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Giving in to Gaddafi sets us on a slippery slope

From Mr Jens Viberg.

Sir, How refreshing to read Christopher Caldwell's piece "The west plays Gaddafi's game" (September 5/6). What has happened to calling a spade a spade? Col Gaddafi is a dictator, as are several other leaders in the region. On top of that, he is throwing his weight around as if he has lessons to give

on democracy and the state of law.

A dictator is a dictator; a dictatorship is a dictatorship, no matter where in the world it is, no matter what kind of commodity it sells. To lose sight of that fact in the interest of trade is to slide down a slope of selling out democratic and other values. Giving in to threats is the beginning of the end as history

has shown. Instead of giving sacrifice at the altar of energy, we should intensify our efforts to diminish our dependency on oil.

Anyway, what is he doing with all the oil money? Where is he hiding it? It does not seem to be spent on his poor countrymen.

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Let-down in Libya

Gaddafi should stop Tripoli's creeping nationalisation

Doing business with Muammer Gaddafi is a perilous task, as the release of Abdelbaset Ali al-Megrahi, the Lockerbie bomber, has painfully demonstrated in Britain.

Libya's mercurial colonel operates under the assumption that he can do as he pleases as long as he stays clear of funding terrorists or building weapons of mass destruction. Sadly, politicians have been willing to indulge him.

But now the Libyan leader is taking his mischief to a new level, imposing restrictions on foreign businesses dazzled by Africa's biggest proven oil reserves and the promise of an impressive under-explored territory.

Mr Gaddafi has never been convinced of the benefits of the private sector, domestic or foreign. He promotes it at times, and restricts it at others, depending on his mood. As a result of his whims - not to mention the pervasive lack of initiative among his frightened bureaucrats - companies often find that their projects remain at a standstill.

But in what is being described as a "creeping nationalisation", a new government directive demands that foreign companies

operating in Libya appoint Libyan heads, a move certain to infuriate businesses and deter new entrants.

It is not clear whether the directive will apply to all sectors with equal vigour - the oil and gas industry is hoping for an exemption. But oil companies already are being forced to hire more local engineering staff and equipment supplies. An earlier directive, moreover, stipulated that the deputy head of joint ventures should be Libyan.

Also frustrating is that pressure continues to mount for a renegotiation of oil contracts to give Libya bigger production shares, something which a few of Tripoli's partners, including Italy's Eni and Spain's Repsol, already have agreed to.

Mr Gaddafi is pushing his luck. Business needs predictability and continuity, both of which are woefully lacking in Libya. To add more onerous conditions to this dysfunctional environment is to tell foreign companies that they are not welcome. The Libyan leader may yet discover that many companies have less patience for his caprices than do politicians.