

# Ten Years Ago: "Operation Libya" and the Battle for Oil: Redrawing the Map of Africa

Part II

By Prof Michel Chossudovsky Global Research, February 20, 2021 Global Research 9 March 2011 Region: <u>Middle East & North Africa</u>, <u>sub-</u> <u>Saharan Africa</u> Theme: <u>Oil and Energy</u>, <u>US NATO War</u> <u>Agenda</u> In-depth Report: <u>ARAB PROTEST</u> <u>MOVEMENT</u>

Author's Note:

The following article was published almost ten years ago on March 9, 2011, at the outset of the US-NATO "humanitarian" military intervention in Libya. Libya's crude oil reserves in 2011 were twice those of the United States.

In retrospect. the 2011 US-NATO led war on Libya was a multi-trillion dollar trophy for the United States. It was also, as outlined in my 2011 article a means to establishing US hegemony in North Africa, a region historically dominated by France and to lesser extent by Italy and Spain.

The US-NATO intervention was also intent upon excluding China from the region and edging out China's National Petroleum Corp (CNPC), which was a major player in Libya.

Libya is the gateway to the Sahel and Central Africa. More generally, what is at stake is the redrawing of the map of Africa at the expense of France's historical spheres of influence, namely a process of neo-colonial redivision.

Recent developments confirm this process. In the course of the last decade, starting with president Nicolas Sarkozy, France has become a de facto US proxy State.

Michel Chossudovsky, February 15, 2021

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The geopolitical and economic implications of a US-NATO led military intervention directed against Libya are far-reaching.

Libya is among the World's largest oil economies with approximately 3.5% of global oil reserves, more than twice those of the US.

"Operation Libya" is part of the broader military agenda in the Middle East and Central Asia which consists in gaining control and corporate ownership over more than sixty percent of the world's reserves of oil and natural gas, including oil and gas pipeline routes. "Muslim countries including Saudi Arabia, Iraq, Iran, Kuwait, the United Arab Emirates, Qatar, Yemen, Libya, Egypt, Nigeria, Algeria, Kazakhstan, Azerbaijan, Malaysia, Indonesia, Brunei, possess between 66.2 and 75.9 percent of total oil reserves, depending on the source and methodology of the estimate." (See Michel Chossudovsky, <u>The "Demonization" of Muslims and the Battle for Oil</u>, Global Research, January 4, 2007)

With 46.5 billion barrels of proven reserves [2011 data], (10 times those of Egypt), Libya is the largest oil economy in the African continent followed by Nigeria and Algeria (Oil and Gas Journal). In contrast, US proven oil reserves are of the order of 20.6 billion barrels (December 2008) according to the Energy Information Administration. <u>U.S. Crude Oil, Natural Gas, and Natural Gas Liquids Reserves</u>)

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The most recent estimates [2011] place Libya's oil reserves at 60 billion barrels. Its gas reserves at 1,500 billion m3. Its production has been between 1.3 and 1.7 million barrels a day, well below its productive capacity. Its longer term objective is three million b/d and a gas production of 2,600 million cubic feet a day, according to figures of the National Oil Corporation (NOC).

The (alternative) BP Statistical Energy Survey (2008) places Libya's proven oil reserves at 41.464 billion barrels at the end of 2007 which represents 3.34 % of the world's proven reserves. (Mbendi <u>Oil and Gas in Libya – Overview</u>).

Oil is the "Trophy" of US-NATO led Wars

An invasion of Libya under a humanitarian mandate would serve the same corporate interests as the 2003 invasion and occupation of Iraq. The underlying objective is to take possession of Libya's oil reserves, destabilize the National Oil Corporation (NOC) and eventually privatize the country's oil industry, namely transfer the control and ownership of Libya's oil wealth into foreign hands.

The National Oil Corporation (NOC) is ranked 25 among the world's Top 100 Oil Companies. (<u>The Energy Intelligence ranks NOC 25 among the world's Top 100 companies.</u> – <u>Libyaonline.com</u>)

The planned invasion of Libya, which is already underway [February-March 2011] is part of the broader "Battle for Oil". Close to 80 percent of Libya's oil reserves are located in the Sirte Gulf basin of Eastern Libya. (See map below)

Libya is a Prize Economy. "War is good for business". Oil is the trophy of US-NATO led wars.

