As the Bush administration seeks to define its policy on the Middle East, Libya has emerged in the high drama of the U.S. war against terrorism. A Scottish appeals court yesterday upheld the conviction of former Libyan intelligence agent Abdel Baset al-Megrahi for the 1988 bombing of Pan Am Flight 103. The appeals court ruled unanimously that none of the grounds of appeal are well founded. The latest verdict not only ended the Lockerbie legal saga but potentially ushered in a new phase in U.S.-Libyan relations.

War on Terrorism

Since assuming power in 1969, Muammar Qadhafi has supported a wide array of terrorist organizations, secessionist movements, and insurrections that share his disdain for the international order and its primary guardian, the United States. As such, the Lockerbie explosion was the culmination of Libya's prolonged engagement in international terrorism. But a decade of multilateral sanctions and international ostracism seemed to make an impression on the militant revolutionary, and he gradually began to abandon terrorism as an instrument of foreign policy. Qadhafi expelled the notorious Abu Nidal group from Libyan territory in 1999, severed ties with radical Palestinian groups, and closed the once notorious terrorist training camps.

Unlike many of his counterparts, the Libyan strongman viewed September 11 as an opportunity to refurbish his image and possibly even reconstitute Libya's relations with the United States. Shortly after the attacks, the colonel emphasized, "Everyone should put human considerations above political differences and stances and offer aid to the victims of this gruesome act." Tripoli then cooperated with U.S. requests for information on al-Qaeda-related groups by furnishing intelligence on the Libyan Islamic Fighting Group, a militant organization known to have been linked with Osama bin Laden's terror infrastructure. Of course, there is an element of self-interest in Qadhafi's conduct, as his regime has long been a target of militant Islamic wrath. Cooperation with Washington on this issue therefore serves Qadhafi's self-rehabilitation and self-preservation instincts.

Libya, however, cannot escape its problematic legacy without fully coming to terms with the Lockerbie victims. UN Security Council Resolution 731 mandates that Libya renounce terrorism, pay compensation to the victims, acknowledge responsibility for the Lockerbie explosion as well as for the bombing of a French UTA airliner over Central Africa, and disclose all it knows about these matters. Thus far, Libya's reception of the latest Lockerbie verdict has been both insensitive and incendiary. For example, Hassouna Chaouch, Libya's foreign ministry spokesman, dismissed the verdict as "a serious affront and a clear condemnation of the Scottish judiciary." In an even more curious statement, Chaouch declared that "Libya reiterates to the whole world that Abdel Basset al-Megrahi is the Jesus Christ of the modern time."

Despite its inflammatory denunciation of the verdict, however, Libya is involved in intense negotiations with the families of the Lockerbie victims over the issue of compensation. In a series of meetings in Paris, representatives of the families made considerable progress on details of a settlement in discussions with a Libyan delegation led by Qadhafi's son, Seif al-Islam. At this juncture, the figures of the two sides remain far apart (the Libyans are offering $3.5 billion while the families are pressing for $6 billion). "We have our limits. They are trying to squeeze Libya to the end and take all our money out of our pockets," complained the younger Qadhafi. However, the Libyans have accepted the principle of compensation, and even Seif has acknowledged, "Libya has no alternative but to pay the compensation. Libya must deal with the situation that the United States is a dominant power." In the aftermath of the verdict, it is likely that negotiations between the parties will resume and may yet yield a breakthrough that satisfies the demands of the families.

Still, meeting the compensation requirement is not as difficult as meeting the requirement that Libya accept responsibility for the Lockerbie bombing. The Libyan regime's public rhetoric on Lockerbie has consistently ranged from bizarre to defiant. Indeed, the French UTA case, in which six Libyan intelligence agents were convicted, offers a disturbing precedent. The Libyan regime ultimately did offer compensation but refused a formal apology and acknowledgment of responsibility; for its part, France accepted the compensation as constituting the required acknowledgment. But the UTA formula will not suffice in this case, and the Bush administration is unequivocal in its demand for acceptance of culpability as called for in Resolution 731. For the UN sanctions to be permanently lifted, Libya has to come to terms with the totality of UN demands.

U.S.-Libya Relations beyond Terrorism
Beyond the issue of terrorism, successive U.S. administrations have been concerned about Libya's pursuit of weapons of mass destruction (WMD). Since the suspension of UN sanctions in 1999, Libya has embarked on an impressive modernization of its armed forces, including the acquisition of weapons from North Korea and Russia. The most recent CIA report on nonproliferation stated that Tripoli has not given up its goal of establishing an offensive chemical weapons program. Moreover, Libya is believed to possess Scud B and Scud C missiles and is reportedly seeking components and systems for the construction of missiles with a range of 500 to 800 miles. Although Libya's poor technological infrastructure precludes it from the list of countries that constitute a threat to the nuclear nonproliferation regime, Tripoli's focus on advanced missiles and chemical weapons could destabilize North Africa.

In the past several months, a degree of progress has been made on this front. Subsequent to consultation with Nelson Mandela and Saudi diplomat Prince Bandar Bin Sultan last October, Qadhafi intimated his desire to sign the Chemical Weapons Convention. The Brazilian diplomat in charge of implementation, Jose Bustani, confirmed, "I can assure that this matter is settled by al-Qadhafi and is just a matter of time." Should the Libyans accept the treaty and its rigorous inspection mandates, it could be an important step for further progress on U.S.-Libyan relations, involving a reevaluation of unilateral U.S. sanctions.

In his landmark State of the Union address this year, President Bush elevated the issue of proliferation as one of the most significant threats confronting the United States. Although Libya's conduct did not merit its inclusion in the president's "axis of evil" category, the regime's proliferation proclivities are a potential source of instability in North Africa. Along with Iraq, Libya is a state that has employed chemical weapons, as it did during its prolonged war with Chad. At a time when Libya is seeking to reintegrate into the international community, Washington has a unique opportunity to temper Tripoli's disturbing tendency toward WMD.

Conclusion

The final Lockerbie verdict has concluded a dark chapter in the annals of international terrorism, and in coming weeks, the diplomats and lawyers will seek to work out the details of compensation and the wording of a Libyan acknowledgment. In the meantime, the lessons of Lockerbie are instructive: U.S. and European cooperation managed not only to compel Qadhafi to turn over the suspects, but also to abandon terrorism as a means of advancing his interests. The same coordinated determination that compelled Libyan concessions on Lockerbie should now be applied to the regime's WMD policies. Indeed, the time may be ripe for a "grand bargain" between the United States and the European Union in order to reach a common position about Libyan proliferation. The presumed terms of that bargain would include European states tightening their export controls and technology transfer policies, while the United States revisits its sanctions policy. Such an approach could meet both the security requirements of the United States and the commercial needs of the European states.

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