

RELEASE IN
PART B6

From: Sullivan, Jacob J <SullivanJJ@state.gov>
Sent: Tuesday, April 3, 2012 6:49 PM
To: H
Subject: FW: Latest from HRC's contact

FYI

-----Original Message-----

From: Stevens, John C
Sent: Tuesday, April 03, 2012 6:33 PM
To: Sullivan, Jacob J
Cc: Feltman, Jeffrey D; Cretz, Gene A
Subject: RE: Latest from HRC's contact

Very interesting report. By chance, I met with our insightful [redacted] in Benghazi yesterday and we discussed the LMB's electoral prospects. He didn't think they would have a large following b/c they don't have a strong organization and because most Libyans view the LMB as a branch of the Egyptian MB, and Libyans don't want to be ruled by Egypt. He did not mention the interesting point below about the LMB as a counterbalance to the eastern-based Federalists. He did emphasize, though, that the Federalist movement has widespread support in the east and will continue to up the ante with Tripoli, including possibly making a move on the oil production in that part of the country (AGOCO, a large state-owned oil company, is based in Benghazi). -- Chris

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This email is UNCLASSIFIED

-----Original Message-----

From: Sullivan, Jacob J
Sent: Tuesday, April 03, 2012 12:44 PM
To: Feltman, Jeffrey D; Cretz, Gene A; Stevens, John C
Subject: Latest from HRC's contact

Below is the latest report from HRC's contact; would be interested in your reactions.

SOURCE:

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

1.

During the last week of March 2012, the leaders of the National Transitional Council (NTC) regime in Libya discussed the rising popularity and independence of the Libyan Muslim Brotherhood (LMB) in preparation for the national parliamentary elections scheduled for July 2012.

According to a source with direct access to these discussions, President Mustafa Abdel Jalil stated in very direct terms that he sees the emergence of the LMB as a major factor in the upcoming elections, which are already complicated by the Federalist movement for the semi-autonomous status of the historic Eastern Libyan region of Cyrenaica (Barqa in Arabic).

Minister of Defense Ousama al Juwali and Prime Minister Abdurrahim el Keib both believe that the rise of the LMB, which was a relatively minor member of the NTC until November 2011, is, in fact, related to the Federalist movement in Eastern Libya.

According to al Juwali, a native of the Western Libyan region of Zintan, the LMB is drawing strength from people who fear that the Federalist movement in Barqa will result in that region dominating the country, gaining control of an inordinate share of the country's oil and mineral reserves.

For his part, Jalil stated that he agrees with Oil Minister Abdulrahman Ben Yezza that if matters are not resolved by the July elections, the unsettled nature of the political process in Libya will damage the country's image as a business partner and confuse foreign banks and oil firms attempting to open new contacts with the new Libyan Government, or reactivate existing agreements.

2.

According to a sensitive source, while discussing this matter with Dr Abd al-Nasser Shamata, the head of the Crisis Management Unit in the NTC, Prime Minister el Keib stated that the most problematic aspect of the rise of the LMB is the leadership role taken by Islamist militia leader General Abdel Hakim Alamin Belhaj.

In the opinion of this source, the NTC leadership sees Belhaj as one of the greatest threats to the long term success of their regime.

Al Juwali also notes that Belhaj is the head of the founding committee for the LMB's Justice and Construction Party (JCP). As the Federalist movement took hold in early March 2012, al Juwali, under instruction from el Keib and Jalil, met with Belhaj and other Western militia leaders to arrange for their support in the event military force is needed to hold the country together.

Belhaj represented the most effective of the Western militias.

3.

According to the Minister of Defense, this situation with the Federalist movement enhanced Belhaj's prestige at the time he was working to secure a leadership role in the LMB and the JCP.

El Keib and Jalil are concerned that, despite the fact that the LMB has a limited base after years of suppression by the regime of former dictator Muammar al Qaddafi, they will appeal to those Libyans who believe that the NTC regime is under the influence of the United States and Western Europe.

The activities of Belhaj in both the LMB and the JCP reinforce this view.

Jalil finds this situation frustrating, particularly in the light of his regular assurances that Libya would operate under Islamic law, and while maintaining appropriate ties to the West, will remain hostile to Israel.

4. (Source Comment:

In a private conversation, Jalil stated that he is working to balance the internal political realities of Libya against the concerns of the international business community.

The President is concerned that the appointment of BenYezza as Oil Minister in October 2011 provided the JCP with a tangible concern to use against NTC candidates during the July elections.

