

1. THE LANGUAGE OF WAR HAS HEIGHTENED REGARDING IRAQ
2. WE MENTIONED 2 WEEKS AGO THE PROFS THAT THERE IS A POWER STRUGGLE FOR CONTROL OF THE REGION
3. THEY WOULD HAVE THE ORDINARY MAN BELIEVE THAT THEY GO TO WAR FOR HIGH MORAL REASONS
4. WE KNOW FROM THEIR CREED THE ONLY REASON IS FOR BENEFIT AND GREED OF THE POWERFUL ESTABLISHMENT
5. THERE ARE STRONG LINKS FROM THE US ADMINISTRATION TO THE OIL INDUSTRY
6. WE SHOULD SHOW THE MUSLIMS AND THEY SHOULD ASK THE ORDINARY PEOPLE IN THE WEST DO THEY DESIRE TO GO SEND THEIR TROOPS TO WAR FOR THE SAKE OF US OIL INTERESTS
7. make the link that such is the system – do we expect that such a corrupt system could serve mankind. Do we really want to see this system firmly established – for the feudal pbarons of Pakistan and the Ols sheikhs of the Gulf?

ARTILCES PROVING THAT OIL IS THE MOTIVE

West's greed for oil fuels Saddam fever

11-08-2002

Comment

London, The Observer:

Is the projected war against Iraq really turning into an oil war, aimed at safeguarding Western energy supplies as much as toppling a dangerous dictator and source of terrorism? Of course no one can doubt the genuine American hatred of Saddam Hussein, but recent developments in Washington suggest oil may loom larger than democracy or human rights in American calculations.

The alarmist briefing to the Pentagon by the Rand Corporation, leaked last week, talked about Saudi Arabia as 'the kernel of evil' and proposed that Washington should have a showdown with its former ally, if necessary seizing its oilfields which have been crucial to America's energy.

And the more anxious oil companies become about the stability of Saudi Arabia,

the more they become interested in gaining access to Iraq, site of the world's second biggest oil reserves, which are denied to them. Vice-President Dick Cheney, who has had his own commercial interests in the Middle East, baldly described his objection to Saddam in California last week: 'He sits on top of 10 per cent of the world's oil reserves. He has enormous wealth being generated by that. And left to his own devices, it's the judgment of many of us that in the not too distant future he will acquire nuclear weapons.'

If Saddam were toppled, the Western oil companies led by Exxon expect to have much readier access to those oil reserves, making them less dependent on Saudi oilfields and the future of the Saudi royal family. The US President and Vice-President, both oilmen, cannot be unaware of those interests.

Of course Western policies towards Iraq have always been deeply influenced by the need for its oil, though they tried to be discreet about it. The nation of Iraq was invented in 1920, after the First World War. The allies had 'floated to victory on a sea of oil' (as the British Foreign Secretary Lord Curzon put it), but they preferred to conceal their dependence on it: 'When I want oil,' said Clemenceau, the French Prime Minister, 'I go to my grocer.'

But both Clemenceau and Curzon, while they talked about Arab interests and self-determination, knew that what really mattered in Iraq was the oil that was emerging in the North; and the British and French succeeded in controlling the precious oilfields at Mosul.

Iraqi oil became still more desirable after the oil crisis of 1973 which enabled the Arab producers to hold the world to ransom; and the discovery of huge new oil reserves in the South made Iraq more important as a rival to Saudi Arabia - and Saddam more exasperating as an enemy.

It is true that since the Seventies, as the shortage turned into glut, producing countries have become much more dependent on the global marketplace. Countries which hoped to develop political clout by allocating oil supplies soon found they had to compete to sell their oil wherever they could. And Western companies developed new oilfields nearer home, or in friendlier countries.

But America and continental Europe still depend on uncertain developing countries, mostly Muslim, for much of their energy, and in times of crisis the concern about oil supplies returns. Western oil interests closely influence military and diplomatic policies, and it is no accident that while American companies are competing for access to oil in Central Asia, the US is building up military bases across the region.

In this security context the prospect of a 'terror network' controlling Saudi Arabian oil, which last week's briefing to the Pentagon conjured up, presents the ultimate night mare: a puritanical Islamist regime in Saudi Arabia, and perhaps in other Gulf states, would be prepared to defy the marketplace, with much less need to sell their oil than corrupt monarchies or sheikhdoms. Bin Laden, himself a Saudi, made no secret of his overriding ambition to rid his country of corrupt rulers and return to its austere Islamist roots.

In this scenario Americans would be more determined to get access to oil in Iraq, and the demands to topple Saddam would be reinforced.

There are undoubtedly many different and sometimes conflicting strands behind Washington's attitudes to Iraq. Certainly the public sense of outrage about 11 September, and the fear of terrorism, remains the most potent political force behind the moves against Saddam - reinforced by Israel's dread of Iraq's weaponry.

But there are also the longer-term geopolitical arguments in the Pentagon and the State Department, with commercial pressures behind them, about the need for energy security. And these have become more urgent with the growing worries about the Saudis.

The crucial question remains: would toppling Saddam safeguard Iraq's oil for the West? After all, both previous American Presidents - Clinton and George Bush Sr - were persuaded not to overthrow Saddam, because the alternative could well be a more dangerous power vacuum. That danger remains. If Iraq were to split into three parts, as many expect, the new oil regions in the South might become still less reliable, in a region dominated by Shia Muslims who have their own links with the Shia in Iran. And a destabilised Saudi Arabia could make a power vacuum still more dangerous.

The history of oil wars is not encouraging, and oil companies are not necessarily the best judges of national interests. The Anglo-American coup in Iran in 1953, which toppled the radical Mossadeq and brought back the Shah, enabled Western companies to regain control of Iranian oil: but the Iranian people never forgave the intervention, and took their revenge on the Shah in 1979.

The belief that invading Iraq will produce a more stable Middle East, and give the West easy access to its oil wealth, is dangerously simplistic. **Westerners live in a world where most of their oil comes from Islam, and their only long-term security in energy depends on accommodating Muslims.**

· Anthony Sampson is the author of 'The Seven Sisters', about oil companies and the Middle East.

The Iraq Obsession
12 August 2002
Summary from stratfor.com

Opposition to a U.S. attack on Iraq is increasingly being voiced internationally and within Washington. Despite the divisions it is causing, the Bush administration is not abandoning its strategy because it sees a successful campaign against Iraqi leader Saddam Hussein as a prime way to shatter the psychological advantage within the Islamist movement and demonstrate U.S. power.

Analysis

The diplomatic and political walls began to close in on the Bush administration's Iraq policy last week. First, German Chancellor Gerhard Schroeder very publicly announced something Berlin

had been saying privately for years: The German government wants no part in any invasion of Iraq. Then Republican House majority leader Dick Armey said he saw little justification for an operation against Iraq.

Schroeder's stance may be mainly a political ploy aimed at Germany's Sept. 22 elections: He currently is trailing conservative challenger Edmund Stoiber, who has taken a more pro-U.S. military stance. But Washington must still take the opposition to an Iraq campaign within the German government and populace seriously. Germany is a key staging area for U.S. forces. Pre-positioned equipment and forces are based there that undoubtedly would be necessary in the event of an attack. Depending on the opposition, U.S. bases in Germany might not be available for use.

Armey's statement also indicates that, in addition to the expected opposition from liberals, Bush could face the same from his own political base. At this point it seems there are very few outside of the Bush administration itself who want an Iraq invasion, with the possible exceptions of the British government and Israel.

