

RELEASE IN FULL

CONFIDENTIAL

October 28, 2011

For: Hillary
From: Sid
Re: Two (2) intel reports on Libyan NTC internal politics

SOURCE: Sources with direct access to the Libyan National Transitional Council, as well as the highest levels of European Governments, and Western Intelligence and security services.

1. During the week of October 24, 2011, Jalal Muhammad Mansur al-Digheily, the coordinator of defense and military affairs for the Libyan National Transitional Council (NTC) stated in confidence to a sensitive source that President Mustafa Abdel Jalil, and the leaders of the Interim Government are extremely concerned with four internal problems; all interrelated. Debate on these matters will begin at the first session of the new Interim Government, scheduled for October 30 in Tripoli.

2. These individuals state that the first of these concerns is related to the need to resolve the differences between the many groups that make up Libyan society, reducing the potential for conflict among the more than 30 different ethnic and regional militias operating under the NTC. These militias must be disarmed or brought under a centralized NTC command, however; any effort to use force in this matter could backfire on the government, and possibly lead to civil war.

3. At the same time, according to this source, Jalil and his associates want the Council to concentrate on steps to arrange the surrender of former Dictator Muammar al Qaddafi's son, and heir apparent, Saif al-Islam Qaddafi, and former Chief of Intelligence Abdullah al-Senussi. An extremely sensitive source added that both men are fugitives, despite early reports of their deaths, and that both men have reached out to Jalil through mutual contacts in the governments of Algeria and Syria, offering to surrender to international authorities, who will then transport them to The Hague, where both are wanted for human rights abuses, under warrants issued by the International Criminal Court (ICC). Jalil stated in private that while surrendering the two fugitives to the ICC will cause criticism in some quarters regarding national sovereignty, it will serve as a major step in gaining the trust of the United States and Western Europe. This is particularly true in the case of al-Senussi, whom Jalil stated can provide the true details of the Lockerbie bombing.

4. In the opinion of these knowledgeable sources, Jalil and his allies on the NTC, recognize the need to establish a government which, while based on Islamic/Sharia principles,

can deal with the non-Muslim world, particularly the United States and Western Europe. In this regard, the NTC is concerned that excesses by their militia forces in dealing with Qaddafi supporters may complicate this process. For this reason, according to an extremely sensitive source, Jalil and the other leaders for the NTC are planning to launch an investigation of Muammar al Qaddafi's death while in the custody of the Misrata militia, after the fall of his last stronghold in Sirte. This is being done despite the fact that they are aware of reports that General Abdel Hakim Alamin Belhaj, the NTC commander in the Tripoli region, ordered Qaddafi's execution. By the same token, Digheily has ordered NTC forces to end the practice of summarily killing foreign fighters captured while serving with Qaddafi's forces.

5. Extremely sensitive contacts add that early in the week of October 24 the NTC was concerned that Saif would attempt to lead an ongoing guerrilla war against the new government. However; they now have sensitive reporting that the bulk of the foreign fighters who had been serving with the Qaddafi's are fleeing the country. Many of these individuals are members of the Taureg and Garang tribes from southeastern Algeria and Northern Chad respectively. A current concern of Digheily, and the other military commanders linked to Jalil, is what one source described as the enormous number of weapons circulating throughout the country and the region; material associated with the fighting during the revolution. Most worrisome for these officials are the 15,000 -20,000 SA-7 and SA-24 shoulder fired (manpad) antiaircraft missiles. These weapons were obtained by Qaddafi's forces over the years under agreements with Russia, Belarus, and China, and during the revolution many were either issued to the mercenaries fighting for Qaddafi, or these forces seized them from armories as they began to withdraw from the country.

6. In The opinion of these individuals, Digheily is particularly concerned about the Tauregs, who move freely through the Sahel region and are extremely active in the illicit weapons trade. One particularly sensitive source noted that in February and March 2011 contacts in Mauritania stated that Taureg traders were negotiating the sale of manpads from Libya to supporters of al Qa'ida in the Islamic Maghreb (AQIM). While they do not have additional details, these sources indicate that the NTC officials fear that an attack against an aircraft by AQIM, using a missile associated with the Libyan revolution, will do serious damage to their efforts to establish Libya as a responsible member of the World community. For this reason, Jalil and the NTC will cooperate with the efforts of Western military personnel to locate these weapons, resisting complaints from Belhaj regarding the presence of foreign troops on Libyan soil.

7. (Source Comment: During its initial session the new NTC lead interim government will also begin debate over how to organize national elections in 2012, as well as a consistent national policy for dealing with foreign firms and banks, particularly those associated with the oil sector of the economy. Jalil recognizes that there will always be corruption in Libya regarding this sector, but he is determined to avoid the system that was in play under Muammar al Qaddafi. At the same time, he has to continue to protect the new government from charges by Belhaj, and other more radical members of the leadership, that foreign governments, banks, and oil companies are manipulating the more moderate members of the NTC to gain control of the country and its natural resources.)

