

Libya almost Imploding, Status Quo Unsustainable: Oil Industry Target of Violent Attacks

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More than two years on since the "revolution" of Feb. 2011, the security crisis is exacerbating by the day threatening Libya with an implosion charged with potential realistic risks to the geopolitical unity of the Arab north African country, turning this crisis into a national existential one. Obviously the status quo is unsustainable.

"Libya is imploding two years after the former Libyan leader Muammar Gaddafi" was captured and killed on October 20," Patrick Cockburn wrote in British The Independent on last Oct. 10.

Libya's oil industry has become the target of violent attacks and civil protests, closing export terminals in east and west or/and creating an oil black market. "Security guards" at the country's main ports are on strike and selling oil independently in spite of a 67% in pay for employees of the state oil sector on last Oct. 31. Libyan oil minister, Abdulbari Ali al-Arousi, told the Financial Times on last April 29 that disruptions to production and export cost the country about \$1bn over the previous five months only.

On this Nov. 11 Reuters reported that Protesters shut Libya 's gas export pipeline to Italy, its only customer, in the Mellitah complex, some 100 km west of Tripoli, after shutting down oil exports from there as well. A day earlier, Reuters reported that the separatist self-declared autonomous Cyrenaica government set up a regional firm called "Libya Oil and Gas Corp" to sell oil independently after seizing several ports in the east of the country, where Libya's two most important oil ports, Sidra and Ras Lanuf, were blockaded by protestors.

Libya is Europe 's single largest oil supplier. Cutting the Libyan oil and gas supplies to Europe on the eve of a winter that weather forecasts predict to be a very cold one would be an excellent pretext for inviting a European military intervention in the country, which seems the only option left for the transitional government of Prime Minister Ali Zeidan that ran out of options for its survival.

It is noteworthy here that while the U.N. Support Mission in Libya can obviously "support" nothing, France, Italy, the UK and the U.S., who spearheaded the NATO campaign to topple the former ruling regime, in a joint statement on this Nov. 8, expressed their concern "at the instability in Libya and the threat that (it) poses to the successful achievement of the democratic transition" and reiterated their "support to the elected political institutions," i.e. to Zeidan's government.

Ironically, Zeidan on this Nov. 10 warned his compatriots of a possible "intervention of foreign occupation forces" in order to protect civilians under Chapter VII of the U.N. Charter because "the international community cannot tolerate a state in the middle of the Mediterranean that is a source of violence, terrorism and murder," which was the same pretext for the NATO military intervention that contributed mainly, if not created, the security crisis in the first place by destroying the military and police infrastructure of the central government and turned the country practically into a sponsor of regional terrorism in general and an exporter of arms and "Jihadists" to Syria in particular.

Zeidan's warning of foreign "intervention" could also be interpreted as an implicit threat to ask for it to help rein in the security crisis lest it boils to an implosion of the country.

Forbes on last Aug. 30 reported that Libya's "energy protection" was failing and quoted PM Zeidan as saying that his government would impose "order by force" when it came to protecting the oil and gas industry and expanded the Petroleum Facility Guards (PFG) to 18,000 members.

Months on, his efforts and threats failed to deter targeting pipelines, refineries and export terminals. His renewed threats since early last September to "bomb from the air and the sea" any oil tanker entering Libya's territorial waters illegally and trying to pick up illicit Libyan oil have proved hollow and without teeth.

Libya is the second largest oil producer in Africa and the continent's fourth largest natural gas supplier and already dominates the Southern Mediterranean 's petroleum sector. According to the Libyan National Oil Corporation (NOC), more than 50 international oil companies were already present in the Libya on the eve of the "revolution." The country's potential is more promising; Austria's OMV said on last Oct. 21 it had struck oil in Libya in its first new discovery since 2011.

On last Oct. 18, <u>CNBC.com</u> quoted Paolo Scaroni, the CEO of the Italian oil and gas firm ENI, which is Libya's largest foreign partner, as saying: "Everyone is going to be wealthy" in Libya, citing statistics of what could be: "Five million people and 2 million barrels of oil (per day), which means that this country can be a paradise, and I am doubtful that Libyans will not catch this opportunity of becoming the new Abu Dhabi, or the new Qatar or the new Kuwait."

Libyan Copy of Iraq 's "Green Zone"

Yet Libyans seem determined to miss "this opportunity." "Revolutionary" Libya, reminiscent of the U.S. – engineered "democratic" Iraq after some ten years of the U.S. invasion, is still unable to offer basic services to its citizens. Real unemployment is estimated at over 30%. Economy has stalled and frustration is growing. Gone are the welfare days of Gaddafi's state when young families could get a house with benefits for free, people's medication and treatment were paid by the state and free education made available to everyone. About one million supporters of the Gaddafi regime remain internally displaced; hundreds of thousands more fled for their lives abroad.

Remnants of the destroyed institutional infrastructure of law, order and security is hardly capable of protecting the symbolic central government in Tripoli , reminiscent of its Iraqi counterpart, which is still besieged in the so-called "Green Zone" in Baghdad . Late last October Libya 's central bank was robbed of \$55m in a broad daylight robbery. More than one hundred senior military and police commanders were assassinated.

"Libya isn't just at a crossroads. We are at a roundabout. We keep driving round in circles without knowing where to get off," Libya's Minister of Economy, Alikilani al-Jazi, said at a conference in London last September, quoted by The Australian on last Oct. 14.

On last Aug. 30, the Swiss-based group Petromatrix said: "We are currently witnessing the collapse of state in Libya , and the country is getting closer to local wars for oil revenues." Four days later Patrick Cockburn reported in British The Independent that "Libyans are increasingly at the mercy of militias" and that the "Government authority is disintegrating in all parts of the country."