Since the Bush administration has a strong national security team, it is reasonable to assume that its strategy is not formulated frivolously nor adhered to mechanically. Therefore, the question of the week is why the White House remains obsessed with Iraq when the issue is tearing apart its international alliance as well as its domestic political base.

As always there are multiple reasons, the top one being that as the United States has pressed in globally on al Qaeda, it has realized that the problem it faces is not the actual network per se. The administration has concluded that there is a broad and deep anti-Americanism that permeates the Islamic world. This is due both to U.S. support for Israel and the U.S. presence in Saudi Arabia in particular and in the Islamic world in general.

However, the Bush administration does not believe that shifting positions on either of these issues would defuse this anti-American sentiment. On Israel, the administration has concluded that the Palestinians are not interested in an independent state except as a springboard for further militant attacks. In its view, Palestinian leader Yasser Arafat has done everything possible to prevent the creation of a Palestinian state while seeking to shift the responsibility to the Israelis.

Were a Palestinian state to be created under current circumstances, the result would be ongoing operations against Israel within its 1948 boundaries. Even if a Palestinian government wanted accommodation with Israel, a substantial faction of the Palestinians would refuse compromise and continue attacks. Israel would inevitably respond, and the status quo of chaos would quickly be restored. Moreover, the administration believes it is detecting increasing collaboration between al Qaeda and Palestinian groups.

The hostility toward an American presence in Saudi Arabia is a deeper issue. In many ways, the modern emergence of the Arab and Islamic world was a European contrivance and convenience. Regimes from North Africa to the Arabian Peninsula to the Indian subcontinent to the South China Sea were as much expressions of European imperialism as of local nationalism. Iraq's 1990 invasion of Kuwait created two contradictory tendencies.

First, the Arab world reacted violently to Iraq's absorption of another Arab country. However, after the war, attention throughout the region -- particularly in Saudi Arabia -- focused on the re-emergence of a foreign, imperial presence in the Arab world. The United States was not seen as the savior of Kuwait but as the despoiler of the Saudi heartland.

From Washington's point of view, the problem of al Qaeda has become the problem of U.S. relations with the Islamic world in general and with al Qaeda in particular. The Bush people also see this as unsolvable. The creation of a Palestinian state simply will be the preface for the next

generation of the war. Repudiation of Israel might satisfy some -- while destabilizing Jordan and Egypt -- but it still would not solve the core problem, which is the desire to expel the United States from the region.

That leaves abandoning the region altogether, which is seen as impossible. First, there is oil. Although the development of Russian oil reserves is underway, the fact is that Persian Gulf oil is a foundation of the Western economic system, and abandoning direct and indirect (through client regimes) access to that oil would be unacceptable.

Second, al Qaeda's dream is the creation of an integrated Islamic world in confrontation with the non-Islamic world. This is a distant threat, but were the United States to leave the region, it would not be unthinkable. That itself makes withdrawal unthinkable.

The al Qaeda problem cannot be confined simply to al Qaeda or even to allied groups. It is a problem of a massive movement in the Islamic world that must be contained and controlled. Placating this movement is impossible. The manner in which the movement has evolved makes finding a stable modus vivendi impossible.

What may be possible is reshaping the movement, which would mean changing the psychological structure of the Islamic world. Five events have shaped that psychology:

1. The 1973 oil embargo
2. The survival of Iraqi leader Saddam Hussein
3. The defeat of the Soviet Union in Afghanistan
4. The perceived defeat of the United States in Somalia
5. Sept. 11, 2001

Each of these events served to reverse an Islamic sense of impotence. From 1973 until Sept. 11, the Islamic world has been undergoing a dual process. On the one side, there has been a growing sense of the ability of the Islamic and Arab worlds to resist Western power. On the other side, there has been an ongoing sense of victimization, a sense predating the United States by centuries.

The center of gravity of Washington's problem is psychological. There is no certain military or covert means to destroy al Qaeda or any of its murky allied organizations. They can be harassed, they can be disrupted, but there is no clear and certain way to destroy them. There may, however, be a way to undermine their psychological foundations, by reversing what radical Islamists portray as the inherent inevitability of their cause. Sacrifice toward victory is the ground of their movement. Therefore, if the sense of manifest destiny can be destroyed, then the foundations of the movement can be disrupted.

Hence Iraq. Hussein is one of the pillars of the psychology aspect because his ability to survive American power in 1991, and live to see the day that former President George Bush fell from office, is emblematic of the ability of Arabs and Muslims to resist and overcome American power.

It is essential for the Bush administration to reverse that sense of manifest destiny. The destruction of the Iraqi regime will demonstrate two things. First, that American power is overwhelming and irresistible. Second, that the United States is as patient, as persevering and much more powerful than the Islamist movement

Moreover, an attack on Iraq, unlike the destruction of al Qaeda and militant Islam, can be achieved. Wars with nation-states possessing large military forces are something that the United States does very well. Destroying a highly dispersed global network is something that nobody does very well. The United States cannot afford an atmosphere of ongoing stalemate.

Whatever the strategic virtues of an attack on Iraq, it psychologically would break the stalemate. It

would set the stage for changing the psychological configuration in the Islamic world and imbuing the movement with a sense of failure and hopelessness, undermining its ability to operate.

This is why the Bush administration is obsessed with an attack on Iraq. Its reasoning is not easily explainable in conventional terms, which is why the plan generates intense opposition from those who cannot see its benefit but can see the risks. The opposition to such an attack is not frivolous. All warfare has a psychological component, but this elevates the psychology radically. Moreover, the psychological consequences are never predictable. Who knows how the Islamists will react in the end?

Nevertheless, this is the best explanation for the Iraq obsession. It is about psychology and long-term relationships and not about immediate impacts. It is designed to weaken al Qaeda's soul, not to cripple its operational capability. If you see al Qaeda as fundamentally a psychological response, the strategy might just work.

ARTICLES AS PROOF THAT WEAPONS IS NOT THE ISSUE

Iraq 'has no terror weapons'

06-06-2002

By Alex Kirby, BBC News Online environment correspondent

BBC on line:

A former United Nations official who worked in Iraq says he does not believe it possesses weapons of mass destruction.

The official, Denis Halliday, was the UN humanitarian co-ordinator in Iraq in 1997-98.

Mr Halliday said he thought a US attack on Iraq was likely later this year, and people there were deeply concerned.

Any attack could mean appalling losses of Iraqi civilians and US troops.

Mr Halliday worked for the UN for 34 years, and was an assistant secretary-general when he was sent to Baghdad.

But he resigned from the UN to have the freedom to criticise the international sanctions policy directed at Iraq.

In an interview with BBC News Online, Mr Halliday said: "I don't think Saddam Hussein possesses any weapons of mass destruction.

"There'd be no doomsday option for him in the event of a US attack. But it could mean horrific casualties among Iraqis, who I think would fight, and for the Americans.

"I think we'll probably see the Americans bombing Iraq before their November elections. An invasion could come early next year."

Mr Halliday was scathing about the present UN, which he said many people in Europe and the Middle East now regarded as effectively part of the US State Department.

"The removal of Boutros Boutros-Ghali, the last secretary-general, was an outrageous undermining of the UN," he said.

"He had courage and guts - he was independent. But Kofi Annan was handpicked as his successor because he was seen as friendly to the US.

It's Blair, Schroeder and Chirac who'll change George Bush's mind, not Osama bin Laden

"Mr Annan has squandered his opportunities to stand up and be counted.

