

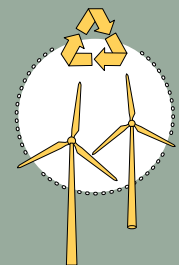
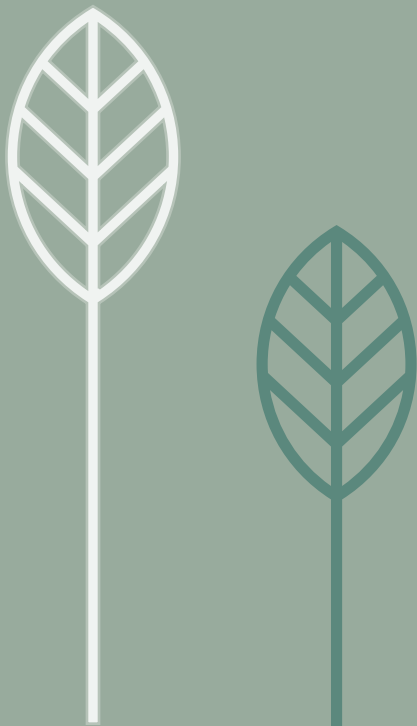


Shared Prosperity Dignified Life



The role of the State in

# sustainable economic development and the strategic positioning of Libya in the global economy



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## NOTE

This study, “The role of the State in sustainable economic development and the strategic positioning of Libya in the global economy”, was conducted by the United Nations Economic and Social Commission for Western Asia (ESCWA). It was developed within the framework of the Libya Socioeconomic Dialogue Project, and funded by the German Federal Ministry for Economic Cooperation and Development (BMZ). The project was carried out in partnership with ESCWA and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). The aim of the project is to provide a platform for Libyans, at both the national and sub-national levels, to discuss and develop a socioeconomic vision for Libya,<sup>1</sup> as well as to discuss the relevant policy options needed to support and strengthen such a vision. The platform also addresses the structural challenges inherent in developing a new social contract, institutionalising the State, and strengthening the sustainable development framework in Libya.

This document is one of a set of eight studies<sup>2</sup> on policy options relating to the socioeconomic vision mentioned above, conducted by ESCWA in collaboration with a group of Libyan experts. These studies are meant to contribute to realising this vision, addressing its challenges, and facilitating the process of drafting policies and developing strategies that take into account its socioeconomic and institutional dimensions.

<sup>1</sup> A rights-based socioeconomic vision and roadmap for foundational growth in Libya.

<sup>2</sup> Titles of these studies:

1. Towards an inclusive national identity in light of a just citizenship State.
2. Social protection system.
3. Human capital, youth and women empowerment, and the integration of militant forces.
4. **The role of the State in sustainable economic development and the strategic positioning of Libya in the global economy.**
5. Strengthening the State authority and the rule of law through a fair and independent justice system, and human security based on human rights and the principles of comprehensive justice.
6. Restoring trust and reconciliations to establish a national charter.
7. Building a State of institutions, regional integration and international cooperation.
8. Mechanisms for economic reform and recovery.



# Executive summary

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The State has long dominated economic activity in Libya through its ownership of oil resources and public spending on various forms of economic activity. As a result, the public sector has played a major role in the process of economic development, while the private sector has only had a weak role. Yet the State's development plans failed to achieve their goals, and the rentier economy and rentier State remained the prevalent models of economic activity. And despite the measures taken and legislation passed by the State, the private sector continues to play a marginal role in the country's economic activity, under the hegemony of the rentier State model, and the misdirected management of the economy.

Many challenges have impeded the development phase in Libya, including: political instability and armed conflict; the institutionalisation of criminal activity, especially after 2011; the high rate of employment in the public sector; the stabilisation of unemployment rates at high levels for successive years; the weak outcomes of the education sector, and its failure to match the requirements of the job market; the rampant corruption, clientelism and favouritism in every aspect of public administration; and the weak role played by the private sector. Those

challenges and others have had a negative impact on the process of economic development.

