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Abstract

The purpose of this study is to examine and analyze the factors leading to the normalized relations between the United States (U.S.) and Libya in 2003–2006. The theoretical framework of this study was the rational actor model of foreign policy decision making, which held that the foreign policy decisions were made in such a way as to maximize benefits while minimizing costs. The study was divided into three parts. The first part looked at the political factors leading to the normalized relations between the two countries. These factors include the diplomatic, leadership and media. The second part looked at the economic factors such as the oil and economic sanctions. The last part looked at the security factors including terrorism and weapons of mass destruction, and the Libya’s attitudes towards Israel. The data for this study were collected mainly from both primary and secondary sources. The primary sources included documents, agreements, and treaties that signed by Libya with the U.S. In addition, the researcher analyzed the outputs of the U.S. and Libyan policy-makers and institutions relating to the research topic, such as speeches, official correspondences, decrees, and decisions of both governments relating to each other. Interviews with knowledgeable people were also conducted. The secondary sources included books, journals, magazines and newspapers. Key findings over the period studied indicated the importance of the political, economic, and security factors in forwarding the U.S. policy options towards the normalization of the U.S. - Libya relations in 2006. Furthermore, this study also concluded that the success of the normalized relations was a product of intertwining of these factors together through their influences on policy-makers of both countries to take flexible attitudes to resolve outstanding issues between them.

Keywords: Foreign Policy, Libya, Normalized Relations, Rational Actor Model, United States
Abstrak


Kata kunci: Amerika Syarikat, Libya, Pemulihan Hubungan, Model Aktor Rasional, Dasar Luar
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List of Abbreviations

AEE Atomic Energy Establishment (Libya)
ANO Abu Nidal Organization
AU The African Union
AUA Union Authority
AUC African Union Commission
CBL Central Bank of Libya
CEN-SAD The Community of Sahel-Saharan States
CIA Central Intelligence Agency of the U.S.A
EIA Energy Information Administration
EPSA Exploration and Production Sharing Agreement
EU European Union
GICDF Gaddafi International Charity and Development foundation
GWOT Global War on Terrorism
IAEA International Atomic Energy Agency
ILSA Iran and Libya Sanctions Act
IMF International Monetary Fund
IRA Irish Republican Army
JANA Jamahiriya News Agency
JSO Jamahiriya Security Organization
LAP Libya Africa Investment Portfolio
LD Libyan dinars
LIA Libya Investment Authority
<table>
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<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tr>
<td>LIFG</td>
<td>Libyan Islamic fighting group</td>
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<tr>
<td>NATO</td>
<td>North Atlantic Treaty Organization</td>
</tr>
<tr>
<td>NOC</td>
<td>National Oil Corporation</td>
</tr>
<tr>
<td>MTRC</td>
<td>Missile Technology Control Regime</td>
</tr>
<tr>
<td>OAU</td>
<td>Organization of African Unity</td>
</tr>
<tr>
<td>OPEC</td>
<td>Organization of the Petroleum Exporting Countries</td>
</tr>
<tr>
<td>OXY</td>
<td>Occidental Petroleum Corp</td>
</tr>
<tr>
<td>PLO</td>
<td>Palestinian Liberation Organization</td>
</tr>
<tr>
<td>RAM</td>
<td>Rational Actor Model</td>
</tr>
<tr>
<td>RCC</td>
<td>Revolutionary Command Council</td>
</tr>
<tr>
<td>RSQ</td>
<td>RascomStar-QAF, it’s a Communication Company</td>
</tr>
<tr>
<td>SAE</td>
<td>Libyan Secretariat of Atomic Energy</td>
</tr>
<tr>
<td>SISMI</td>
<td>Italian Military Intelligence Service</td>
</tr>
<tr>
<td>TNRC</td>
<td>Tajura Nuclear Research Centre</td>
</tr>
<tr>
<td>U.K</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNSC</td>
<td>United Nations Security Council</td>
</tr>
<tr>
<td>US</td>
<td>United States of America</td>
</tr>
<tr>
<td>VPAF 103</td>
<td>Victims of Pan Am Flight 103</td>
</tr>
<tr>
<td>WICS</td>
<td>World Islamic Call Society</td>
</tr>
<tr>
<td>WMD</td>
<td>Weapons of Mass Destruction</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organization</td>
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CHAPTER ONE
INTRODUCTION

1.1 Background

The purpose of this study is to examine and analyze the political, economic and security factors that led to normalized relations between the United States (U.S.) and Libya during the period between 2003 and 2006. The U.S. - Libya relations have witnessed a great development from the status of alliance and cooperation in the early years of Libya’s independence in 1951 to a status of hostility after the Libyan revolution in 1969. The history of hostilities between the two countries is grounded in their conflicting efforts to spread influence in Libya, Africa, and Middle East during the Cold War and beyond. Moreover, “the hostilities only grew as a result of both states looking for vengeance” (Gosa, 2011, p. 5).

From the U.S. Government’s perspective, this problematic relation was fueled by Libya’s relations with the former Soviet Union, the alleged large financial support for extremist groups, its opposition to Israel, the Lockerbie incident in 1988 and its desire to possess nuclear weapons. While from the Libyan Government’s perspective, it is a small vulnerable oil-rich country in the world system in which energy-hungry powerful nations dominate. “The end of the Cold War left Libya isolated, which provoked the Libya’s government to re-evaluate its relations with key powerful states during the end of 1990’s” (Gosa, 2011, p. 5). However, the early 2003s represented the beginning of the rapprochement efforts while 2006 was the formal restoration of diplomatic ties between the states.
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