"He hasn't used his moral authority, for example by using Article 99 of the UN Charter to draw matters of concern to the Security Council's attention. He could have got them to discuss the Rwandan genocide, or Chechnya, but he didn't."

Mr Halliday, an Irish citizen, lives in the US, and says he is not anti-American.

"There are some good people in Washington who realise that rejecting international law is not in the US' own long-term interests," he said.

"But rejection is what the administration is about - the Kyoto Protocol on climate change, the land mines convention, the international criminal court, and so on.

"The only way to change the US is through its friends, not its enemies.

"It's Blair, Schroeder and Chirac who'll change George Bush's mind, not Osama bin Laden.

"I'd like to see Tony Blair nominated for the Nobel Peace Prize if he could influence US foreign policy towards non-aggressive goals.

Voice of the poor

"But he's silent, he has this habit of disappearing. What's the point of having access and influence if you don't use them?"

Mr Halliday argues that "a sole hyper-power is dangerous", but does not want to return to a world where two great blocs confronted each other.

"A balance of power is very important", he said. "But that won't come from confrontation.

"We have to reform the Security Council. At present it's an old boys' club of the world's major arms traders.

"It needs a permanent voice from the developing world, and probably only one European Union member. So either France or the UK should go."

Americans losing faith in Bush on Iraq

uploaded 24 Aug 2002

Matthew Engel

Saturday August 24, 2002

The Guardian

President George Bush found himself dealing with an unaccustomed degree of dissent yesterday with the publication of a poll showing growing opposition to an invasion of Iraq and a near-riot outside the hotel in Oregon where he was speaking.

The poll results, showing a bare majority of Americans in favour of using ground troops to attack Iraq, were published after the Portland police used pepper spray to break up a demonstration outside the site of a Republican party fundraising rally.

About 500 protesters were ordered to move after they pushed down a barricade. Riot police moved in, using the aerosol sprays and pushing the protesters with batons.

The protest, a rarity on this scale in American cities in the past 20 years, was held after Mr Bush announced his new plan to loosen controls on logging in national forests.

The demonstrators were protesting against this policy and the plan to invade Iraq. Some carried placards saying "Drop Bush, Not Bombs". There were five arrests.

Electoral, Oregon is one of the most closely contested states in the country, but Portland is a famously liberal city with a strong contingent of activists and ageing hippies - Mr Bush's father used to refer to it, oddly, as "Little Beirut" - and the demonstration does not necessarily signal a return to more combative times in more typical American cities.

None the less, yesterday's events were the most visible sign of angry dissent in the US since the initial post-September 11 activism on some campuses was drowned by the tidal wave of patriotism.

The poll, published in USA Today, showed 53% of Americans answering yes to the question "Should ground troops be sent to the Persian Gulf to remove Saddam Hussein from power?" and 41% against.

This contrasts with the majority of 61-31 when the question was asked two months ago and 74-20 in November.

Some analysts believe this still provides a satisfactory base on which to swing support behind the president, as is traditional when war actually breaks out.

The poll also showed that 94% believe that President Saddam either has weapons of mass destruction or is developing them, 86% believe he is supporting terrorist groups intending to attack the US, and 53% believe he was involved in the September 11 attacks.

The president's own popularity rating is now 65%, still strong but no longer sensational.

But there are growing signs of White House frustration with its inability to take command of the Iraq argument. The president's normally imperturbable spokesman, Ari Fleischer, has attacked reporters for being obsessed with the subject in their coverage of Mr Bush's meeting with his defence team in Texas on Wednesday.

"It reached an absurd point of self-inflicted silliness that goes beyond the usual August hype," he said. "There have been meetings about Iraq in the past, there will be meetings about Iraq in the future." This one, he said, was not such a meeting, "and the press didn't care".

He added: "The president's opinion is the press looks silly."

This sort of attack suggests that Mr Fleischer's own iron grip on Washington news management is beginning to falter. Given the conflicting signals about Iraq coming from the administration, his job is certainly getting harder, and his line has to jostle increasingly with contrary voices.

The latest comes from Madeleine Albright, Bill Clinton's secretary of state, who told the News Hour programme that Iraq was "not a direct threat to the United States" and that sanctions were effectively containing President Saddam.

Source: The Guardian

18 August 2002

For daily updates of news around the world visit www.muslimnews.co.uk

Officers Say U.S. Aided Iraq in War Despite Use of Gas

By PATRICK E. TYLER

WASHINGTON, New York Times — A covert American program during the Reagan administration provided Iraq with critical battle planning assistance at a time when American intelligence agencies knew that Iraqi commanders would employ chemical weapons in waging the decisive battles of the Iran-Iraq war, according to senior military officers with direct knowledge of the program.

Those officers, most of whom agreed to speak on the condition that they not be identified, spoke in response to a reporter's questions about the nature of gas warfare on both sides of the conflict between Iran and Iraq from 1981 to 1988. Iraq's use of gas in that conflict is repeatedly cited by President Bush and, this week, by his national security adviser, Condoleezza Rice, as justification for 'regime change' in Iraq.

The covert program was carried out at a time when President Reagan's top aides, including Secretary of State George P. Shultz, Defense Secretary Frank C. Carlucci and Gen. Colin L. Powell, then the national security adviser, were publicly condemning Iraq for its use of poison gas, especially after Iraq attacked Kurds in Halabja in March 1988.

During the Iran-Iraq war, the United States decided it was imperative that Iran be thwarted, so it could not overrun the important oil-producing states in the Persian Gulf. It has long been known that the United States provided intelligence assistance to Iraq in the form of satellite photography to help the Iraqis understand how Iranian forces were deployed against them. But the full nature of the program, as described by former Defense Intelligence Agency officers, was not previously disclosed.

Secretary of State Powell, through a spokesman, said the officers' description of the program was 'dead wrong,' but declined to discuss it. His deputy, Richard L. Armitage, a senior defense official at the time, used an expletive relayed through a spokesman to indicate his denial that the United States acquiesced in the use of chemical weapons.

The Defense Intelligence Agency declined to comment, as did Lt. Gen. Leonard Perroots, retired, who supervised the program as the head of the agency. Mr. Carlucci said, 'My understanding is that what was provided' to Iraq 'was general order of battle information, not operational intelligence.'

'I certainly have no knowledge of U.S. participation in preparing battle and strike packages,' he said, 'and doubt strongly that that occurred.'

Later, he added, 'I did agree that Iraq should not lose the war, but I certainly had no foreknowledge of their use of chemical weapons.'

Though senior officials of the Reagan administration publicly condemned Iraq's employment of mustard gas, sarin, VX and other poisonous agents, the American military officers said President Reagan, Vice President George Bush and senior national security aides never withdrew their support for the highly classified program in which more than 60 officers of the Defense Intelligence Agency were secretly providing detailed information on Iranian deployments, tactical planning for battles, plans for airstrikes and bomb-damage assessments for Iraq.

Iraq shared its battle plans with the Americans, without admitting the use of chemical weapons, the military officers said. But Iraq's use of chemical weapons, already established at that point, became more evident in the war's final phase.

Saudi Arabia played a crucial role in pressing the Reagan administration to offer aid to Iraq out of concern that Iranian commanders were sending waves of young volunteers to overrun Iraqi forces. Prince Bandar bin Sultan, the Saudi ambassador to the United States, then and now, met with President Saddam Hussein of Iraq and then told officials of the Central Intelligence Agency and the Defense Intelligence Agency that Iraq's military command was ready to accept American aid.