It is very important to focus on giving the private sector a greater role, and to strengthen effective partnership between the public and private sectors. Indeed, both are essential for achieving the desired economic growth, and for improving the competitiveness of promising economic sectors, which would enable Libya to position itself competitively in the global economy. Achieving this would require working to redesign the country's economic and development model, by turning towards the methods of spatial development and local management and participation, and increasing the contribution of non-oil sectors to the country's Gross Domestic Product (GDP). Economic activity should be diversified, and the State's economic role should be turned from one of providing services to one of organising and overseeing economic activity. The scope of partnership between the public and private sectors should also be broadened, and the private sector should be strengthened, to enable it to play a more central role in the country's economic activity and development, within the framework of a productive, diversified and competitive economy.

## Introduction and historical background

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### Development and positioning under the Monarchy

The Monarchy is considered a foundational period for the Libyan State, as economic systems varied in previous eras with the different foreign powers that controlled the country. During this period, the Libyan economy was a mixed one, in which the Government greatly encouraged the public sector, helped broaden commercial exchanges, and provided funding for economic projects with comfortable payback periods and sovereign and bank guarantees. Back then, the State sought to develop the country's infrastructure, and funds amounting to 30 million Libyan Pounds were donated by the United Nations, to be used for prospecting for groundwater sources, planting trees, setting up windbreaks, and protecting agricultural lands against flooding. Then in 1956, a new Government body, dubbed the Construction Council, was created and tasked with overseeing development projects.

The State focused on development plans in multiple areas, and yet most of these plans (such as the

1952/1953-1958/1975 plan or the 1956-1961 economic plan) were not implemented, even after the military agreement was ratified with the United States, and the Libyan-American Reconstruction Commission (LARC) was established. Instead, 44 million Libyan Pounds were spent on only a handful of projects, including repairing the Tripoli seaport, the Fezzan Road, and the Benghazi and Tripoli airports, and improving the water network in Tripoli and Benghazi. Meanwhile, the 1960/61-1964/65 economic plan, which was developed by the International Bank for Reconstruction and Development (IBRD), was not implemented due to the start of the oil drilling process.

After oil was discovered in 1961, and began to be exported in commercial quantities in 1963, the features of the Libyan economy began to take shape. As the country's main source of income, oil assumed a prominent position within its economy, and led to economic and social changes in development and growth. The Libyan economy thus became a rentier economy. And while the State had previously been funding its expenditures at a deficit, it now achieved a surplus in budgets, and the

financial resources needed for development and economic activity became available. With the hegemony of the oil sector, the country's economic structure had changed, and the period between 1963 and 1968 witnessed the first economic plan the State was ever able to implement, with an allocation of 169 million Pounds, later raised to 336 million.

## Development and positioning under the First (1969-1999) and Second (2000-2010) Jamahiriya

The first few Governments under the First Jamahiriya tried to bridge the gap between the impoverished and wealthy classes in Libya, by launching economic and development projects, unconnected to oil and led by the private sector. Yet such plans were confronted with political changes that affected the country's economic approach. The State turned towards a socialist system, as clearly expressed in the country's new name, and as reflected in the identity of its economic system. When it came to development, a comprehensive planning method was adopted, relying on public investment spending, as the role played by the private sector waned. As a result of this socialist direction, and of relying on the public sector to implement the programmes and achieve the goals of socio-economic development, the contribution of the private sector to capital formation dropped to as low as a mere 14 per cent, while the public sector's contribution rose to 86 per cent.

The State had taken control of the country's economic activity with the aim of contributing positively to development. Thus, State-owned companies would enjoy competitive benefits, such as having priority in obtaining Government contracts and importing goods and services, and being exempted from taxes, duties and fees, in addition to receiving support from the Government whenever they needed to cover their expenses or nationalise private industrial projects and property. Yet those State-owned companies never expanded to provide services outside the country, which greatly reduced their international presence.

In terms of development, three plans were implemented under the First Jamahiriya, namely the 1973-1975 three-year plan, the 1976-1980 five-year plan, and the 1981-1986 five-year plan. Those plans sought to achieve a number of goals, most prominently those of putting an end to the oil sector's hegemony over the economy, diversifying production and exports, and achieving social justice and spatial development. The second five-year plan faced difficulties in securing sufficient funding, due to the sharp decline in the volume of oil exports and in oil prices.

