

THE NAVY SEALS BRING YOU IZAHGNEB! SAVING LIBYA'S CRUDE FOR MARATHON OIL!

I discovered NSC spokesperosn Caitlin Hayden has a (little used) twitter feed today when she tweeted this article.

The article not only explains why Navy SEALs were ordered to take over a ship absconding with Libyan oil.

Oil is Libya's lifeblood. The economy entirely depends on it; turn off the taps and everything grinds to a halt. Libyans quite rightly regard the oil as their common property, a national resource to be shared for the good of all. The vast majority of Libyans hold jobs that are financed, directly or indirectly, by the sale of oil.

Given this history, it makes perfect sense that the control of oil should rest with the central government. Take that away, and the government doesn't just lose control over its most important source of finance – the very notion of central authority will also be compromised, perhaps fatally. And in present-day Libya, the fate of democracy is closely linked with the viability of government itself.

This is why both Libya's government and the international community have viewed the federalists' threats to sell off the oil under their control as a dangerous challenge to the stability of the government in Tripoli. Last week, Jathran's forces finally made good on that threat: they used one of the oil terminals under their control to fill up a North Korean-flagged tanker called the

Morning Glory.

[snip]

Had the story ended there, the result would have been an unmitigated disaster for the government. Tripoli's impotence and dysfunction would have graphically exposed for all the world to see. The floodgates for the wholesale looting of Libya's oil resources would have opened. The forces of anarchy would have cheered. (It's worth noting that a prime minister has already lost his job for even allowing the tanker to load in the first place.) But that's when Washington stepped in.

Not long after the tanker arrived in international waters, a U.S. Navy guided missile cruiser, the USS Roosevelt (pictured above), brought the SEALs into range. (By the way, Obama authorized the move at 10 PM on Sunday night Washington time, as the world was preparing for the Crimean referendum.) They boarded the tanker without a shot fired and took it over.

But it bitches that no one recognized the successful operation as a "master stroke."

President Obama pulled off a master stroke this week. He deployed U.S. military force in support of an infant democracy that desperately needs our help. The result was a resounding success, a vivid illustration of how the United States can put its unchallenged power to positive ends.

[snip]

The reaction in Washington: a giant yawn. Deafening silence from Sens. John McCain and Lindsey Graham, who are always quick to demand U.S. military action in situations where it will

usually make things worse. Fox News barely noticed. Nor was there a word of praise from the president's liberal allies on Capitol Hill. Even the *New York Times* ran a perfunctory report.

Now, frankly, I did notice. I shared the puzzlement I saw a few others express as to the legal basis for our SEALs policing stolen property. I was also rather curious about the legal status of the operation, which presumably relied on secrecy and also clearly (given the detention in Cyprus of suspected intended buyers) involved close cooperation with the intelligence community. (The Washington Times called it a "covert operation," though they may not have been using the term in its technical sense.) And then shortly after, our government started crowing about its involvement, including this DOD statement noting that "The boarding operation [was] approved by President Obama." And now, with this rare tweet from Hayden, official approval of this article that is thick with propaganda.

Behold the anti-Benghazi, ladies and gentlemen, a successful operation in which our brave Navy SEALs return stolen property to poor Libya, saving the unity of the country and a fledgling democracy.

Mind you, as I was looking for that DOD statement, I noted a slight change in the description of the operation.

A March 11 statement from Libya's National Oil Company stated, "the crude oil loaded upon the vessel "Morning Glory", which is now at Essider Terminal in Libya, is the property of NOC **and its Partners.**" A March 9 State Department statement said, "The oil belongs to the Libyan National Oil Company and its joint venture partners. **These partners include U.S. companies in the Waha consortium.**"

That March 17 statement, however, described, "The Morning Glory is carrying a cargo of oil

owned by the Libyan government National Oil Company.” And a March 19 one not only added, “U.S. forces took control of the tanker in international waters at the request of the governments of Libya and Cyprus,” but repeated that “The Morning Glory is carrying a cargo of oil owned by the Libyan government National Oil Company.” Those partners – which both NOC and State were happy to reference before the SEALs valiantly rescued the crude – seem to have disappeared from the Administration’s messaging.

ConocoPhillips owns a 16.3% stake in the Waha Concession, and an even bigger stake in some less productive ventures. Marathon Oil also owns a 16.3% stake (and Hess a 8.2% stake).

So while Caitlin Hayden would like you to believe this was a heroic op that saved the Libyan democracy from disintegration – I’m sure the SEALs acquitted themselves against 3 armed Libyans quite courageously and it may well help the Libyan state – it also happens to be an operation that served to rescue around \$8 million of crude owned by American companies.

Two more details. As Guardian pointed out in its initial coverage of the rebels’ seizure of the oil, reliable sources of oil to Europe are increasingly important as the US tries to face down Vladimir Putin on Europe’s East.

Just as importantly, Marathon has been trying to find a way to get out of its stake in Libya.

Libya has blocked efforts by U.S. company Marathon Oil to sell its stake in one of the country’s top oil ventures by moving to preempt a deal, sources said, highlighting the struggle investors face in cutting exposure to Libya’s unrest.

Two years of turmoil since the Arab Spring and tough contract terms have prompted oil firms to reassess their role in Libya, and U.S. companies appear keenest to leave as they lack the proximity and infrastructure links that

make North Africa attractive to their European peers.

Sources told Reuters in July that Marathon was considering the sale of its stake in Libya's Waha Oil Company, which has a maximum output capacity of 350,000 barrels per day (bpd) and produces the OPEC member's main light sweet crude grade.

In addition to the hit this would have on Marathon's bottom line (the Libyans have first bid here and informed Marathon they'd pay less than market rates), it would open up yet another new front for China to invest in big reserves. The last thing the US wants in China extending its influence in Africa.

Again, I'm not questioning the courage or excellence of the SEALs, nor am I diminishing the importance of oil to propping up the Libyan state right now. But it seems the push to turn this into a heroic narrative also serves to obscure the degree to which this is also about using our military to ensure the viability of this exploration so as to ensure US oil companies continue to exert influence – and keep pumping oil – in Libya.

Yes, this was not the catastrophe that Benghazi was (which has been magnified in any case). But that doesn't mitigate that the overthrow of Qaddafi risks spiraling even further out of control into yet another colossal catastrophe of American (and European) intervention.