Ironically, an estimated one-quarter of a million heavily armed militiamen, who are the main obstacle to creating and empowering a central government, are on government payroll.

Writing in The Tripoli Post on Oct. 31, Karen Dabrowska said that, "Local notables, tribal groups, Islamists and militias are all vying to keep the centre from extending its authority to their fiefdoms and this explains why disparate social groupings can only unite temporarily to prevent the centre from gaining power over them."

It "goes without saying that the post - Moammar Gaddafi Libya is purely a failed state" governed by militia, Adfer Rashid Shah of the Jamia Millia Islamia, Central University in New Delhi, wrote on last Oct. 15.

Following the heavy infighting in the Libyan capital on this Nov. 7, Italian foreign minister Emma Bonino told newspaper La Republicca that the country was "absolutely out of control" and the situation is worsening, hinting that Italian oil and gas firm ENI was prepared to close its oil wells.

Zeidan's abduction from his Tripoli 's Corinthia Hotel on last Oct. 10, which the British Economist described as "the shortest coup," highlighted the country's deteriorating security crisis. It was interpreted as a "reprisal" for kidnapping five days earlier of Abu Anas al-Libi on suspicion of links with al-Qaeda by U.S. special forces, an act which exposed the inability of the central government to cooperate and coordinate with the American "ally" in his arrest on the one hand and on the other exposed its failure in protecting Libya's sovereignty against a flagrant U.S. violation thereof.

Last July Zeidan threatened that his government may have to "use force" in Benghazi, the cradle of the "revolution" and the current focus of insecurity, tribalism, separatism, Islamist rebels, decentralization of government, assassination of regular army and security officers and attacks on foreign diplomatic missions who mostly closed their consulates in Libya's second largest city, where the U.S. ambassador was killed in September last year.

Ahead of his visit to the eastern city on Monday, when he promised reinforcements and logistical support to the security forces there, Zeidan launched a show of force into the city the previous Friday with hundreds of armored troop carriers and army trucks mounted with guns.

But Zaeidan's threat to "use force" will inevitably be counterproductive, not only because his government's lack of "force" would compromise his credibility, but because, within the current balance of power between his government and the militias, it will make the security situation worse if it does not ignite a civil war.

Zeidan said his government would give the "revolutionaries" who have turned into rival and vying militias and warlords until next Dec. 31 to join the regular army and police or they will be cut from government payroll, that is if his coffers could afford to sustain their payroll if they accepted and if they did not accept his offer it will be another reason for more mutiny and rebellion.

More likely the government payroll may not be rolling because the government is facing a budget crisis and "from next or the following month, there could be a problem covering expenditure" according to Zeidan himself, as the security crisis has brought oil production to a standstill or out of its control because the "militia groups are behaving like terrorists, using control over oil as political leverage to extract concessions," according to Dr. Elizabeth Stephens, head of political risk at insurers Jardine Lloyd Thompson, quoted by British The Telegraph on last Aug. 29.

An imminent constitutional crisis could create a power vacuum that in turn would worsen the security crisis. Published by RT on this Nov. 7, analyst Nile Bowie wrote: "In accordance with the transitional roadmap adopted by the transitional government in May 2011, the mandate of the current government in Tripoli is set to expire on February 8, 2014. Failure to implement a new constitution by then would either force Tripoli into extending its mandate – a move which is seen as highly unpopular – or a potential power vacuum scenario which could set off a chain of events that could lead to a civil war or dissolution."

Pentagon's Plans No Help

Short of western "boots on the ground" it is doubtful that Zeidan's government will survive. The U.S. administration of President Barak Obama was repeatedly on record against any

U.S. boots on the ground in the Middle East . With the exception of France , which might be ready for the appropriate price to repeat its recent limited and temporary military intervention in Mali , Europe seems against it too.

Zeidan, with less than three months remaining for him in office, seems relying on Pentagon's plans to arm and train, through "AFRICOM," a new Libyan army called "a general purpose force."

But "the case of a separate and underreported U.S. effort to train a small Libyan counterterrorism unit inside Libya earlier this year is instructive," Frederic Wehrey wrote recently in Foreign Affairs, adding: The absence of clear lines of authority — nearly inevitable given Libya's fragmented security sector — meant that the force's capabilities could just have easily ended up being used against political enemies as against terrorists. In August militias launched a pre-dawn raid on the training camp which was not well-guarded. There were no U.S. soldiers at the camp, but the militia took a great deal of U.S. military equipment from the site, some of it sensitive. The U.S. decided to abort the program and the U.S. forces supposedly went home.

The obvious alternative to Zeidan's western supported government would be a stateless society governed by militia warlords, while the survival of his government promises more of the same.

At the official end of the NATO war for the regime change in Libya on Oct. 31, 2011 U.S. President Obama proclaimed from the White House Rose Garden that this event signaled the advent of "a new and democratic Libya," but more than two years later Libya is recurring to the pre-Gaddafi old undemocratic tribal and ethnic rivalries with the added value of the exclusionist terrorist religious fundamentalism wearing the mantle of Islamist Jihad.

In the wake of late Libyan leader Muammar Gaddafi's death on October 20, a Saudi Arabian Arab News' editorial said: "The point about Qaddafi's death is that it makes the next transition stage that much easier, that much safer. As long as he remained at large, he would have been in a position to destabilize the country."

More than two years after Gaddafi's death, Libya is more destabilized, insecure and fractured that its future is now questionable enough not to vindicate the Saudi daily's prediction.

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