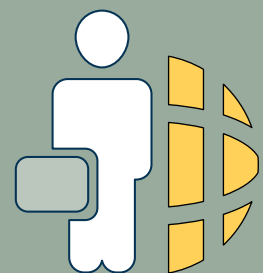
Under the Second Jamahiriya, the State tried to change this situation of stalled development by privatising the public sector, encouraging private initiative, and allowing the private sector entry into economic sectors that had previously been monopolised by the public sector. Numerous measures were taken and much legislation was passed to allow the private sector to play a greater role in the country's economic activity. Yet such steps proved insufficient, and lacked a clear and comprehensive vision of development goals. The State committed to allocating yearly budgets to development plans, focused on getting rid of the comprehensive planning approach, and sought to reduce the dominance of the public sector on economic activity.

The contribution of the private sector to capital formation **14 per cent**  
The contribution of the public sector to capital formation **86 per cent**

The 1973-1975 three-year plan

The 1976-1980 five-year plan

The 1981-1986 five-year plan



It also worked on allowing individuals to engage in trade and investment, in addition to providing the opportunity to transfer ownership of certain public institutions to individuals, and allowing foreign investors to invest in Libya. The aim of all this was to develop an effective strategy to diversify sources of income and reduce the country's reliance on the oil sector. A comprehensive vision was put forward that led to the creation of a socio-economic transformation plan dubbed the "Libya of Tomorrow" programme – at a cost of about 200 billion Libyan dinars. In addition, this period witnessed the development and enactment of legislation needed to broaden the participation of the national and foreign private sector. Such legislation included Law no.1 of 2005 on banks, Law no.9 of 2010 on investment promotion, and Law no.14 of 2010 on establishing development zones.

### Development and positioning after February 2011

After 2011, the country witnessed the decline of the role played by the State in organising economic activity, under difficult circumstances. Indeed, institutional division affected economic and financial performance, and State institutions disappeared completely from economic life. The country's economic activity thus fell hostage to institutional division, political conflict and war, which all revolved around the control of economic institutions and oil facilities. On the one hand, the State continued to rely on cash distributions, commodity subsidies, fuel subsidies, and free education and healthcare services. On the other, it allowed the private sector to gain ownership of public institutions, and expand investment and trade.

There are numerous reasons for the limited amount of change that has occurred post-2011, most prominently the fear of making risky investments on the part of investors and financiers, due to political and security instability, fighting, war and kidnapping. Moreover, fearing social disaffection, the State never stopped providing social support, and continued to rely on increasing consumer spending, at the expense of development. Likewise, State-owned companies continued to receive financial support to cover their employees' salaries, investment returns continued to be distributed, and pensions continued to be paid out to Libyan families as "family allowance" (as per Law no.10 of 2012).

### Challenges that have impeded development and positioning

Many challenges have impeded the development phase in Libya, especially post-2011, and have had a negative impact on the central role and global positioning Libya should have had. Such challenges include:

- **Political instability, armed conflict and the institutionalisation of criminal activity:** Political instability and armed conflict remain a challenge to building up and diversifying the economy, and encouraging foreign investment, as well as to reconstruction and global positioning. It should be noted here that, as a country, Libya covers a large geographical area but does not have the population to match. That is why providing protection and insurance would require vast sums of money, which would in turn have a negative impact on investment and development. Meanwhile, armed militant groups have been able to establish an institutionalised working arrangement between State institution employees, members of the militant group itself, and some businessmen. Smugglers have also become associated with those armed groups, who provide them with protection and assistance. Such networks represent a major challenge for economic growth and reconstruction, and frighten foreign investors against investing in Libya and participating in its development.
- **Unemployment and public sector employment:** The high number of public sector employees, rising unemployment, and the inability of the State to provide new job opportunities for fresh graduates, are all factors that have impeded development plans. This is particularly true in view of the high cost of spending on salaries and wages, and the tendency of the unemployed to get involved in unlawful activity with armed militant groups. This situation has been an obstacle to the implementation of any future development plans.
- **Outcomes of the education system and of training centres:** The outcomes of the education system and of training centres rank among the most significant challenges facing comprehensive development and the desired economic change. Indeed, current outcomes do not match the needs of the job market, especially when it comes to the kinds of workers needed in the private sector. This has been forcing employers to rely on foreign labour and avoid hiring Libyan workers.
- **Corruption, clientelism and favouritism:** Corruption has grown rampant in recent times, and the spread of favouritism, regionalism and tribalism has been noticeable. This has been especially true when it comes to job opportunities in the public sector, scholarships and employment in embassies and consulates abroad, representation in State institutions, and priority treatment in banking services (such as when it comes to obtaining documentary credits, which facilitate benefiting from the considerable difference between the official exchange rate for hard currency and the latter's cost on the parallel market). This has all had a negative impact on numerous attempts at development.
- **Suitable business environment for the private sector, and competition with State-owned and foreign companies:** The private sector in Libya faces a number of challenges that impede its activity and development. Indeed, the lack of security, rampant corruption, overly

