic vitality is contingent on access to international petroleum market. Confronted with international isolation, internal dissent, economic distress, Qaddafi had to move on many fronts and defuse multiple internal and external crises.

The Revolution’s Fading Élan

In the late 1990s, Qaddafi’s economic advisors began to press him on the need to rapidly rejuvenate the economy. However, given the failure of a liberalization program launched earlier in the decade, the notion of deep-seated structural reform was not widely entertained among Libyan planners. The reality remains that Libya lacks the foundation for a successful privatization policy: as the basic elements of such an initiative, including rule of law, transparency and coherent administrative institutions, are markedly absent. Moreover, any successful liberalization drive mandates that the central authorities relinquish control over key segments of society, a proposition that was utterly unacceptable to a despotic ruler seeking to control all levers of power. Given such restraints, Tripoli settled on reviving the economy through international investments as opposed to domestic reform. The minister’s advice coincided with Qaddafi’s own increasing preference for tempering the revolution. The demise of the Soviet Union not only deprived Qaddafi of a potential counter-weight to the United States, but also caused him to perceive new international alignments requiring different policies. In a September 2000 speech commemorating the Libyan revolution, Qaddafi even declared the end of the old anti-imperialist struggle and stressed that the focal point of the evolving global order was economic wealth and technological prowess. “Now is the era of economy, consumption, markets and investments. This is what unites people irrespective of languages, religion or nationalities,” the colonel mused. The previous policies of subsidizing rebellions and plotting the overthrow of sovereign leaders seemed out of place in an era of economic interdependence. The aged revolutionary seemingly recognized that it was time to abandon his exhilarating confrontation with the dominant West, acknowledging, “there is a common interest that binds Libya and the world politically and financially.”

The first hint of Qaddafi’s change of heart come in April 1999, when Libya finally accepted UN calls for the trial of the Pan Am 103 suspects in Netherlands. After he had resisting the demands of the international community for years, Qaddafi’s sudden move confounded both his critics and supporters. The colonel justified his decision by simply noting, “the world has changed radically and drastically. The methods and ideas should change and being a revolutionary and progressive man. I have followed this movement.” It would take Qaddafi another four years to meet the demands of the international community, however, as the compensation of the Lockerbie victims and the colonel’s penchant for weapons of mass destruction continued to obstruct Tripoli’s pathway to international respectability.

Libya’s New World

The altered international landscape and internal pressures finally led Qaddafi to usher in a new foreign policy. As Libya entered the twenty-first century, it began to look away from the Middle East and shift its focus on Africa. Qaddafi began to emphasis that for small states to survive, much less prosper, they had to be integrated into cohesive continental political and economic frameworks. But for Libya to assume a prominent position on the African roundtable, it had to abandon its previous practice of financing rebellions and destabilizing the local states. By mediating African crises and...
offering developmental aid, Qaddafi sought to prove that he had dispensed with his radical heritage and deserved a voice the continent’s political transition. After decades of subverting the African state system, Qaddafi finally sought to make a positive contribution to the region’s political cohesion and economic rehabilitation.

Even more momentous, was Qaddafi’s gradual acceptance of the need for a more rational relationship with the United States. Soon after the election of President Bush, Libya left the door ajar to a potential dialogue over issues of common concern. Libya’s UN envoy, Abu Zayad Umar Durdah claimed, “I expect that we will sit down with Americans and put the past behind us.”

Ironically, the events of September 11th facilitated a greater degree of dialogue between the United States and a charter member of the State Department’s list of state sponsors of terrorism. Libya went beyond mere condemnation and actively shared information with the United States on the Libyan Islamic Fighting Group, known to have links with al-Qaeda. In a series of meetings between Assistant Secretary William Burns and head of Libyan intelligence Musa Kusa, Libya proved helpful and forthcoming. The meetings provided a catalyst for resolution of two of thorniest concerns of the United States, namely, Libyan sponsorship of terrorism and its pursuit of weapons of mass destruction.

Terrorism has been one of Qaddafi’s most pernicious practices, Libyan military camps trained a generation of terrorists that cost the lives of countless innocent victims. However, as Qaddafi began to refurbish his international image and reconcile with erstwhile Arab foes, he abandoned terrorism as an instrument of his policy. In 1999, Libya expelled the notorious Abu Nidal organization from its territory and severed ties with radical Palestinian groups such as Popular Front for Liberation of Palestine and Palestinian Islamic Jihad. In a sign of the times, the former head quarters of the Abu Nidal organization now seats the Arab Language Institute. In addition, in the context of the Arab League’s Interior Ministers’ agreement, Libya has cooperated with Egypt, Yemen and Jordan in terms of extraditing Islamist militants and suspected terrorists that had taken refuge in its territory. Finally, Tripoli came to terms with the legacy of its conduct and offered compensation for the victims of the Lockerbie bombing, ending one of the darkest chapters in the annals of terrorism. At a time when Libya is mediating civil conflicts and promoting investment opportunities, terrorism no longer serves its national interests.

As Libya sought international respectability, it began to exhibit a more pragmatic approach to the issue of proliferation. Even prior to its recent announcement, Tripoli had hinted at the possibility of accommodating the United States on this critical issue. In private meetings with Nelson Mandela, Qaddafi had intimated a desire to accept the Chemical Weapons Convention. With its December 19 announcement, Tripoli finally took its much-contemplated step. The economic motivation behind its policy was all too evident, as Prime Minister Shukri Ghamen noted, “Our priority is to improve our economy, to improve the standard of living, through peaceful means, to make the whole area clear from the weapons of mass destruction.” Unlike many rogue state, Libya seems to have realized that the best manner of securing its national interests is stemming a potential arms race and the necessity of accepting international treaties limiting such weapons.

During the past three-decades, Qaddafi has embarked on a quixotic mission of transforming the Afro-Arab bloc into a cohesive anti-Western unity. After a prolonged struggle, the colonel failed to achieve his ambition. In a sense, Qaddafi’s altered international orientation reflects that one of the Third World’s last revolutionary leaders has finally accepted the verdict of history.

The confluence of events that led Libya to its recent decisions were unique and not easily replicated elsewhere. Nonetheless, a more forthcoming US policy can signal to the remaining rogue regimes that American hostility is not immutable and should they alter their policies, they can garner the benefits of engagement. The Bush administration would be wise to reward Libya for its momentous concessions. Easing sanctions and lifting the travel restrictions will not only reinforce Libya’s newfound moderation, but also offer a salutary example to the recalcitrant regimes in Tehran and Damascus.