In early 1988, after the Iraqi Army, with American planning assistance, retook the Fao Peninsula in an attack that reopened Iraq's access to the Persian Gulf, a defense intelligence officer, Lt. Col. Rick Francona, now retired, was sent to tour the battlefield with Iraqi officers, the American military officers said.

He reported that Iraq had used chemical weapons to cinch its victory, one former D.I.A. official said. Colonel Francona saw zones marked off for chemical contamination, and containers for the drug atropine scattered around, indicating that Iraqi soldiers had taken injections to protect themselves from the effects of gas that might blow back over their positions. (Colonel Francona could not be reached for comment.)

C.I.A. officials supported the program to assist Iraq, though they were not involved. Separately, the C.I.A. provided Iraq with satellite photography of the war front.

Col. Walter P. Lang, retired, the senior defense intelligence officer at the time, said he would not discuss classified information, but added that both D.I.A. and C.I.A. officials 'were desperate to make sure that Iraq did not lose' to Iran.

'The use of gas on the battlefield by the Iraqis was not a matter of deep strategic concern,' he said. What Mr. Reagan's aides were concerned about, he said, was that Iran not break through to the Fao Peninsula and spread the Islamic revolution to Kuwait and Saudi Arabia.

Colonel Lang asserted that the Defense Intelligence Agency 'would have never accepted the use of chemical weapons against civilians, but the use against military objectives was seen as inevitable in the Iraqi struggle for survival.' Senior Reagan administration officials did nothing to interfere with the continuation of the program, a former participant in the program said.

Iraq did turn its chemical weapons against the Kurdish population of northern Iraq, but the intelligence officers say they were not involved in planning any of the military operations in which those assaults occurred. They said the reason was that there were no major Iranian troop concentrations in the north and the major battles where Iraq's military command wanted assistance were on the southern war front.

The Pentagon's battle damage assessments confirmed that Iraqi military commanders had integrated chemical weapons throughout their arsenal and were adding them to strike plans that American advisers either prepared or suggested. Iran claimed that it suffered thousands of deaths from chemical weapons.

The American intelligence officers never encouraged or condoned Iraq's use of chemical weapons, but neither did they oppose it because they considered Iraq to be struggling for its survival, people involved at the time said in interviews.

Another former senior D.I.A. official who was an expert on the Iraqi military said the Reagan administration's treatment of the issue — publicly condemning Iraq's use of gas while privately acquiescing in its employment on the battlefield — was an example of the 'Realpolitik' of

American interests in the war.

The effort on behalf of Iraq 'was heavily compartmented,' a former D.I.A. official said, using the military jargon for restricting secrets to those who need to know them.

'Having gone through the 440 days of the hostage crisis in Iran,' he said, 'the period when we were the Great Satan, if Iraq had gone down it would have had a catastrophic effect on Kuwait and Saudi Arabia, and the whole region might have gone down. That was the backdrop of the policy.'

One officer said, 'They had gotten better and better' and after a while chemical weapons 'were integrated into their fire plan for any large operation, and it became more and more obvious.'

A number of D.I.A. officers who took part in aiding Iraq more than a decade ago when its military was actively using chemical weapons, now say they believe that the United States should overthrow Mr. Hussein at some point. But at the time, they say, they all believed that their covert assistance to Mr. Hussein's military in the mid-1980's was a crucial factor in Iraq's victory in the war and the containment of a far more dangerous threat from Iran.

The Pentagon 'wasn't so horrified by Iraq's use of gas,' said one veteran of the program. 'It was just another way of killing people — whether with a bullet or phosgene, it didn't make any difference,' he said.

Former Secretary of State Shultz and Vice President Bush tried to stanch the flow of chemical precursors to Iraq and spoke out against Iraq's use of chemical arms, but Mr. Shultz, in his memoir, also alluded to the struggle in the administration.

'I was stunned to read an intelligence analysis being circulated within the administration that 'we have demolished a budding relationship (with Iraq) by taking a tough position in opposition to chemical weapons,' ' he wrote.

Mr. Shultz also wrote that he quarreled with William J. Casey, then the director of central intelligence, over whether the United States should press for a new chemical weapons ban at the Geneva Disarmament Conference. Mr. Shultz declined further comment.

West's greed for oil fuels Saddam fever

uploaded 11 Aug 2002

Anthony Sampson analyses the roots of America's fear of the Iraqi dictator, and warns that toppling him might cause less stability and more insecurity

Sunday August 11, 2002
The Observer

Is the projected war against Iraq really turning into an oil war, aimed at safeguarding Western energy supplies as much as toppling a dangerous dictator and source of terrorism? Of course no one can doubt the genuine American hatred of Saddam Hussein, but recent developments in Washington suggest oil may loom larger than democracy or human rights in American calculations.

The alarmist briefing to the Pentagon by the Rand Corporation, leaked last week, talked about Saudi Arabia as 'the kernel of evil' and proposed that Washington should have a showdown with its former ally, if necessary seizing its oilfields which have been crucial to America's energy.

And the more anxious oil companies become about the stability of Saudi Arabia, the more they become interested in gaining access to Iraq, site of the world's second biggest oil reserves, which

are denied to them. Vice-President Dick Cheney, who has had his own commercial interests in the Middle East, baldly described his objection to Saddam in California last week: 'He sits on top of 10 per cent of the world's oil reserves. He has enormous wealth being generated by that. And left to his own devices, it's the judgment of many of us that in the not too distant future he will acquire nuclear weapons.'

If Saddam were toppled, the Western oil companies led by Exxon expect to have much readier access to those oil reserves, making them less dependent on Saudi oilfields and the future of the Saudi royal family. The US President and Vice-President, both oilmen, cannot be unaware of those interests.

Of course Western policies towards Iraq have always been deeply influenced by the need for its oil, though they tried to be discreet about it. The nation of Iraq was invented in 1920, after the First World War. The allies had 'floated to victory on a sea of oil' (as the British Foreign Secretary Lord Curzon put it), but they preferred to conceal their dependence on it: 'When I want oil,' said Clemenceau, the French Prime Minister, 'I go to my grocer.'

But both Clemenceau and Curzon, while they talked about Arab interests and self-determination, knew that what really mattered in Iraq was the oil that was emerging in the North; and the British and French succeeded in controlling the precious oilfields at Mosul.

Iraqi oil became still more desirable after the oil crisis of 1973 which enabled the Arab producers to hold the world to ransom; and the discovery of huge new oil reserves in the South made Iraq more important as a rival to Saudi Arabia - and Saddam more exasperating as an enemy.

It is true that since the Seventies, as the shortage turned into glut, producing countries have become much more dependent on the global marketplace. Countries which hoped to develop political clout by allocating oil supplies soon found they had to compete to sell their oil wherever they could. And Western companies developed new oilfields nearer home, or in friendlier countries.

But America and continental Europe still depend on uncertain developing countries, mostly Muslim, for much of their energy, and in times of crisis the concern about oil supplies returns. Western oil interests closely influence military and diplomatic policies, and it is no accident that while American companies are competing for access to oil in Central Asia, the US is building up military bases across the region.

In this security context the prospect of a 'terror network' controlling Saudi Arabian oil, which last week's briefing to the Pentagon conjured up, presents the ultimate night mare: a puritanical Islamist regime in Saudi Arabia, and perhaps in other Gulf states, would be prepared to defy the marketplace, with much less need to sell their oil than corrupt monarchies or sheikhdoms. Bin Laden, himself a Saudi, made no secret of his overriding ambition to rid his country of corrupt rulers and return to its austere Islamist roots.