• **Political instability, armed conflict and the institutionalisation of criminal activity:** Political instability and armed conflict remain a challenge

bureaucratic procedures, and scarcity of funding have all had a negative impact on the stability of the private sector. In addition, some practices undermine any efforts to effectively revitalise it. These include the preference given to State-owned companies when it comes to benefiting from Government contracts, fierce competition from the unregulated sector, and unbalanced competition with experienced and well-funded foreign companies.

- **Instability in public policies:** The instability of the Libyan State's public policies, at the economic, social or political level, has always represented a challenge for the public sector and foreign investors. Among investors and in the legitimate private sector, the persistence of this state of affairs raises fears of unexpected changes, and leads to a reluctance to invest and participate in the country's economic activity. And when it comes to Government institutions, their constant restructuring, renaming and change of affiliation is exhausting for those who deal with them, and only increases their spending.
- **Financial challenges:** Financial problems represent a constant challenge for the economy. Public spending, a large proportion of which is dedicated to salaries, wages and subsidies (with only a small percentage of development spending), represents a challenge for the State's ability to take any action towards progress and development in the Libyan economy. In addition to this, there is the activity of the parallel market, the tremendous difference between rates on the latter and official exchange rates, the weak performance of the banking sector, the scarcity of funding for the private sector, the reluctance of banks to fund investment projects, their refusal to fund micro-enterprises, and the absence of any role played by the security fund for loans to small and micro-enterprises.
- **Weakness of industry and agriculture, and reliance on foreign imports:** Most of the products consumed and equipment used in Libya are imported from abroad. Meanwhile, the agricultural sector (if it is even developed) is not expected to significantly contribute to exports, in view of the limited amount of arable land and the scarcity of water. Similarly, the industrial sector suffers from the lack of experience of Libyan workers, the unavailability of raw materials at competitive prices on the local market, and the considerable reliance of traders on foreign imports.
- **Legislation:** Most of the legislation that governs trade and commercial activity in Libya was passed before 2011. Some of it dates back to the 1970s and is still in force and in effect to this day. This legislation needs to be reviewed and updated to match the requirements of the current phase, as well as relevant international standards and regulations, particularly with regard to investment, private sector regulation and privatisation. Specifically, current legislation needs to be developed and updated to include new investment models, such as those relating to construction, operation and transport, those relating to partnership between the public and private sectors, and others.



# I. Methodology

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Over the course of an entire year, the ESCWA team conducted preliminary studies to identify and analyse the challenges facing Libya, relying on official statements issued by Government officials. The research team then recommended mechanisms for reform, connected to the role of the State in initiating the process of economic recovery and furthering sustainable development, which were presented to 88 Libyan experts, so that they may assess them, suggest additions and provide appropriate clarifications, making use of the best past experiences at the global level. Priority issues were then identified, particularly when it comes to sustainable economic growth and the strategic positioning of Libya in the global

economy. These recommendations were then discussed in a wide-ranging societal dialogue, which included various different social groups, including public and private sector employees, people with disabilities, and representatives from every region of Libya. This dialogue went on for eight sessions, with discussions involving 262 Libyan participants, and over 857 written submissions received. All of these efforts led to a set of important recommendations and priorities for the preparation of a unified national vision for the future. All of the data previously obtained were then gathered, reformulated and presented in a validation session, with the participation of 81 Libyan citizens of diverse backgrounds.

