

Yemen, A War for Profit, Saudi Genocide Backed by Obama

By [Phil Butler](#)

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The [Wall Street Journal](#) is the perfect example of a state and corporate controlled counter-information service. A report recently attempts to characterize the Saudi war on the Yemeni people as having little to do with oil. Nothing my friends, nothing could be further from the truth. The Saudis need untapped reserves Yemen currently controls. Here's a look at the real reason for the genocide in Yemen.

"Yemen doesn't produce a lot of oil, but there are reasons why oil markets would react to military action there. Why? Here's the short answer, " this is the **"lead"** for an unnamed WSJ author shifting the blame for a war for profit. The story is bait, counterintuitive and blurbish, but just enough to get Americans thinking in the right direction. "Right" that is, if you're Rupert Murdoch's newspaper. But the reality underneath is all about Murdoch and his cronies' investments in the region, and nothing to do with geo-strategic tanker routes.

The WSJ wants investor types who read the paper to believe oil prices surged a bit last week because of the "fear" a "strategic chokepoint" known as the Bab el-Mandeb Strait might be clogged if the Yemen chaos spilled over into Saudi Arabia. Well, there's no danger of that given the fact the Saudis are bombing Yemen back into the Stone Age using US weaponry. Another potential though, does implicate the Bab el-Mandeb Strait, as well as Somalia across the waters from the Saudis. Our past research has shown clearly, the fact Saudi Arabia and most of the OPEC nations have already reached the oil supply tipping point, the so-called "[peak oil](#)" paradigm. Running out the last of the nation's only saleable resource, the Saudi royalty have put their country into a mess, the potential for revolution there being acute, should the people discover the real predicament. This is why we see an **"all in"** Saudi aggressive stance, on Syria, with Iran, and especially where Yemen is concerned. While Washington think tank evangelists try and play the tensions off as Sunni-Shiite religious friction, new oil reserves are the truth of these matters.

When I first heard of drone strikes by the Obama administration on targets in Yemen, I was skeptical of any US effort targeting terror there. Obama, as we now see in every case of chaos in the region, is neck deep in WikiLeaks cables, investigative reports, and highly illegal military actions that contravene the US Constitution. Just how the man has stayed out of prison these 7 years seems miraculous for me. Just last week, the [Pentagon ordered strikes](#) supposedly targeting al-Qaeda in Yemen. This reported fact reverberates in my head as I recall the al-Qaeda George Bush swore to eradicate, and the al-Qaeda Vladimir Putin and Assad are trying to kill in Syria. Or should I say ISIL? You get the point, nobody seems to know who the enemy is, but shoeless and foodless people in wadis all over the Middle East seem to be dying as a result. Excuse me, I divert from the subject of the report here only to emphasize the clearly cohesive mission of corporation, the investor elite, media, and our governmental leadership. Oil, this story is about oil.

A few weeks ago [Zero Hedge](#) ran a piece talking about new oil rigs being brought on by the Saudis. The piece was, for once, erroneous in its supposing the Saudis were putting new rigs online in order to boost a “sustainable” production. The indubitable Tyler Durden is seldom wrong where such investing-strategic information is concerned, but in this case he was 180 degrees off. His supposition that rig counts going up indicate the Saudis “panning” for increased exports is not even a remotely possible. The Saudis are bringing new rigs online alright, offshore ones that are many times more expensive than their inland cousins. And there’s only one reasonable explanation for them doing this, the biggest fields that once contained more energy wealth than any place on Earth have peaked. Short version, the Saudis need more fields, more oil from somewhere, in order to survive. [This report](#) I found shows clearly, the Bush and Obama administrations have known for a long time that the Saudis are almost out of oil. “Peak oil” is a reality; the wealth of the Saudi people has been squandered on frivolous investing and building projects, and if they don’t prop up the industry, then the regime is over. This brings us to Yemen and the concrete reasons for Saudi aggression. I’ll try and be brief.