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There are undoubtedly many different and sometimes conflicting strands behind Washington's attitudes to Iraq. Certainly the public sense of outrage about 11 September, and the fear of terrorism, remains the most potent political force behind the moves against Saddam - reinforced by Israel's dread of Iraq's weaponry.

But there are also the longer-term geopolitical arguments in the Pentagon and the State Department, with commercial pressures behind them, about the need for energy security. And these have become more urgent with the growing worries about the Saudis.

The crucial question remains: would toppling Saddam safeguard Iraq's oil for the West? After all, both previous American Presidents - Clinton and George Bush Snr - were persuaded not to overthrow Saddam, because the alternative could well be a more dangerous power vacuum. That danger remains. If Iraq were to split into three parts, as many expect, the new oil regions in the South might become still less reliable, in a region dominated by Shia Muslims who have their own links with the Shia in Iran. And a destabilised Saudi Arabia could make a power vacuum still more dangerous.

The history of oil wars is not encouraging, and oil companies are not necessarily the best judges of national interests. The Anglo-American coup in Iran in 1953, which toppled the radical Mossadeq and brought back the Shah, enabled Western companies to regain control of Iranian oil: but the Iranian people never forgave the intervention, and took their revenge on the Shah in 1979.

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· Anthony Sampson is the author of 'The Seven Sisters', about oil companies and the Middle East.

Source: The Observer

EVIDENCES OF US ADMIN LINKS TO OIL

Bush, Cheney: Cheshire cats of reform

uploaded 28 Jul 2002

As private citizens, did they do what they now disavow?

The irony, of course, is that the corporate-reform bill President Bush will sign into law this week would have made his own actions as a businessman a criminal offense.

This is but the latest "Alice in Wonderland" aspect of the scandals rocking the business world, which have made the stock market an earthquake zone of late and have caused millions of people to rethink their retirement plans.

Bush, who is now set to begin a monthlong vacation -- we could all use one at this point -- has cast himself as cheerleader-in-chief for overhauling corporate conduct.

But a pungent whiff of misbehavior lingers as the president and Vice President Dick Cheney keep trying to distance themselves from their own track records as executives.

And more than a few observers are asking, not unfairly, whether genuine reform is possible when it is being spearheaded by two men so unwilling to address their own corporate baggage.

"There's a certain through-the-looking-glass quality to this," said Tom Schlesinger, executive director of the Financial Markets Center, a Virginia research facility.

"But in a perverse way, this could have the effect of pushing the White House to overcompensate on reform for perceived or real disadvantages in this area," he said.

That remains to be seen. For the moment, investors, voters and other interested parties have little choice but to sit back and watch the spectacle unfold.

Bush calls his tenure about a decade ago as a director of Harken Energy "ancient history." He has also repeatedly insisted that he did nothing wrong and that investigations into alleged wrongdoing left him fully vindicated.

Not exactly. Although the president has consistently refused to release documents that support his claims, papers that have slipped out via Freedom of Information Act requests appear to contradict Bush's recollections of what actually transpired.

For example, Bush maintains that he had little or nothing to do with a controversial 1989 deal in which Harken insiders borrowed money from the company to purchase a subsidiary.

The Securities and Exchange Commission ruled that the transaction was in fact nothing more than an attempt by the company to hide \$10 million in losses and ordered Harken to restate its earnings for the year.

Now it appears that Bush, who sat on the board's audit committee at the time, was more deeply involved than previously acknowledged.

On June 15, 1989 -- just two weeks before the dubious sale -- Harken's chief executive, Mikel Faulkner, wrote to Bush praising him for his "intuitive analysis" of Harken's business matters.

"I consider the role you play at Harken Energy Corporation to be a very meaningful and significant role and look forward to a continuing relationship," Faulkner wrote.

The confidential document was obtained by the Center for Public Integrity, a Washington think tank, and posted online for the first time Thursday.

Bush also has declared that he never would have proceeded with an almost \$850,000 sale of Harken stock on June 22, 1990, if he had known the company would soon thereafter report a \$23 million loss, causing its share price to plummet.

Bush was investigated by the SEC for possible insider trading but no charges were filed.

SEC'S TIES TO BUSH

Bush himself was never interviewed during the probe, which was overseen by then-SEC Chairman Richard Breeden, an appointee of Bush's father and former White House lawyer. The SEC's general counsel at the time was James Doty, who had represented Bush Junior when he bought the Texas Rangers.

It's unclear what Bush did or didn't know about Harken's growing financial difficulties when he sold off his shares.

But a newly unearthed memo sent by Faulkner to Bush and other board members on May 25, 1990, refers to Harken's growing liquidity problems and the need to "prepare a listing of possible assets to be sold."

Ordinary investors, needless to say, did not have access to that information.

Under the new rules approved by Congress last week, board audit committees will be held responsible for all accounting problems -- a change that would have placed Bush in the hot seat during his Harken days.

Because Bush, as a member of the audit committee, ostensibly signed off on the deal that ran afoul of the SEC, he would under the new rules face the possibility of prosecution for securities fraud.

Would he have violated another rule banning loans to corporate officers? Maybe not. Bush received two loans from Harken, but it's uncertain whether board members will be subject to the new prohibition.

ANDERSEN'S TIES TO HARKEN

Harken's accountant was Arthur Andersen, which has since gained infamy for having so badly botched the books of Enron, WorldCom and Global Crossing -- three firms whose bankruptcies have devastated countless investors.

Less well known is the fact that Harken's CEO, Faulkner, is a former Andersen employee; as is Bruce Huff, Harken's president and chief operating officer; Wayne Hennecke, Harken's chief accounting officer; and Anna Williams, Harken's chief financial officer.

Virtually the entire executive suite at Harken has a background in Andersen's energy audit division -- the same division ultimately responsible for the Enron debacle.

Vice President Cheney is himself no stranger to Andersen. In 1996, while CEO of oil-services giant Halliburton, Cheney appeared in a promotional video for the accounting firm, crediting it with providing advice "over and above . . . the normal by-the-books audit arrangement."

Interesting choice of words, especially considering that the SEC is now investigating both Halliburton and Andersen for allegedly inflating revenues by as much as \$234 million over a four-year span.

Since 1998, Halliburton has estimated how much customers owe the company for cost overruns on big projects and booked the not-yet-paid cash as revenue.

If the SEC determines that Halliburton exaggerated these numbers beyond reasonable levels to bolster its bottom line, the company could be charged with fraud.

Halliburton neglected to tell the SEC or investors about its newly aggressive accounting practice until March 2000 -- a lapse that echoes Bush's failure to inform the SEC about more than \$1 million in stock trades until as much as eight months after the fact.

These issues would be serious enough under any circumstances. That they involve the president and vice president of the United States raises them to another level of importance entirely.

LESS TOLERANCE FOR SHADY DEALS

This is especially true in light of the current climate on Wall Street and in Washington, where business ethics have taken center stage and little tolerance remains for corporate shenanigans.

Joel Kornfeld, formerly the SEC's senior trial attorney and now a Los Angeles lawyer specializing in white-collar crime, said the new reform legislation will "make people think twice before committing some wrongdoing."

Yet the same was said 15 years ago when financier Ivan Boesky went to jail for insider trading, and that episode was followed by a surge in corporate naughtiness (including Bush's and Cheney's alleged misdeeds).

"People have short memories," Kornfeld acknowledged. "We'll have to wait and see what

happens."

Or as the Duchess tells a bewildered Alice: "Everything's got a moral, if only you can find it."