Wall Street, the Anglo-American oil giants, the US-EU weapons producers would be the unspoken beneficiaries of a US-NATO led military campaign directed against Libya.

Libyan oil is a bonanza for the Anglo-American oil giants. While the market value of crude oil is currently well in excess of 100 dollars a barrel, the cost of Libyan oil is extremely low, as low as \$1.00 a barrel (according to one estimate). As one oil market expert commented somewhat cryptically:

"At \$110 on the world market, the simple math gives Libya a \$109 profit margin." (<u>Libya Oil</u>, Libya Oil One Country's \$109 Profit on \$110 Oil, EnergyandCapital.com March 12, 2008)

Foreign Oil Interests in Libya

Foreign oil companies operating prior to the insurrection in Libya include France's Total, Italy's ENI, The China National Petroleum Corp (CNPC), British Petroleum, the Spanish Oil consortium REPSOL, ExxonMobil, Chevron, Occidental Petroleum, Hess, Conoco Phillips.

Of significance, China plays a central role in the Libyan oil industry. The China National Petroleum Corp (CNPC) had a workforce of some 400 employees. The total Chinese workforce in Libya was of the order of 30,000.

Eleven percent (11%) of Libyan oil exports are channelled to China. While there are no figures on the size and importance of CNPC's production and exploration activities, there are indications that they are sizeable.

More generally, China's presence in North Africa is considered by Washington to constitute an intrusion. From a geopolitical standpoint, China is an encroachment. The military campaign directed against Libya is intent upon excluding China from North Africa.

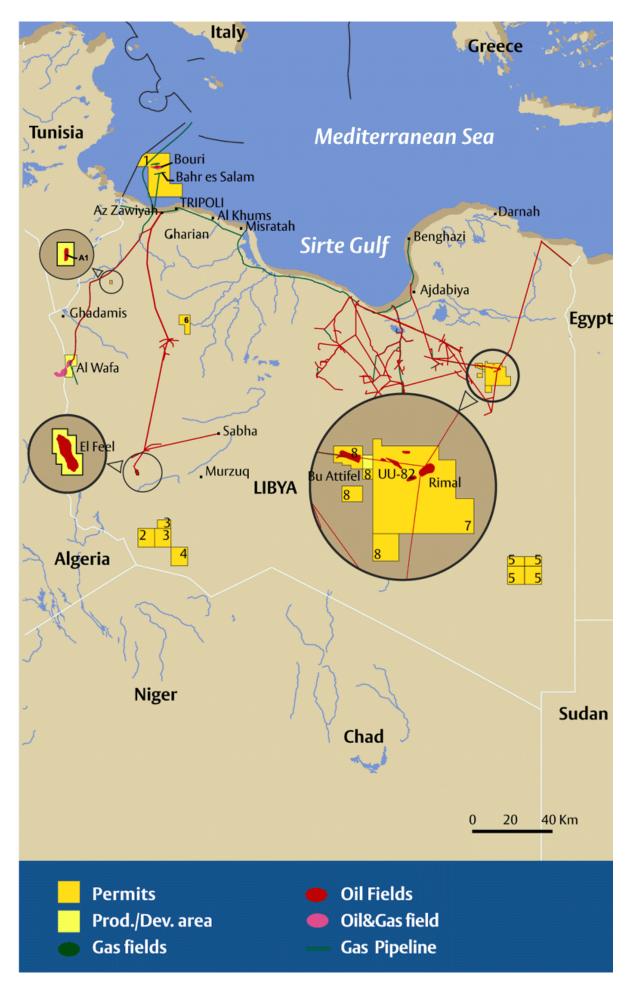
Also of importance is the role of Italy. ENI, the Italian oil consortium puts out 244,000 barrels of gas and oil, which represents almost 25 percent of Libya's total exports. (<u>Sky News:</u> Foreign oil firms halt Libyan operations, February 23, 2011).

Among US companies in Libya, Chevron and Occidental Petroleum (Oxy) decided barely 6 months ago (October 2010) not to renew their oil and gas exploration licenses in Libya. (Why are Chevron and Oxy leaving Libya?: Voice of Russia, October 6, 2010). In contrast, in November 2010, Germany's oil company, R.W. DIA E signed a far-reaching agreement with Libya's National Oil Corporation (NOC) involving exploration and production sharing. AfricaNews – Libya: German oil firm signs prospecting deal – The AfricaNews,

The financial stakes as well as "the spoils of war" are extremely high. The military operation is intent upon dismantling Libya's financial institutions as well as confiscating billions of dollars of Libyan financial assets deposited in Western banks.

