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False logic of Libyanisation

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ALTHOUGH the oil producing companies in Libya have reached agreement with the Government over tax prices for crude they still have a far from happy relationship with the Ministry of Petroleum. When the country's young idealistic leader, Colonel Muammer Khedaffi, opened the battle over posted prices in Tripoli on January 29 he also stressed other demands. Foremost among these was that Libyans should be given more responsibility in the industry.

In sharp, military manner Colonel Khedaffi told the assembled group of oil executives that Libyan workers were not being treated with the respect due to their positions as "owners of the land and the rights." He said, "The number of Libyan workers in oil companies is kept to a minimum. Technical training opportunities for Libyans are very limited."

1967 embargo

Even before the price talks had been completed the Ministry of Petroleum established a Department of Training and Employment. Its most outstanding director to date has been Kansas State University graduate, Omar el Saghali. Mr. Saghali, a former employee of Esso and Occidental oil companies (and an anthropology degree as well) set about his job with revolutionary zeal. Jailed for his part in organising the 1967 oil embargo he is a staunch nationalist in the line of Dr. Maghrabi, Republican Libya's first Prime Minister and one-time head of the Government's oil price negotiating committee.

The new department soon caused havoc among the oil companies. Mr. Saghali, quoting from his experience from within the companies, began seeking the promotion of Libyans. All work permits for foreign oil workers had to be approved by the department. This led to many stormy scenes between Mr. Saghali and the heads of various companies. Work permits were refused for hundreds of foreign engineers and technicians.

Others were renewed for limited periods of three or six months with the injunction that this extension was to enable the training of a Libyan replacement and there would be no further renewal for the foreigner. Such cases included vehicle mechanics and the foreman of a geological survey team. In November instructions were issued that no Libyans were to be sent abroad for training by the oil companies without the prior agreement of the department to ensure that training was in line with the Government's own plans for these employees.

Coming at a time when the exploration is almost non-existent, the result has been not only a reduction of foreigners in the industry but widespread unemployment among local workers. The faults in the Libyanisation plan were highlighted by Mahdi el Kagigi, editor of the local independent daily Al Hurriya (Freedom), in a leading article on December 14 which said "Without science as a base, logic and language for our plans, planning for a better future for the coming generation will not be fulfilled."

Nobody doubts the good intentions of the Government officials implementing the Libyanisation plan. What upsets the companies is the official refusal to deal with the problem logically and scientifically. The companies are only too willing to agree to a logical Libyanisation programme. Yet they are faced with a very fundamental obstacle—the shortage of skilled labour.

Educated recruits are hard to get. At least one major oil company considers the local university to be taboo as a hunting ground. All the students are on State scholarships and are obliged to work for the Government, if required, after graduation. Oil executives in Libya have long been aware of the problem. They have had gradual Libyanisation programmes of their own for some time.

The opinion of many expatriates is that the Libyans they deal with are generally difficult to train. In an undeveloped country they have had no educational tradition apart from the Koran. However, the opinion of one Western expert, Mr. Bill Baldwin, head of Esso Libya's training department, is that: "The Libyan is an intelligent, trainable and very malleable person. The key to training him is to motivate him. Any failure is not in the Libyan, but in learning how to motivate him."

It is on this basis that Esso has pushed ahead with a dramatic new training programme costing $21,000 per employee trainee, not including salary. The programme follows detailed studies by the Dunwoody Institute and D. R. Llewellyn and Associates and was devised by Esso's own training experts. If all goes according to Esso's plan, the company will have by 1976 100 fully qualified mechanical craftsmen who will immediately replace 100 expatriates.

The programme starts with language and basic science study in England before the trainees go on to British technical colleges for one year. The trainees then return to the company's own industrial training centre—the biggest in Libya—at the Marsh el Brega oil terminal. An extension is planned at the centre especially for these trainees and the company hopes to staff it with nine vocational specialists from a well known U.S. educational institution. Their sole job will be to teach groups of 14 through a two-year full-time training course.

Yet even this accelerated programme, which aims at qualifying Libyans in less than half the time normally taken in Western countries, may not be fast enough for the revolutionary spirit in the Ministry of Petroleum. Esso officials say that according to approaches they have made to the Ministries of Petroleum and Labour it was "anything but certain" that they were going to get work permits for the nine teachers.

What the Ministry of Petroleum is after is instant Libyanisation. No amount of logical argument has appeared to have any effect on the Government's policy of cancelling work permits at short notice for even key employees in the industry. Mr. Saghali after serious altercations with Oasis and Aquitaine executives was promoted to adviser of the Training and Employment Department. However his replacement at the Ministry of Labour and Social Affairs, Mr. Mohammed El Miir, has shown no continued policy while new to the job.

The companies are agreed that if they can get a local employee who can perform the job of an expatriate, not necessarily as well, but at least competently, then they would appoint him. A local employee does not need housing allowance, hardship allowance and all the other financial inducements companies have to offer expatriates. to work in Libya.

But the Government's scheme has meant appointing Libyans to positions above their capabilities. Recently 52 Libyan employees in Esso Libyan's Employment Section are quoted by "El Hurriya" newspaper as complaining to the Labour Ministry, announcing their refusal to work under the newly appointed Libyan Section Director and protesting at his treatment of them.

Behind the Government's unflinching determination to replace all the foreign employees with Libyans, some oil men see only one motive—eventual nationalisation. Increasing control of the oil industry by host countries declared policy of the Organisation of Petroleum Exporting Countries to which Libya belongs. By this accelerated Libyanisation programme, the Government seems to be trying to ensure that Libya gets the technical capability sooner, rather than later, to implement such a policy. But it remains to be seen whether it is adopting the right methods for fulfilling this aim.

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