Source: San Francisco Chronicle

Gore Vidal: 'no action without reaction', US Foreign policy on trial

uploaded 09 Jul 2002

HE MIGHT BE AMERICA'S LAST small-r republican. Gore Vidal, now 76, has made a lifetime out of critiquing America's imperial impulses and has -- through two dozen novels and hundreds of essays -- argued tempestuously that the U.S. should retreat back to its more Jeffersonian roots, that it should stop meddling in the affairs of other nations and the private affairs of its own citizens.

That's the thread that runs through Vidal's latest best-seller -- an oddly packaged collection of essays published in the wake of September 11 titled *Perpetual War for Perpetual Peace: How We Got To Be So Hated*. To answer the question in his subtitle, Vidal posits that we have no right to scratch our heads over what motivated the perpetrators of the two biggest terror attacks in our history, the 1995 Oklahoma City bombing and last September's twin-tower holocaust.

Vidal writes: "It is a law of physics (still on the books when last I looked) that in nature there is no action without reaction. The same appears to be true in human nature -- that is, history." The "action" Vidal refers to is the hubris of an American empire abroad (illustrated by a 20-page chart of 200 U.S. overseas military adventures since the end of World War II) and a budding police state at home. The inevitable "reaction," says Vidal, is nothing less than the bloody handiwork of Osama bin Laden and Timothy McVeigh. "Each was enraged," he says, "by our government's reckless assaults upon other societies" and was, therefore, "provoked" into answering with horrendous violence.

Some might take that to be a suggestion that America had it coming on September 11. So when I met up with Vidal in the Hollywood Hills home he maintains (while still residing most of his time in Italy), the first question I asked him was this:

L.A. WEEKLY: *Are you arguing that the 3,000 civilians killed on September 11 somehow deserved their fate?*

GORE VIDAL: I don't think we, the American people, deserved what happened. Nor do we deserve the sort of governments we have had over the last 40 years. Our governments have brought this upon us by their actions all over the world. I have a list in my new book that gives the reader some idea how busy we have been. Unfortunately, we only get disinformation from *The New York Times* and other official places. Americans have no idea of the extent of their government's mischief. The number of military strikes we have made unprovoked, against other countries, since 1947-48 is more than 250. These are major strikes everywhere

from Panama to Iran. And it isn't even a complete list. It doesn't include places like Chile, as that was a CIA operation. I was only listing military attacks.

Americans are either not told about these things or are told we attacked them because . . . well . . . Noriega is the center of all world drug traffic and we have to get rid of him. So we kill some Panamanians in the process. Actually we killed quite a few. And we brought in our Air Force. Panama didn't have an air force. But it looked good to have our Air Force there, busy, blowing up buildings. Then we kidnap their leader, Noriega, a former CIA man who worked loyally for the United States. We arrest him. Try him in an American court that has no jurisdiction over him and lock him up -- nobody knows why. And that was supposed to end the drug trade because he had been demonized by *The New York Times* and the rest of the imperial press.

[The government] plays off [Americans'] relative innocence, or ignorance to be more precise. This is probably why geography has not really been taught since World War II -- to keep people in the dark as to where we are blowing things up. Because Enron wants to blow them up. Or Unocal, the great pipeline company, wants a war going some place.

And people in the countries who are recipients of our bombs get angry. The Afghans had nothing to do with what happened to our country on September 11. But Saudi Arabia did. It seems like Osama is involved, but we don't really know. I mean, when we went into Afghanistan to take over the place and blow it up, our commanding general was asked how long it was going to take to find Osama bin Laden. And the commanding general looked rather surprised and said, well, that's not why we are here.

Oh no? So what was all this about? It was about the Taliban being very, very bad people and that they treated women very badly, you see. They're not really into women's rights, and we here are very strong on women's rights; and we should be with Bush on that one because he's taking those burlap sacks off of women's heads. Well, that's not what it was about.

What it was really about -- and you won't get this anywhere at the moment -- is that this is an imperial grab for energy resources. Until now, the Persian Gulf has been our main source for imported oil. We went there, to Afghanistan, not to get Osama and wreak our vengeance. We went to Afghanistan partly because the Taliban -- whom we had installed at the time of the Russian occupation -- were getting too flaky and because Unocal, the California corporation, had made a deal with the Taliban for a pipeline to get the Caspian-area oil, which is the richest oil reserve on Earth. They wanted to get that oil by pipeline through Afghanistan to Pakistan to Karachi and from there to ship it off to China, which would be enormously profitable. Whichever big company could cash in would make a fortune. And you'll see that all these companies go back to

Bush or Cheney or to Rumsfeld or someone else on the Gas and Oil Junta, which, along with the Pentagon, governs the United States.

We had planned to occupy Afghanistan in October, and Osama, or whoever it was who hit us in September, launched a pre-emptory strike. They knew we were coming. And this was a warning to throw us off guard.

With that background, it now becomes explicable why the first thing Bush did after we were hit was to get Senator Daschle and beg him not to hold an investigation of the sort any normal country would have done. When Pearl Harbor was struck, within 20 minutes the Senate and the House had a joint committee ready. Roosevelt beat them to it, because he knew why we had been hit, so he set up his own committee. But none of this was to come out, and it hasn't come out.

Still, even if one reads the chart of military interventions in your book and concludes that, indeed, the U.S. government is a "source of evil" -- to lift a phrase -- can't you conceive that there might be other forces of evil as well? Can't you imagine forces of religious obscurantism, for example, that act independently of us and might do bad things to us, just because they are also evil?

Oh yes. But you picked the wrong group. You picked one of the richest families in the world -- the bin Ladens. They are extremely close to the royal family of Saudi Arabia, which has conned us into acting as their bodyguard against their own people -- who are even more fundamentalist than they are. So we are dealing with a powerful entity if it is Osama.

What isn't true is that people like him just come out of the blue. You know, the average American thinks we just give away billions in foreign aid, when we are the lowest in foreign aid among developed countries. And most of what we give goes to Israel and a little bit to Egypt.

I was in Guatemala when the CIA was preparing its attack on the Arbenz government [in 1954]. Arbenz, who was a democratically elected president, mildly socialist. His state had no revenues; its biggest income maker was United Fruit Company. So Arbenz put the tiniest of taxes on bananas, and Henry Cabot Lodge got up in the Senate and said the Communists have taken over Guatemala and we must act. He got to Eisenhower, who sent in the CIA, and they overthrew the government. We installed a military dictator, and there's been nothing but bloodshed ever since.

Now, if I were a Guatemalan and I had the means to drop something on somebody in Washington, or anywhere Americans were, I would be tempted to do it. Especially if I had lost my entire family and seen my country blown to bits

because United Fruit didn't want to pay taxes. Now, that's the way we operate. And that's why we got to be so hated.

You've spent decades bemoaning the erosion of civil liberties and the conversion of the U.S. from a republic into what you call an empire. Have the aftereffects of September 11, things like the USA Patriot bill, merely pushed us further down the road or are they, in fact, some sort of historic turning point?

The second law of thermodynamics always rules: Everything is always running down. And so is our Bill of Rights. The current junta in charge of our affairs, one not legally elected, but put in charge of us by the Supreme Court in the interests of the oil and gas and defense lobbies, have used first Oklahoma City and now September 11 to further erode things.

