

Washington funnels confiscated Libyan assets to “rebel” leadership

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Yesterday’s meeting of the “Contact Group on Libya” concluded with US Secretary of State Hillary Clinton announcing that Washington will soon “tap some portion” of the \$30 billion in Libyan assets it has confiscated to assist the military intervention. The brazen illegality of the Obama administration’s moves to use Libya’s national wealth to keep the so-called rebel leadership afloat again demonstrates the colonial character of the US-NATO war to oust Muammar Gaddafi.

Held in Rome, Italy, the second meeting of the Contact Group was a squalid spectacle, resembling a gathering of mafia bosses coordinating a lucrative heist. Twenty-two foreign ministers, mostly from European and Arab states, were joined by officials from the UN, Arab League, NATO, the European Union, the Gulf Cooperation Council, and the World Bank.

In a lengthy joint statement, the group declared that the so-called Interim National Council (INC) in the eastern Libyan city of Benghazi is a “legitimate interlocutor for Libyans”—a status that “should entail the possibility for it to request the unfreezing of Libyan assets, which remain frozen in accounts in several states”. A “Temporary Financial Mechanism” has been established to funnel hundreds of millions of dollars to the anti-Gaddafi leadership, which comprises various ex-regime figures, Islamic fundamentalists and US intelligence assets. Kuwait has already pledged \$180 million and Qatar \$400 million.

The Obama administration will move to pass legislation allowing it to spend \$150 million in Libyan assets in seized in February. The *Washington Post* reported that “the administration will work with Congress to decide who will get the money”—underscoring the arbitrary and illegal nature of the operation. The *Post* further explained

that the initial sum is only a small fraction of the total \$30 billion in “frozen” Libyan assets because “some of that money is in American banks overseas, making it more complicated to use”.

Apparently, stealing Libyan resources is one thing, but removing them from the coffers of American banks quite another.

Libya’s deputy foreign minister, Khaled Kaim, denounced Washington’s manoeuvres as akin to “piracy on the high seas.”

The European powers are yet to follow Washington’s lead on the use of confiscated assets. The *Financial Times* explained: “Legal advisers to some European Union member states have said that freeing frozen regime funds would require a new UN resolution that they doubt would muster enough support on the Security Council.”

The latest developments underscore the bought-and-paid-for character of the stooge Libyan government-in-waiting. From the very beginning of the unrest in Libya, the Benghazi-based authority was fashioned by Washington and its allies as a pliant instrument of its plans to remove the Gaddafi regime, install a puppet administration in line with their strategic and commercial interests, and use Libya as a base of operations against the revolutionary movements across North Africa.

Contact Group members have declared that their cash deliveries to the INC will be used for “humanitarian” purposes. This is as bogus as the “humanitarian” pretext for the war itself. There is no doubt that the enormous resources being poured into Benghazi will further inflame the civil war, producing an even more dire situation for Libyan civilians caught in the fighting.

The US and European powers yesterday resolved to step up their bombardment of Libya. British Foreign Secretary William Hague declared after the meeting: “The tempo of the military action should continue to be increased as it has been increasing in recent days.” This is a highly provocative statement, given that the increased military “tempo” in recent days has involved an assassination attempt against Gaddafi that killed the ruler’s youngest son and three of his grandchildren.

Hague and Hillary Clinton both indicated there would also be further airstrikes on non-military infrastructure, including state television and radio facilities. The US Treasury Department’s Office of Foreign Assets Control yesterday named the Libyan Jamahiriya Broadcasting Corporation, the state broadcaster, among several additional Libyan companies now subject to sanctions. Broadcasting facilities were first bombed by NATO in the capital, Tripoli, on April 25.

The Contact Group members also reportedly discussed strengthening the oil embargo that has led to worsening fuel shortages and economic problems in Tripoli.

In the joint statement, the group “welcomed” moves by the International Criminal Court (ICC) to prosecute members of the Gaddafi regime for crimes against humanity, and “deplored [the] reported use of cluster munitions.”

This is completely hypocritical, as Washington does not even recognise the ICC’s authority and has moved to defeat international efforts to restrict the use of cluster bombs.

A call by Italy’s foreign minister, Franco Frattini, for an “end date” to NATO operations was roundly rejected. French Foreign Minister Alain Juppé declared that he expected the bombardment to continue for “months”, while NATO chief Anders Fogh Rasmussen said he refused to “guess about dates.”

The Italian government subsequently rejected any suggestion that it was not “fully committed” to the NATO attack, with a foreign ministry spokesman maintaining that the mission would end when “the objectives are achieved.” Franco Frattini’s suggestion of an “end date” nevertheless points to the bitter inter-imperialist rivalries

within the US-NATO coalition that are poorly concealed by the statements of unity issued by the Contact Group.

Silvio Berlusconi is under pressure from his main coalition partner, the Northern League, which is inciting fears of an influx of Libyan refugees in the event of a protracted war.

Italian imperialism also has enormous investments in Libya, its oil-rich former colony, and fears missing out in a post-Gaddafi carve up. There are enormous profits at stake for the Italian oil giant ENI. “The crisis in Libya concerns us,” ENI Chief Executive Paolo Scaroni told a meeting of shareholders yesterday. He added, optimistically, “Whichever government comes into power will want to return producing as soon as possible. Nobody knows the wells as well as us.”

The nakedly colonial calculations underlying the military intervention into Libya were also foreshadowed in a US diplomatic cable recently released by WikiLeaks. The confidential document, sent by US Ambassador Charles Rivkin from Paris in February last year, was titled “France and North Africa: Current State of Play.”

Reporting on embassy discussions with French foreign ministry official Cyrille Rogeau, Rivkin reported that “the French are growing increasingly frustrated with the Libyans’ failure to deliver on promises regarding visas, professional exchanges, French language education, and commercial deals.” The cable cited Rogeau as saying: “We (and the Libyans) speak a lot, but we’ve begun to see that actions do not follow words in Libya. The Libyans talk and talk but don’t buy anything (from us). Only the Italians land any contracts.”



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