

RELEASE IN PART B6

From: Sullivan, Jacob J <SullivanJJ@state.gov>
Sent: Friday, August 24, 2012 9:19 AM
To: H
Subject: Re: H: Intel on new Libya president. Sid

Yes. Some warning signs.

From: H [mailto:HDR22@clintonemail.com]
Sent: Friday, August 24, 2012 07:43 AM
To: Sullivan, Jacob J
Subject: Fw: H: Intel on new Libya president. Sid

Very interesting.

From: Sidney Blumenthal [redacted]
Sent: Thursday, August 23, 2012 11:33 PM
To: H
Subject: H: Intel on new Libya president. Sid

B6

CONFIDENTIAL

August 23, 2012

For: Hillary
From: Sid
Re: New president of Libya

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 early August, 2012, Libyan National Transitional Council (NTC) President Mustafa Abdel Jalil held discreet meetings with Mohammed Yussef Magariaf, the then leader of the newly elected General National Congress (GNC), who Jalil learned was to be named interim President of Libya when the NTC stepped down. During these sessions the two leaders worked out the transition to a new, elected interim Government for Libya; focusing on the need to restore stability and security by disarming the militia units which fought in the 2011 revolution against former dictator Muammar al Qaddafi. According to a source with excellent access to both parties, Jalil came away from the meeting convinced that Magariaf is intent on becoming Libya's first elected president following the overthrow of Qaddafi. Jalil was pleased to learn that Magariaf strongly supports

the three-party Cairo Declaration negotiated between the NTC and the Governments of Tunisia and Egypt in late July allowing for increased trade and a relaxation of existing travel restrictions.

2. According to this individual, Jalil and Magariaf agree that Tunisia and Egypt hold the key to Libya's future economic success, with Libya providing the funding for new projects, while Egypt and Tunisia provide technical expertise. Magariaf stated privately that this relationship marks a departure from the Qaddafi years when Libya's natural resources fell under the control of foreign firms and governments. Jalil added that Magariaf will welcome investment and cooperation from American and Western European banks and corporations, but believes Libya, supported by the new governments rising out of the Arab Spring, must maintain control over all aspects of the industries involved in exploiting its natural resources. In this regard, with the support of both Jalil and Magariaf, the Libyan Ministry of Finance is increasing the level of Libyan investment in the Cairo stock exchange. In turn, Magariaf and Egyptian President Mohamad Morsi discussed increased Tunisian and Egyptian investment in the Benghazi stock exchange as the economic situation in Libya becomes more orderly.

3. In commenting on the new Interim President, Jalil added that Magariaf's current position is bolstered by the fact that he is not tied to any particular faction. At the same time he has maintained the respect that is attached to his role as the first Libyan leader to direct an armed revolt against Qaddafi. This fighting was carried out by the rebel Libyan National Army in 1981. Magariaf is an academic and diplomat with well established Islamist credentials and good relationships with business and government leaders in the United States and Western Europe. A separate sensitive source noted that one interesting issue to watch is Magariaf's relationship with General Khalifa Belqasim Haftar, the commander of one sections of the new Libyan Army. Haftar has been at odds with many of the militia commanders and is currently leading Libyan forces in the Kufra region, attempting to end local tribal fighting and block the smuggling of arms and supplies to pro-Qaddafi militias by supporters based in South Sudan. In the years between 1981 and 1990 Haftar (then Colonel Haftar) commanded the rebel Libyan National Army, under Magariaf's National Front for the Salvation of Libya (NFSL). One source notes that Magariaf's opposition to Qaddafi was based on the dictator's betrayal of Islamic principles, a position that, at that time, was supported by the Western Allies.

4. According to this individual, Jalil also spoke with former Prime Minister Mahmoud Jibril, who indicated that he and Magariaf agree on many issues, including the belief that they can build an Islamic state in Libya that can function in the world economy and the international diplomatic community. He did note that he believes Magariaf's view of the role of Islam in the day to day function of the government is more conservative than his, but these are differences that can be sorted out in the GNC. In the opinion of this individual Jibril is well aware of the fact that, while his National Force Alliance (NFA) controls a solid bloc of thirty nine (39) seats in the GNC and Magariaf's National Front Party (NFP) holds no seats in its own right, the interim President has established good working relationships with at least 100 of the 120 independent members of the GNC. Magariaf received 113 votes in his election as Interim President. Again these independent deputies respect Magariaf's role in fighting the Qaddafi regime.

5. (Source Comment: This particularly sensitive individual stated in strict confidence that Magariaf sees his role as establishing an efficient interim government, while overseeing the drafting of a new constitution and election law. This individual believes that Magariaf is very interested in winning the presidency under this new law. Besides meeting with Jalil and Jibril, Magariaf is talking to liberal politicians including former Oil and Finance Minister Ali Tarhouni, and the leaders of the Muslim Brotherhood's (MB) Justice and Construction Party (JCP), including Mohamad Sowan.)

6. This individual adds that Jalil believes Magariaf will face a very difficult period as he addresses the many issues left unresolved by the NTC and the interim regime of Prime Minister Abdel Rahman el-Keib. Jalil has been highly frustrated by el-Keib's inability to disarm the many militia units left over from the 2011 revolution against Qaddafi. At the same time he has advised Magariaf to move quickly in replacing el-Keib's cabinet while deciding which ministers to retain. The new interim government is facing a problem of lawlessness and attacks against foreigners, including representatives of the Egyptian Government; this at a time

when the new Muslim Brotherhood government of Egypt is reaching out to increase business and diplomatic contacts between the two countries. According to a sensitive source, Libyan military intelligence officers believe these attacks are the work of Qaddafi loyalists, while former NTC officials fear that they may be carried out by dissident Islamist groups, frustrated with the results of the national elections, which many of them boycotted.

7. (Source Comment: An extremely sensitive source stated in confidence that Libyan Military Intelligence officers reported to Jalil and later Magariaf that a series of bombings in Tripoli and Benghazi appear to be the work of Qaddafi loyalists looking to create tension between the Libyan and Egyptian Governments. These attacks included the car of an Egyptian diplomat, which was blown up near his home in Benghazi, a day after several deadly bomb attacks in the capital Tripoli. At the same time, a homemade bomb exploded under the vehicle of the Egyptian consulate's first secretary Abdelhamid Rifai in one of the Tripoli's most affluent neighborhoods. No one was hurt during this attack. Earlier in August, three car bombs exploded near the Ministry of Interior in Tripoli, killing two people and wounding three others. This sensitive source added that security officers arrested 32 members of what they describe as an organized network of Gaddafi loyalists linked to the attacks. During this period, the Red Cross suspended its activities in Benghazi and Misrata after one of its compounds in Misrata was attacked with grenades and rockets. In late July seven Iranian relief workers associated with the Libyan Red Crescent were kidnapped by tribal troops still loyal to the Qaddafi family. Security officials have no word on the whereabouts of these relief workers.)

8. According to this source, while the Cairo Declaration received a positive reception among Libyan political and business leaders, it also created a drastic increase in the number of Libyans applying for Egyptian visas under the new, simplified process. This workload has created a backlog of applications, and in mid-August, a group of Libyan nationals frustrated with the Egyptian visa process attacked the interior of the Egyptian consulate in Tripoli. These Libyan applicants were angry about the time it was taking to receive visas to enter Egypt and were demanding that the staff work past their stated hours of operation. A sensitive source noted that a number of Libyans destroyed the furniture in the main waiting room and attacked the consulate. The Magariaf Government has assured the Egyptian ambassador that additional security personnel will be assigned to guard the Embassy, at least until the visa backlog is reduced.