And when it comes to Oklahoma City and Tim McVeigh, well, he had his reasons as well to carry out his dirty deed. Millions of Americans agree with his general reasoning, though no one, I think, agrees with the value of blowing up children. But the American people, yes, they instinctively know when the government goes off the rails like it did at Waco and Ruby Ridge. No one has been elected president in the last 50 years unless he ran against the federal government. So, the government should get through its head that it is hated not only by foreigners whose countries we have wrecked, but also by Americans whose lives have been wrecked.

The whole Patriot movement in the U.S. was based on folks run off their family farms. Or had their parents or grandparents run off. We have millions of disaffected American citizens who do not like the way the place is run and see no place in it where they can prosper. They can be slaves. Or pick cotton. Or whatever the latest uncomfortable thing there is to do. But they are not going to have, as Richard Nixon said, "a piece of the action."

And yet Americans seem quite susceptible to a sort of jingoistic "enemy-of-the-month club" coming out of Washington. You say millions of Americans hate the federal government. But something like 75 percent of Americans say they support George W. Bush, especially on the issue of the war.

I hope you don't believe those figures. Don't you know how the polls are rigged? It's simple. After 9/11 the country was really shocked and terrified. [Bush] does a little war dance and talks about evil axis and all the countries he's going to go after. And how long it is all going to take, he says with a happy smile, because it means billions and trillions for the Pentagon and for his oil friends. And it means curtailing our liberties, so this is all very thrilling for him. He's right out there reacting, bombing Afghanistan. Well, he might as well have been bombing Denmark. Denmark had nothing to do with 9/11. And neither did Afghanistan, at least the Afghanis didn't.

So the question is still asked, are you standing tall with the president? Are you standing with him as he defends us?

Eventually, they will figure it out.

They being who? The American people?

Yeah, the American people. They are asked these quick questions. Do you approve of him? Oh yeah, yeah, yeah. Oh yeah, he blew up all those funny-sounding cities over there.

That doesn't mean they like him. Mark my words. He will leave office the most unpopular president in history. The junta has done too much wreckage.

They were suspiciously very ready with the Patriot Act as soon as we were hit. Ready to lift habeas corpus, due process, the attorney-client privilege. They were ready. Which means they have already got their police state. Just take a plane anywhere today and you are in the hands of an arbitrary police state.

Don't you want to have that kind of protection when you fly?

It's one thing to be careful, and we certainly want airplanes to be careful against terrorist attacks. But this is joy for them, for the federal government. Now they've got everybody, because everybody flies.

Let's pick away at one of your favorite bones, the American media. Some say they have done a better-than-usual job since 9/11. But I suspect you're not buying that?

No, I don't buy it. Part of the year I live in Italy. And I find out more about what's going on in the Middle East by reading the British, the French, even the Italian press. Everything here is slanted. I mean, to watch Bush doing his little war dance in Congress . . . about "evildoers" and this "axis of evil" -- Iran, Iraq and North Korea. I thought, he doesn't even know what the word *axis* means. Somebody just gave it to him. And the press didn't even call him on it. This is about as mindless a statement as you could make. Then he comes up with about a dozen other countries that might have "evil people" in them, who might commit "terrorist acts." What is a terrorist act? Whatever he thinks is a terrorist act. And we are going to go after them. Because we are good and they are evil. And we're "gonna git 'em."

Anybody who could get up and make that speech to the American people is not himself an idiot, but he's convinced we are idiots. And we are not idiots. We are cowed. Cowed by disinformation from the media, a skewed view of the world, and atrocious taxes that subsidize this permanent war machine. And we have no

representation. Only the corporations are represented in Congress. That's why only 24 percent of the American people cast a vote for George W. Bush.

I know you'd hate to take this to the ad hominem level, but indulge me for a moment. What about George W. Bush, the man?

You mean George W. Bush, the cheerleader. That's the only thing he ever did of some note in his life. He had some involvement with a baseball team . . .

He owned it . . .

Yeah, he owned it, bought with other people's money. Oil people's money. So he's never really worked, and he shows very little capacity for learning. For them to put him up as president and for the Supreme Court to make sure that he won was as insulting as when his father, George Bush, appointed Clarence Thomas to the Supreme Court -- done just to taunt the liberals. And then, when he picked Quayle for his vice president, that showed such contempt for the American people. This was someone as clearly unqualified as Bush Sr. was to be president. Because Bush Sr., as Richard Nixon said to a friend of mine when Bush was elected [*imitating Nixon*], "He's a lightweight, a complete lightweight, there's nothing there. He's a sort of person you appoint to things."

So the contempt for the American people has been made more vivid by the two Bushes than all of the presidents before them. Although many of them had the same contempt. But they were more clever about concealing it.

Should the U.S. just pack up its military from everywhere and go home?

Yes. With no exceptions. We are not the world's policeman. And we cannot even police the United States, except to steal money from the people and generally wreak havoc. The police are perceived quite often, and correctly, in most parts of the country as the enemy. I think it is time we roll back the empire -- it is doing no one any good. It has cost us trillions of dollars, which makes me feel it's going to fold on its own because there isn't going to be enough money left to run it.

You call yourself one of the last defenders of the American Republic against the American Empire. Do you have any allies left? I mean, we really don't have a credible opposition in this country, do we?

I sometimes feel like I am the last defender of the republic. There are plenty of legal minds who defend the Bill of Rights, but they don't seem very vigorous. I mean, after 9/11 there was silence as one after another of these draconian, really totalitarian laws were put in place.

So what's the way out of this? Back in the '80s you used to call for a new sort of populist constitutional convention. Do you still believe that's the fix?

Well, it's the least bloody. Because there will be trouble, and big trouble. The loons got together to get a balanced-budget amendment, and they got a majority of states to agree to a constitutional convention. Senator Sam Ervin, now dead, researched what would happen in such a convention, and apparently everything would be up for grabs. Once we the people are assembled, as the Constitution requires, we can do anything, we can throw out the whole executive, the judiciary, the Congress. We can put in a Tibetan lama. Or turn the country into one big Scientological clearing center.

And the liberals, of course, are the slowest and the stupidest, because they do not understand their interests. The right wing are the bad guys, but they know what they want -- everybody else's money. And they know they don't like blacks and they don't like minorities. And they like to screw everyone along the way.

But once you know what you want, you are in a stronger position than those who can only say, "Oh no, you mustn't do *that*." That we must have free speech. Free speech for what? To agree with *The New York Times*?

The liberals always say, "Oh my, if there is a constitutional convention, they will take away the Bill of Rights." But they have already done it! It is gone. Hardly any of it is left. So if they, the famous "they," would prove to be a majority of the American people and did not want a Bill of Rights, then I say, let's just get it over with. Let's just throw it out the window. If you don't want it, you won't have it.

Source: LA Weekly

Dick Cheney: Oil & Politics Do Mix

July 25, 2000

Having ensured the continued flow of cheap oil from the Gulf by waging a war with Iraq, and after his boss, George Bush's ouster from office by Clinton in 1992, Dick Cheney turned his attention to the corporate world. In 1993 he joined the American Enterprise Institute in Washington as a senior fellow. In October of 1995 he became president and chief executive officer of the Halliburton Company in Dallas, Texas. He also serves on the boards of Procter & Gamble, Union Pacific and Electronic Data Systems Corp.

Halliburton Co. is the leader amongst the world's diversified energy services companies. Oil & Gas Journal's list of top energy companies in the world, ranks Halliburton 24th by market value at \$18.2 billion (1). In 1999, its consolidated revenues were \$14.9 billion and it had a workforce of about 100 000 in more than 120 countries. It provides equipment and other services to oil and natural gas companies for exploration and production.