# II. Recommended options and policies

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## Development plans and the desired economic positioning

The future economic model for development would aim to diversify sources of income, achieve balanced economic development, and position the Libyan economy competitively on the global stage. This can be achieved by strengthening the competitive capability of the Libyan economy, exploiting its comparative advantages and strengths, and taking advantage of economic opportunities in sectors and activities unrelated to oil. Such a model would focus on spatial development, local participation, and expanding the role played by the private sector. Positioning the Libyan economy competitively at the global level would require redirecting economic resources in a positive way, in addition to developing the country's competitive capability in such a way as to strengthen its comparative advantages. The main pillars of the Libyan economy's competitive capability can be summed up as follows:

- **Geographical area, location and climate:** The country's exceptional geographical location on the Mediterranean Sea (with a coastline of nearly 2000 km and a large geographical area) would allow local and foreign investors to establish various kinds of development projects. It would be particularly suitable for projects that require large surface areas and moderate temperatures, such as renewable energy projects and large factories, as well as projects connected to fishing and fishery resources, and touristic projects. Indeed, the moderate climate of the coastal area would provide a competitive advantage for both workers and equipment, and reduce the

need for cooling and heating, which is considered a competitive factor when compared with other markets. The country's vast geographical area could also help encourage companies to relocate industries and technical knowledge, providing an opportunity to attract certain industrial sectors, especially from Mediterranean European countries.

- **Archaeological sites and ancient cities:** Libya is home to archaeological sites of great historical significance, and diverse natural environments (desert, mountains and coast), as well as a number of ancient cities, all of which could represent the foundations of a successful tourism sector. Libyan archaeological sites are the fabled locations of religious and historical legends. Examples include the cave of Mark the Evangelist, the holy water of the Jebel Akhdar mountains, the arch of Marcus Aurelius in Tripoli, and the Acacus Mountains in the South. There are also other areas likely to attract tourism, such as the Gaberoun oases in the South, the Derna waterfalls in the Jebel Akhdar mountains, the Ras al-Hilal and Bardia regions, and others. All of those sites could play an important part in building the country's tourism economy.
- **Youth:** Libya is considered to have a young society, where the youth make up the majority of the population. Indeed, young people (those below 30 years of age) have been estimated to account for 50 per cent of all Libyans who are able to work, and 43 per cent of the country's labour force. As such, they represent a wealth of human resources, and one of the main pillars of human development in general. As a group, the youth are more open to change, progress and keeping pace with technological advances, which increases the country's competitive capabilities at the socio-economic level.



- **Oil and gas:** With Libya having plentiful reserves of oil and gas, the significant rise in the latter's prices provides the Libyan economy with a competitive opportunity, and one that would provide additional income, beyond past estimates. Such income could be used for development and modernisation, or to diversify the economy. This in itself is considered an essential competitive advantage, as it could provide sufficient income to fund the development process. Likewise, when encouraging foreign investors to invest locally, oil reserve output could be used as a sovereign guarantee to boost investments. Studies have estimated that undiscovered deposits of oil resources in Libya could amount to as much as 20 per cent of those discovered. This calls for developing plans to take advantage of such income to diversify and develop the country's economy.
- **Sovereign wealth funds:** The Libyan State's ownership of sovereign wealth funds, such as the Economic and Social Development Fund, the Libyan Investment Authority and domestic investment funds, could also represent a comparative advantage that would help support development projects and strategic positioning on the global stage. These sovereign wealth funds could also be used to encourage foreign investment in the Libyan market, as companies could form partnerships with these institutions or accept guarantees from them to embark on projects on the local market.

### The role of the State in future economic activity

It is not easy to predict what role the State will play in the country's future economic activity, as it is unlikely to be able to remain in its current form, modelled after a rentier system and subject to the hegemony of the oil sector over economic activity. This is especially true as oil prices are expected to decrease in the medium and long term, due to increasing global production. Political changes should also be taken into consideration, with the emergence of numerous political movements on the Libyan scene, and popular demands of self-governance and local administration. All of these are factors that make it difficult to imagine a dominant central role for the State in managing economic activity the way it did before. Meanwhile, it would only be natural for the State's role to be consistent with the one the private sector is hoped to play. Indeed, development requires an effective State to incentivise, organise and facilitate its progress, oversee the country's economic activity, and provide guarantees to strengthen the economy's competitive capabilities, by exploiting comparative advantages and seizing economic opportunities.