1. On the evening of October 24, 2011 Libyan National Transitional Council (NTC) President Mustafa Abdel Jalil told a close advisor that he is concerned over the reaction in the

United States and other Western countries to his October 23 speech to the nation regarding Libya's future. According to an extremely sensitive source, this statement reflects Jalil's concern over the strength of radical Islamist groups inside of the NTC. In the opinion of these individuals, Jalil believes that he and his more moderate supporters must position themselves carefully, establishing their identities as devout Moslems in order to prevent radical Islamist leaders, particularly General Abdel Hakim Alamin Belhaj, from gaining greater popular support in their efforts to dominate the NTC and eventually the Interim Government.

2. This knowledgeable individual adds that Jalil recognizes the fact Belhaj is popular particularly among the militia troops from Misurata, Zintan, and the Nafusah mountains, which did the bulk of the fighting in the final battle against the forces of former dictator Muammar al-Qaddafi in the city of Sirte. These militia forces suffered heavy casualties during the fighting, which led to the death of Qaddafi, one of his sons, and several senior advisors. Accordingly, these troops now want a significant voice in the NTC. (Source Comment: According to a sensitive source, Belhaj is the most popular commander among these troops, who see him as a fighter with real combat experience, and not just a politician who sat through the rebellion at the old NTC headquarters in Benghazi. The source noted that this point of view also represents the ancient animosity between Tripoli and Benghazi; a competition that has begun to reassert itself now that the common foe, Qaddafi, has been removed from the scene.)

3. These sources believe that finding a balance where religious matters are concerned is one of the greatest challenges facing Jalil as he begins to form an Interim Government and prepares for the first national elections in mid – 2012. He must establish a government that reflects the Islamic history and culture of Libya, while fostering economic, and where appropriate, political cooperation with the non-Muslim world, particularly the United States and Western Europe.

4. (Source Comment: Jalil is a member of the Muslim Brotherhood, having maintained contacts with brothers in Egypt even as he served as Minister of Justice in the Qaddafi regime. He considers himself to be a devout Muslim, but politically moderate, and he believes the majority of Libyans hold similar beliefs. Jalil is convinced that most Libyans are conservative on religious issues and either politically moderate, or disinterested in the political machinations of the Middle East. In this regard Jalil stated privately that while Libya will not maintain political or diplomatic relations with Israel, they can work with the United States and the countries of Western Europe. Jalil believes this is possible in part because Libya is not torn by the Shia – Sunni conflict that dominates much of the Muslim world.)

5. While meeting in Qatar with officials representing NATO and the NTC's allies in the region, during the week of October 24, Jalil requested that NATO forces remain involved in Libya until the end of 2011 to guard against a potential counter revolution lead by Qaddafi's son Saif al Islam Qaddafi. Speaking in private with senior Qatari officials, Jalil stated that he will continue diplomatic and commercial efforts to make it clear to the leaders of the United States and Western Europe that, while Libya will recognize a conservative form of Islam, this does not equate to political or military hostility. According to knowledgeable individuals Jalil confided to his associates in Qatar that by recognizing the role of Islam, and Sharia law in the day to day life of Libya, he can counter the efforts by the more radical members of the NTC, particularly Belhaj, to deal with the Western nations as potential threats, intent on the recolonization of Libya.

6. As Jalil works to establish an efficient interim government, sources state that he continues to discuss the departure of Prime Minister Mahmoud Jibril while increasing his

reliance on Interim Economic and Oil Minister Ali Tarhouni and the NTC Executive Committee member for defense and military coordination Jalal Muhammad Mansur al-Digheily. Jalil believes that these moderate NTC members, who are loyal to him, will help dispel fears in Western Governments that Libya will become an isolated, hostile state.

7. At the same time, Jalil and the leadership of the NTC remain highly suspicious of Chinese commercial and diplomatic efforts to establish a relationship with the new NTC government. Al-Digheily and NTC General Khalifa Haftar continue to believe that China attempted to take advantage of both sides in the rebellion, discussing economic ties with the NTC, while providing clandestine aid to the forces of the Qaddafi government. That said the NTC realizes that China will be an important client for their oil industry. Jalil and Tarhouni believe that with the help of the sophisticated leadership of the Libyan National Oil Company (NOC), they can manage this relationship in a manner that benefits Libya.

8. In a private conversation Jalil also explained that when he speaks of Sharia law, and its application in international business and banking, the NTC will set in motion a parallel system similar to that seen in Saudi Arabia, where the Sharia system is established, while a traditional Western style business and banking structure is available when needed, discreetly facilitating growth of Libyan interests in the West. Jalil repeated that the NTC must establish a system of government that recognizes the importance of the conservative Islamic beliefs of the majority of Libyans, while recognizing the need for flexibility when dealing with international business and banking interests. In the opinion of a sensitive source, he believes his advantages in this regard lie in the desire of the Libyan people for peace and prosperity after more than forty years of tension and repression under the Qaddafi regime.

9. (Source Comment: In a separate note, an extremely sensitive source noted that Jalil views al-Digheily as one of his most reliable supporters. This sensitive source believes that Jalil ordered the death of former NTC military commander General Abdul Fatah Younis in July 2011, after the latter was found to have a clandestine relationship with Saif al Islam Qaddafi. Jalil never revealed this information, and in the turmoil that followed Younis' death al-Digheily came under suspicion and was expelled from the NTC Executive Committee. In all of this process he never mentioned Jalil's role in Younis' death, and as a reward for his loyalty was reappointed as the de facto Minister of Defense by Jalil in early October 2011.)