



Libyan British Business Council

Director General's Newsletter

28 February 2011

For those of us who had made other plans, events since 16 February have proved once more that that's when life happens. We may not find it any harder than historians and analysts to identify the underlying reasons for last month's events but the timing and scale of the protests must have been spurred by contagion from the regional wave of successful protests in other North African countries. Libyan campaigners had called for a Day of Rage on 17 February to mark the fifth anniversary of demonstrations in Benghazi in which a number of people were killed. In the event, the arrest of a human rights campaigner sparked off violent protests a day early. The rest is not yet history but it is history in the making.

History making tends to be an uncomfortable experience. It certainly has been for many of you who were (and in some cases, still are) in the country and had an anxious and difficult experience leaving. But it has been a relief to know that none of our members has lost their life or been seriously injured in the turbulence.

At the moment, it is too early to tell how long economic disruption will continue or how serious the impact of political events will be on established business in Libya. But not all the news need be bad and disruption can also bring opportunity. I do not wish to minimize the headaches you now face. But British business and LBBC members in particular have a number of things going for them.

Firstly, economic dissatisfaction was at least as important as political resentment in creating the conditions in which contagion could spark country-wide protest and revolt. Any Libyan administration will need to develop oil and gas production and exports to fund the economic and social aspirations of its people. The people will expect a future government to do more to create jobs (and so diversify the economy), provide health, education and other services and build the physical, financial and legal infrastructure to support a modern economy. In turning their backs on the economic policy of the Qadhafi era, they are more rather than less likely to welcome an increased role for the private sector (although this is always harder when it's the government that gets the oil revenues), demand more transparency in business as well as politics (due diligence anyone?) and, one would hope, be less tolerant of corruption.

Secondly, British business will not face unique, exceptional or insuperable challenges in a new Libya. Our competitors will be in the same boat when business resumes and they may have advantages of their own, but so do we. The quality of British products and businesses and their relationships with many Libyans. The English language. The familiarity with the UK of all the thousands of Libyans who have lived, studied and worked in the UK. The business systems and skills Libya needs. We have a lot going for us.

Thirdly, you have the support of the LBBC. Our contacts have always gone beyond the Qadhafi regime and include some of the key figures who are now forming the nucleus of an alternative

government in Benghazi. Our contacts have enabled us to keep in direct touch with developments in Libya in the last two weeks and as soon as the dust settles, we plan an early visit to the country to engage and expand our network.

We also maintain our contacts with the FCO and UKTI and will look to concert our strategy and gameplan for re-entry to the market with them. Lord Trefgarne will call on Lord Green of Hurstpierpoint, the Minister of Trade, to put the seal on this process. I will let you know how we see the way forward as the fog clears and we plan to organise opportunities for you to hear from key observers – and each other – in the weeks ahead.

In the meantime, I would like to thank those of you who have already joined me in subscribing to the LBBC Libya Aid Fund. We have made a good start and I hope everyone will be able to be as generous as our first responders. Since we launched the fund, concern about the humanitarian situation within Libya and at its borders has grown. Let us show that when our Libyan friends are in need, the LBBC and its members are friends indeed.

Robin Lamb
Director General