### Strengthening the role of the private sector

The private sector is considered an effective instrument for achieving development, and it will be difficult to revitalise it without precisely defining the parameters of its partnership with the public sector. Indeed, an effective partnership between the two sectors should be one of the strategies of future socio-economic development. This makes it imperative to broaden the scope of the relationship between the two sectors, strengthen their cooperation, develop joint economic activity, and create a permanent link between them. The aim would be to achieve shared goals, based on a foundation of transparency, non-monopoly and fair opportunity.

**Main pillars  
of the Libyan  
economy's  
competitive  
capability**

**Geographical  
area,  
location and  
climate**

**Archaeological  
sites and  
ancient  
cities**

**Youth**

**Oil and gas**

**Sovereign  
wealth  
funds**

## Reforming public finance

Defining the State's future economic role would require reforming public finance, and addressing its current instability, especially in terms of its considerable reliance on oil revenue to fund the national budget. Focusing on the development of revenue-generating mechanisms unrelated to oil is very important in this context, especially when it comes to developing tax collection and customs duty collection mechanisms, as well as mechanisms to restrict unregulated economic activity. Practical

solutions should also be developed to resolve the issue of the public debt in the national budget since 2012, as well as all remaining debts owed by the State (including those owed to employers and those connected to judicial rulings), estimated at about 100 billion dinars. When it comes to public finance, the focus should be on structural reform, and in particular the public spending structure itself, which suffers from flawed articles on salaries and wages, and from high operating costs. The same applies to the restructuring of public revenue.

## III. Moving forward

### On the desired strategic positioning

- Defining the national identity of the Libyan economy.
- Developing comprehensive development plans, specialised strategic plans, and short, medium and long-term executive plans, such as to match the desired national identity.
- Identifying competitive sectors that would strengthen the country's strategic positioning, and developing special strategies to keep pace with comprehensive development plans.
- Focusing on spatial development and local participation.
- Making efficient use of economic resources.

### On the role of the State in future economic activity

- Building the foundations of decentralisation and local governance.
- Repairing the administrative apparatus, correcting its misuses, and reducing the size and role of the public sector in the country's economic activity.
- Strengthening mechanisms of administrative and financial oversight, and combating corruption in line with international indices and standards.
- Applying the rules of governance, strengthening transparency and accountability, and ensuring institutional stability.
- Having the State oversee the country's natural resources, regulate their use to ensure that they benefit all Libyans, and manage their revenue in the best and fairest way possible, without getting involved in actual operational work; Entrusting the latter to the private sector, or relying on public-private partnership in this regard.
- Providing an investment environment that would attract investors; Encouraging private initiatives and actively integrating them in the economy; Establishing special

trade and investment zones; Broadening the scope of partnership with the local and foreign private sector in establishing such zones.

- Reviewing and developing laws and legislation governing trade and economic activity; Enacting new laws to provide a legal environment that would guarantee property rights and would be suitable for economic activity, inspired by international practices.
- Providing a suitable business environment; Facilitating procedures to undertake projects; Facilitating licensing and contracting procedures, as well as visa procedures.
- Providing the basic infrastructure needed for all production and service projects and activity, especially those connected to logistics, in view of the country's vast geographic area and weak current infrastructure.
- Working to change Libya's image abroad, and promoting the country's promising economic capabilities and strengths, so as to incentivise foreign investment.
- Developing a strategy for international cooperation, and establishing international economic partnerships.
- Working to develop and restructure investment funds to allow them to participate in development and attract investors, by regulating partnerships and providing guarantees that would reassure investors.

### On strengthening the role of the private sector

- Developing mechanisms to include the participation of the private sector in an organised and systematic way, before enacting laws that would affect the business environment.
- Reforming the general framework of economic policy and legislation, through a Government programme that would meet the needs of the private sector, within a framework of constructive dialogue between the two.
- Broadening the participation of the private sector in development planning; Setting goals and developing strategies with the participation of businessmen and investors; Establishing a joint public-private council

to examine ways to participate in and contribute to economic development; Enacting and amending relevant legislation.