After his long experience as a senior official of the Multinational Italian Oil Firm ENI, Ben Yezza is viewed by Belhaj and many members of the LMB as a symbol of the issue they will pursue in the national election, the idea that NTC, like the Qaddafi, regime is corrupt and involved in allowing foreign interests to control the nation's mineral wealth.

That said, Jalil continues to agree with el Keib that Ben Yezza is an excellent administrator, and in the long run will play an important role in effectively managing the nation's mineral wealth.)

5.

According to an extremely sensitive source, Jalil and his advisors have been in contact with Supreme Guide Mohamed Badie, the leader of the much larger and more powerful Egyptian Muslim Brotherhood (EMB).

This contact is largely based on the President's need to address reports he has received that the LMB is reaching out to Badie and his advisors for support.

This effort is particularly important given the belief among NTC leaders that the EMB and its Freedom and Justice Party (FJP) will control the Government of Egypt as that country moves to civilian rule later in 2012. In the opinion of this source, Badie is sympathetic to Jalil's position, especially since the Libyan President and el Keib were members of the EMB during their student days in Egypt.

The Supreme Guide will, according to Jalil, work to influence the LMB to establish a cooperative effort with the NTC.

Badie will point out the fact that his ability to cooperate with both the Supreme Council for the Armed Force (SCAF), as well as the Salafist al Nour party, helped establish the EMB as the dominant political force in Egypt, while avoiding high levels of violence.

6.

(Source Comment: An extremely sensitive source within the EMB agreed that Badie and Jalil have spoken in an effort to develop a plan to deal with the LMB.

According to this source, Jalil told Badie that the LMB and the JCP are far more intolerant of foreign business and banking interests than the NTC, and a strong showing in the July elections will strengthen Belhaj and other conservative Islamists, adversely affecting the Libyan economy, which in turn will cause problems for Egypt as it recovers from its own revolution in 2011.

Jalil emphasized that at this point the NTC has managed to avoid violent outbursts between competing groups, even in the face of the Federalist movement in the East, in a region that borders Egypt.

He warned that an LMB/JCP victory might change this and lead to increased violence between rival militias that could wash over into Egypt.)

7.

According to a sensitive source, the LMB has a complex history and Jalil and el Keib believe this past may hold some points which can be used against the Brotherhood and the JCP in the July elections.

The TNTC leaders know that after Qaddafi came to power in 1969, the LMB was repressed and many of its leaders were executed publicly. Eventually the Brotherhood, having reestablished itself in the United States and Europe, entered into a dialogue with the Qaddafi regime 1999, and in 2005 began a series of negotiations with Saif al-Islam Qaddafi, whose goal was to co-opt and neutralize opposition groups, particularly Islamist ones.

8.

According to this individual, Belhaj and the other Islamist leaders mistrusted the LMB during the first months of the 2011 revolution.

However, Belhaj eventually established a working relationship with Fawzi Abu Kitef, the head of the Revolutionary Brigades Coalition in Eastern Libya and the former deputy defense minister in the NTC. Abu Kitef was a leading figure in the LMB who spent more than 18 years in prison, including the notorious facility at Abu Selim. Under Abu Kitef and leaders like Dr. Abdullah Shamia, who was in charge of the economic committee of the NTC, the Brotherhood established itself as a unique group within the Jalil/el Keib regime; serving there until they began to plan for independent political activity in late 2011 and early 2012.

9.

In early 2012, as the relationship between the NTC and Belhaj and the other Islamists deteriorated in the face of regional and ethnic power struggles, the LMB leadership, in coordination with Belhaj began to look at an independent political effort in the parliamentary elections. During its first public conference in Benghazi during November 2011, the LMB elected a new leader, increased its consultative council membership from 11 to 30 leaders, and decided to form a political party; the JCP.

Mohammed Swan, the former head of the Libyan LMB's Consultative Council, won a tight victory over longtime LMB leader Soliman Abd al-Qadr, to become the first leader of the JCP. Bashir al-Kubty was elected General Observer of the LMB.

10. (Source comment: According to an individual with excellent access, the LMB leaders are sensitive to charges that the JCP is a party with a narrow religious agenda, and they encouraged Walid al-Sakran, non-member of the LMB, to compete as a candidate for JCP leadership.

That said Belhaj and other Islamist leaders believe that the LMB is set to follow the electoral path of Islamist success seen in Egypt, Tunisia, and other Arab countries.

Belhaj now believes that the country will move forward under sharia law, administered by the Islamist bloc, including the LMB/JCP