Zero Hedge and other analytical sources have failed to take into account the nature of new rig expansion the Saudis have undertaken. This [Offshore report](#) from November 2013 tells us of Saudi Aramco’s Manifa shallow water oilfield development program, which began production in April 2013. The report also clues us to another logical conclusion; the Saudis have been lying about their capacity for decades. Why add as many as 170 new rigs, if the projected production levels are not to be increased for another 30 year, as the Saudi oil minister proclaimed in 2013? Add to this ridiculous notion, the fact these offshore rigs are 7 times more costly to run, and you have a good idea of the fallacious nature of these reports. The Saudis have to have less more capacity, a lot more, in order to still compete with the Russians, Iranians, and Venezuelans. (Forget the Americans, shale production in North American cannot be sustained).

Finally, while the Wall Street Journal reports Yemen as a minor oil “producer”, evidence is emerging that the oil Yemen sits on has yet to be fully explored or accessed. This Yemen Post article first clued me to the possibility the Saudis are after Yemens reserves. While this news source is not the most reliable in all cases, the contention that the Jawf field, in northern Yemen just south of the Saudis, it interested me. The facts the Saudis are killing people in the Jawf region in record numbers aside, the oil basins first explored by Hunt Oil, Exxon, and Phillips in blocks around Jawf have largely been expropriated (2005 for [block 18](#)) by Yemen. And big oil hates countries taking back their resources. Most people do not realize that the oil politicians and their armies fight over is almost totally controlled by conglomerates like Shell, and the others. This [report from 1997](#) names some of the developers of Yemen’s main revenue source, but it does not tell us of the targeted goal of the new Saudi aggression.

Before I elaborate on the big “kill” for the Saudis, let me frame American President Barack Obama and hi state department in this mess first. The reader needs nothing more than [this WikiLeaks](#) cable to galvanize the fact the Obama administration, and former Secretary of State Hillary Clinton especially, knew exactly the nature of new Yemeni oil and gas capacity in 2009. What the cable made “classified” by Ambassador Stephen A. Seche revealed was just business, but damning when current events are overlapped, I quote in part:

“In an October 13 meeting with Econoff, the Chair of the Petroleum Exporting and Production Authority (PEPA), Ahmed Abdillah, told Econoff that the

governorates of Shabwa, Marib and al-Jawf have high potential for significant gas deposits. He said that natural gas deposits have been found in Occidental Block 20 (Marib-al-Jawf), Occidental Block S-1 (Shabwa) and Canadian Nexen Block 51 (Hadhramout).”

Without going into a geology or oil & gas lecture here, natural gas, particularly LNG are the mid term future for the people of Yemen. That is if the Saudis with American assistance will let them live. As for oil, and the crude the Saudis need to survive, Yemen has a partial solution there too.

Yemen’s real treasure trove is actually situated in a shared region of the Red Sea, and offshore in the Sea of Aden. It should come as no surprise that companies like British Gas and even the United States Geological Survey (USGS) have been fully aware of vast oil and gas deposits offshore of Yemen for some time. This [USGS report](#) from 2002 shows an immeasurable potential, while numerous surveys and explorations offshore show vast reservoirs and potential so obvious amateur geologists could hit oil around Yemen. A report about Samhah Island, in the Gulf of Aden off Somalia told of oil seeping up through the solid rock. Readers will find it ironic that the United States Navy has seized the island, and is building the largest naval base in the region on nearby Socotra Island. Further discoveries beneath the shallow sea bed of the Red Sea stretch from Yemen to the shores of neighboring Saudi Arabia, Sudan and Eritrea. Offshore “heavy oil” and onshore natural gas riches beckon the Saudis, Brits, Americans, and the French.

So now you know why Barack Obama never comes to the rescue for Yemeni civilians being murdered, it’s the same reason Russian speakers in the East of Ukraine are not protected, and the same reason ISIL has been allowed to roam Northern Iraq and Eastern Syria. Oh, and Rupert Murdoch, the owner of the Wall Street Journal, his key energy investment in Genie Oil is a direct competitor with any future Yemen revenue gains from new sources. AMSO American shale, a subsidiary of Genie is vested in monetizing the last of America’s shale reserves. So the picture puzzle of Yemen chaos should be complete for you now. And the Wall Street Journal’s counter-intuitive news revealed as well.

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