- Incentivising banks and other financial institutions to develop current funding mechanisms, and create new mechanisms to include small and micro-enterprises.
- Supporting small, medium-sized and micro-enterprises, so as to contribute to local spatial development.
- Strengthening the culture of entrepreneurship, limiting monopolies, and creating fair competitive opportunities.
- Providing incentives and advantages, such as tax and duty exemptions.
- Encouraging partnership between local and foreign investors, and broadening its scope.
- Developing a strategy for trust-building, partnership and cooperation between the public and private sectors, which would include defining such a partnership and determining the mechanisms it would use and how it would be managed.

### On reforming of public finance

- Developing public finance management mechanisms, and reforming the way national budgets are prepared and implemented.
- Improving the way priorities are set and decisions are taken with regard to the budget.

- Developing modern systems for financial administration information, to support the processes of accounting and reporting.
- Improving planning, statistics and follow-up capabilities at the Ministry of Finance, so that it may play a more effective role in financial forecasting.
- Strengthening oversight and transparency.
- Enacting a new law for Government tenders and purchases.
- Broadening the tax base and tax revenue at a low tax rate, in keeping with international economic standards.
- Developing tax and customs duty collection mechanisms and channels, at both the centralised and local levels, and making use of digital solutions for collection and levying.
- Developing mechanisms to include unregulated sectors in the process of taxation, and sorting out their legal status.
- Working to develop plans and mechanisms to reduce public spending, including spending on public sector employment and operating costs.
- Enacting a public debt law, determining responsibility for the management of the public debt, and developing the plans needed to resolve the issue and reimburse the debt.

## IV. Conclusion

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The Libyan economy currently suffers from numerous flaws, notably the high cost of public spending (especially operating costs), weak investment spending, the scarcity of public revenue (essentially limited to oil revenue), and other weaknesses. Such a situation does not allow the country to attain a strategic position in the global economy that would match its capabilities and potential. Under these circumstances, the advantages that are specific to the Libyan economy should be utilised, including the country's geographical location, the size of its oil reserves, its natural resources, the small size of its population,

and its young society. They should all be used to give the country an important strategic position in the region, especially in some of the main economic sectors, such as transit trade, tourism and heavy industries. Nevertheless, attaining any kind of positioning should be accompanied by clear measures for confronting obstacles and problems. In the case of Libya, this would include reconsidering public finance mechanisms, supporting the private sector, and reducing the role of the State in terms of its interference with the economic process.

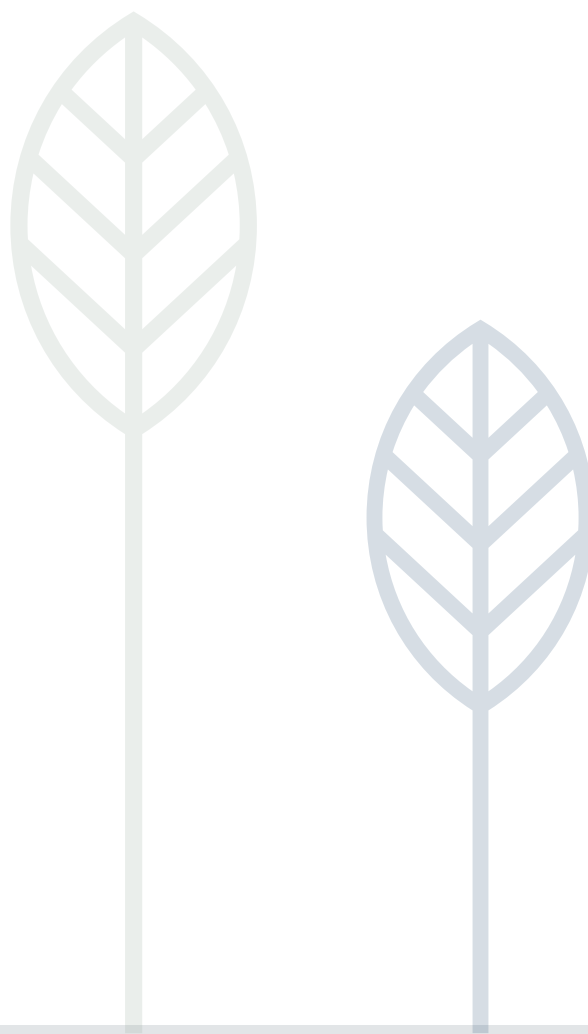
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# List of Publications Issued by the Libya Project