It should be emphasised that Libya's military capabilities, including its air defense system are weak.

Libya Oil Concessions



Redrawing the Map of Africa

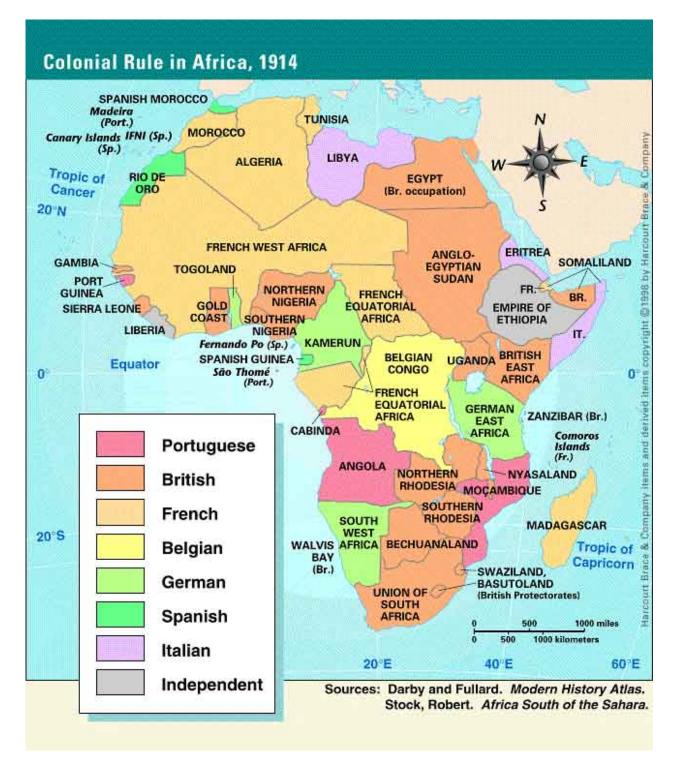
Libya has the largest oil reserves in Africa. The objective of US-NATO interference is strategic: it consists in outright theft, in stealing the nation's oil wealth under the disguise of a humanitarian intervention.

This military operation is intent upon establishing US hegemony in North Africa, a region historically dominated by France and to lesser extent by Italy and Spain.

With regard to Tunisia, Morocco and Algeria, Washington's design is to weaken the political links of these countries to France and push for the installation of new political regimes which have a close rapport with the US. This weakening of France is part of a US imperial design. It is a historical process which goes back to the wars in Indochina.

US-NATO intervention leading to the eventual formation of a US puppet regime is also intent upon excluding China from the region and edging out China's National Petroleum Corp (CNPC). The Anglo-American oil giants including British Petroleum which signed an exploration contract in 2007 with the Ghadaffi government are among the potential "beneficiaries" of the proposed US-NATO military operation.

More generally, what is at stake is the redrawing of the map of Africa, a process of neocolonial redivision, the scrapping of the demarcations of the 1884 Berlin Conference, the conquest of Africa by the United States in alliance with Britain, in a US-NATO led operation.



The colonial redivision of Africa. 1913

Libya: Strategic Saharan Gateway to Central Africa

Libya has borders with several countries which are within France's sphere of influence, including Algeria, Tunisia, Niger and Chad.

Chad is potentially an oil rich economy. ExxonMobil and Chevron have interests in Southern Chad including a pipeline project. Southern Chad is a gateway into the Darfur region of Sudan, which is also strategic in view of its oil wealth.

China has oil interests in both Chad and Sudan. The China National Petroleum Corp (CNPC) signed a farreaching agreement with the Chad government in 2007.

Niger is strategic to the United States in view of its extensive reserves of uranium. At present, France dominates the uranium industry in Niger through the French nuclear conglomerate Areva, formerly known as Cogema. China also has a stake in Niger's uranium industry.

More generally, the Southern border of Libya is strategic for the United States in its quest to extend its sphere of influence in Francophone Africa, a vast territory extending from North Africa to Central and Western Africa. Historically this region was part of France and Belgium's colonial empires, the borders of which were established at the Berlin Conference of 1884.