Document Number	Title	العنوان
E/ESCWA/CL6.GCP/2020/TP.3	An Introductory Study on the Status, Challenges and Prospects of the Libyan Economy Part I of a Baseline Study for the Libya Socioeconomic Dialogue Project	دراسة تمهيدية عن الاقتصاد في ليبيا: الواقع والتحديات والآفاق الجزء الأول من دراسة أولية لمشروع الحوار الاجتماعي والاقتصادي الليبي
E/ESCWA/CL6.GCP/2020/TP.2	An Introductory Study on the Status, Challenges and Prospects of the Libyan Society Part II of a Baseline Study for the Libya Socioeconomic Dialogue Project	دراسة تمهيدية عن المجتمع في ليبيا: الواقع والتحديات والآفاق الجزء الثاني من دراسة أولية لمشروع الحوار الاجتماعي والاقتصادي الليبي
E/ESCWA/CL6.GCP/2020/TP.1	An Introductory Study on the Status, Challenges and Prospects of Governance and Institutions in Libya Part III of a Baseline Study for the Libya Socioeconomic Dialogue Project	دراسة تمهيدية عن الحوكمة والمؤسسات في ليبيا: الواقع والتحديات والآفاق الجزء الثالث من دراسة أولية لمشروع الحوار الاجتماعي والاقتصادي الليبي
E/ESCWA/CL6.GCP/2020/TP.8	The economic cost of the Libyan conflict	الكلفة الاقتصادية للصراع في ليبيا
E/ESCWA/CL6.GCP/2020/TP.5	Economic cost of the Libyan conflict Executive Summary	الكلفة الاقتصادية للصراع في ليبيا ملخص تنفيذي
E/ESCWA/CL6.GCP/2020/2	Benefits of Peace in Libya :Neighbouring Countries and Beyond	السلام في ليبيا: فوائد للبلدان المجاورة والعالم
E/ESCWA/CL6.GCP/2020/2/ SUMMARY	Benefits of Peace in Libya :Neighbouring Countries and Beyond Executive Summary	السلام في ليبيا: فوائد للبلدان المجاورة والعالم ملخص تنفيذي
E/ESCWA/CL6.GCP/2021/TP.1	Vision for Libya: towards prosperity, justice and strong State institutions	رؤية لليبيا: نحو دولة الازدهار والعدالة والمؤسسات
E/ESCWA/CL6.GCP/2021/ POLICY BRIEF.1	Towards an inclusive national identity in light of a just citizenship State	نحو هوية وطنية جامعة في ظل دولة العدالة المواطنة
E/ESCWA/CL6.GCP/2021/ POLICY BRIEF.2	Social protection system	منظومة الحماية الاجتماعية
E/ESCWA/CL6.GCP/2021/ POLICY BRIEF.3	Human capital, youth and women empowerment, and the integration of militant forces	رأس المال البشري وتمكين الشباب والمرأة ودمج المسلحين
E/ESCWA/CL6.GCP/2021/ POLICY BRIEF.4	The role of the State in sustainable economic development and the strategic positioning of Libya in the global economy	دور الدولة في التنمية الاقتصادية المستدامة والتموضع الاستراتيجي لليبيا في الاقتصاد العالمي
E/ESCWA/CL6.GCP/2021/ POLICY BRIEF.5	Strengthening the State authority and the rule of law through a fair and independent justice system, and human security based on human rights and the principles of comprehensive justice	تعزيز سلطة الدولة وسيادة القانون في ليبيا: دور مبادئ حقوق الإنسان والعدالة الشاملة في إرساء منظومة مجتمعية عادلة، وقضاء نزيه ومستقل، وأمن إنساني مستدام
E/ESCWA/CL6.GCP/2021/ POLICY BRIEF.6	Restoring trust and reconciliations to establish a national charter	ترميم الثقة والمصالحات: الطريق نحو تأسيس ميثاق وطني ليبي
E/ESCWA/CL6.GCP/2021/ POLICY BRIEF.7	Building a State of institutions, regional integration and international cooperation	بناء دولة المؤسسات والتكامل الإقليمي والتعاون الدولي
E/ESCWA/CL6.GCP/2021/ POLICY BRIEF.8	Mechanisms for economic reform and recovery	آليات الإصلاح والتعافي الاقتصادي



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