Image Source <u>www.hobotraveler.com</u>

The US played a passive role at the 1884 Berlin Conference. This new 21st Century redivision of the African continent, predicated on the control over oil, natural gas and strategic minerals (cobalt, uranium, chromium, manganese, platinum and uranium) largely supports dominant Anglo-American corporate interests.

US interference in North Africa redefines the geopolitics of an entire region. It undermines China and overshadows the influence of the European Union.

This new redivision of Africa not only weakens the role of the former colonial powers (including France and Italy) in North Africa. it is also part of a broader process of displacing and weakening France (and Belgium) over a large part of the African continent.

US puppet regimes have been installed in several African countries which historically were in the sphere of influence of France (and Belgium), including The Republic of the Congo and Rwanda. Several countries in West Africa (including Côte d'Ivoire) are slated to become US proxy states.

The European Union is heavily dependent on the flow of Libyan oil. 85 percent of its oil is sold to European countries. In the case of a war with Libya, the supply of petroleum to Western Europe could be further disrupted, largely affecting Italy, France and Germany. Thirty percent of Italy's oil and 10 percent of its gas are imported from Libya. Libyan gas is fed through the Greenstream pipeline in the Mediterranean (See map below).

The implications of these potential disruptions are far-reaching. They also have a direct bearing on the relationship between the US and the European Union.



Greenstream pipeline linking Libya to Italy (right)

#### **Concluding Remarks**

The mainstream media through massive disinformation is complicit in justifying a military agenda which, if carried out, would have devastating consequences not only for the Libyan people: the social and economic impacts would be felt Worldwide.

There are at present three distinct war theaters in the broader Middle East Central Asian region: Palestine, Afghanistan, Iraq. In the case of an attack on Libya, a fourth war theater would be opened up in North Africa, with the risk of military escalation.

Public opinion must take cognizance of the hidden agenda behind this alleged humanitarian undertaking, heralded by the heads of state and heads of government of NATO countries as a "Just War". The Just War theory in both its classical and contemporary versions upholds war as a "humanitarian operation". It calls for military intervention on ethical and moral grounds against "rogue states" and "Islamic terrorists". The Just war theory demonizes the Gaddafi regime while providing a humanitarian mandate to US-NATO military intervention.

The heads of state and heads of government of NATO countries are the architects of war and destruction in Iraq and Afghanistan. In an utterly twisted logic, they are heralded as the voices of reason, as the representatives of the "international community".



Realities are turned upside down. A humanitarian intervention

is launched by war criminals in high office, who are the unchallenged guardians of the Just War theory.

Abu Ghraib, Guantanamo,... Civilian casualties in Pakistan resulting from US drone attacks on towns and villages ordered by president Obama, are not front page news, nor are the 2 million civilian deaths in Iraq.

There is no such thing as a "Just War". The history of US imperialism should be understood. The 2000 Report of the Project of the New American Century entitled "Rebuilding Americas' Defenses" [pdf file no longer accessible] calls for the implementation of a long war, a war of conquest.

One of the main components of this military agenda is: to "Fight and decisively win in multiple, simultaneous theater wars".



"Operation Libya" is part of that process. It is another theater in the Pentagon's logic of "simultaneous theater wars".

The PNAC document faithfully reflects the evolution of US military doctrine since 2001. The US plans to be involved simultaneously in several war theaters in different regions of the World.

While heralding the need to protect America (i.e. "National Security"), the PNAC report does spell out why these multiple theater wars are required.

What purpose do they serve. Are they an instrument of peace? The usual humanitarian justification is not even mentioned.

What is the purpose of America's military roadmap?

Libya is targeted because it is one among several remaining countries outside America's sphere of influence, which fail to conform to US demands. Libya is a country which has been selected as part of a military "road map" which consists of "multiple simultaneous theater wars". In the words of former NATO Commander Chief General Wesley Clark:

"in the Pentagon in November 2001, one of the senior military staff officers had time for a chat. Yes, we were still on track for going against Iraq, he said. But there was more. This was being discussed as part of a five-year campaign plan, he said, and there were a total of seven countries, beginning with Iraq, then Syria, Lebanon, Libya, Iran, Somalia and Sudan.... (Wesley Clark, Winning Modern Wars, p. 130).

Part I

Insurrection and Military Intervention: The US NATO Attempted Coup d'Etat in Libya?

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