TRACK RECORD

Under Cheney's leadership, Halliburton has been accused of involvement in human rights violations most notably an incident reported by the group, Environmental Rights Action (ERA) which occurred in September of 1997 when eighteen Nigeria's Mobile Police (MOPOL) officers on the orders of Halliburton (contracting for Chevron Oil Co.) shot and killed Gidikumo Sule at the Opuama flow station at Egbema in the city of Warri (2).

Cheney's record on environmental issues is dismal too: as a house rep from Wyoming from 1978 to 1989, he cosponsored a measure to open up the Arctic National Wildlife Refuge in Alaska to oil drilling and voted against the Clean Water Act which required industries to release publicly their records on toxic emissions. The Sierra Club quoting from a 1997 EPA data point out that, Halliburton's facility in Duncan, Okla., was in the top 20 percent of the dirtiest in the United States.

Brown & Root – Murphy LLC, a joint venture equally owned by Halliburton's Brown & Root Energy Services business unit are involved in a controversial pipeline construction, the so-called Bolivia – Brazil Gas Pipeline Project. Brazilian environmental groups, Defense of Pantanal Association and Brazilian Institute of Cultural Heritage have expressed concern over the project. Trade unions in both countries have expressed anger over the private sector role in the project. Several environmental groups from the United States, have asked why the project is proceeding without allowing communities to respond to the company proposals (3).

Cheney is a member of a group called COMPASS (Committee to Preserve American Security and Sovereignty) that is affiliated with the conservative George C. Marshall Institute. COMPASS members including Cheney wrote to President Clinton in 1998 to protest the Kyoto climate change treaty, concluding with the Zinger that Kyoto appeared to be "nothing more than a 'feel good' public relations ploy." (4)

BACKGROUND

Cheney once drew parallels between his role as CEO of Halliburton to his role as defense secretary. Addressing the Gulf Coast Association of Geological Societies convention in Corpus Christie in 1998, he stated; "In the oil and gas business, I deal with many of the same people." (5) With a \$45.5 million stake, he is the company's biggest individual stockholder. Last month he sold 100 000 shares of stock for an estimated \$5.1 million, cashing in on the high price of oil. The company has also been active on the political front giving almost \$200 000 in the 2000 Republican campaign.

According to an examination of regulatory filings showed on Monday (July 24), as CEO he raked in \$1.28 million in salary and \$640, 914 in other compensation last year plus stock options worth \$7.4 to \$18.8 million depending on the company's future stock performance (6). Comparing this to the \$181,400 salary of a vice president raises interesting questions.

His motivations are clearly guided by his stated philosophy. In October 1999 speaking at the Louisiana Gulf Coast Oil Exposition he said that members of the oil business could help the industry to become more effective by becoming active in the political arena and helping elect the right people to office. He also noted that the oil industry needed to do a better job of telling its story to the public, such as the importance of the oil and gas industry, and the task of finding, producing, refining and distributing energy at a bargain price (7).

He therefore brings to the Bush campaign and possible presidency an agenda of helping increase the oil industry's public profile and bridging the divide between politics and oil money. Cheney is clearly forward-looking and maximization of oil profits is a stated goal of his. He was quoted in "Corpus Christi online" stating; "By the year 2010 the oil and gas industry will have to provide 43 million barrels per day to meet demand...There will indeed be plenty of work in the years ahead... As long as we are good as we are – and reducing costs." His cost reduction strategy is demonstrated by the fact that, under his leadership he organized a merger between Dresser Industries Inc. and Halliburton that resulted in a 7,000 employee cutback worldwide (8).

Related Link:

DESTRUCTIVE ENGAGEMENT

<http://www.corpwatch.org/feature/election/halliburton.html>

Since Dick Cheney became a candidate for Vice President, many journalists have focused on his mixed financial record as CEO of Halliburton, and his enormous retirement package. Few have investigated Dick Cheney's role in influencing foreign policy for the benefit of the company...

INVESTIGATIVE REPORT:

Cheney Led Halliburton To Feast at Federal Trough

State Department Questioned Deal With Firm Linked to Russian Mob

By Knut Royce and Nathaniel Heller
The Center for Public Integrity

CHENEY'S OIL INVESTMENTS AND THE FUTURE OF MEXICO'S DEMOCRACY

<http://www.corpwatch.org/feature/election/cheney.html>

Halliburton CEO and GOP vice presidential hopeful, Dick Cheney, is heavily invested in Mexican oil. Will some of his deals with the Mexican government pave the way for privatization of the country's oil industry? Martin Espinoza reports from Mexico City.

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Halliburton Iraq ties more than Cheney said

NewsMax Wires

Monday, June 25, 2001

UNITED NATIONS, June 23 (UPI) -- Halliburton Co., the oil company that was headed by Vice President Dick Cheney, signed contracts with Iraq worth \$73 million through two subsidiaries while he was at its helm, the Washington Post reported.

During last year's presidential campaign, Cheney said Halliburton did business with Libya and Iran through foreign subsidiaries, but maintained he had imposed a "firm policy" against trading with Iraq.

"Iraq's different," the Post quoted him as saying.

Oil industry executives and confidential U.N. records showed, however, that Halliburton held stakes in two companies that signed contracts to sell more than \$73 million in oil production equipment and spare parts to Iraq while Cheney was chairman and chief executive officer, the Post reported.

Two former senior executives of the Halliburton subsidiaries said they knew of no policy against dealing with Iraq. One of them said he was certain Cheney knew about the deals, though he had never spoken about them to the vice president directly.

If he "was ever in a conversation or meeting where there was a question of pursuing a project with someone in Iraq, he said, 'No,' " Mary Matalin, Cheney's counselor, said.

"In a joint venture, he would not have reviewed all their existing contracts," Matalin told the Post. "The nature of those joint ventures was that they had a separate governing structure, so he had no control over them."

The deal was legal, the Post said, and they showed how U.S. firms use foreign subsidiaries and joint ventures to avoid doing business with Baghdad. The practice is not a violation of U.S. law and falls within the U.N.-run oil-for-food program.

The Post said U.N. records showed that the dealings were more extensive than originally reported and than Cheney had acknowledged, however.

According to the report, the Halliburton subsidiaries, Dresser-Rand and Ingersoll Dresser Pump Co., sold material to Baghdad through French affiliates. The sales lasted from the first half of 1997 to the summer of 2000. Cheney resigned from Halliburton in August.

"Halliburton and Ingersoll-Rand, as far as I know, had no official policy about that, other than we would be in compliance with applicable U.S. and international laws," said Cleive Dumas, who oversaw Ingersoll Dresser Pump's business in the Middle East, including Iraq.

Cheney's spokeswoman, Juleanna Glover Weiss, referred the Post's calls to Halliburton, which in turn, directed them back to Cheney's office.

In a July 30, 2000, interview on ABC-TV's "This Week," Cheney denied that Halliburton or its subsidiaries traded with Baghdad. Three weeks later, on the same program, he modified his response after being informed that a Halliburton spokesman had said that Dresser Rand and Ingersoll Dresser Pump traded with Iraq.

Cheney said he did not know the subsidiaries were doing business with the Iraqi regime when Halliburton purchased Dresser Industries in September 1998.

The firms traded with Iraq for more than a year under Cheney, however. They signed nearly \$30 million in contracts before he sold Halliburton's 49 percent stake in Ingersoll Dresser Pump Co. in December 1999 and its 51 percent interest in Dresser Rand to Ingersoll-Rand in February 2000, the Post quoted U.N. records as saying.

Cheney has long criticized of unilateral U.S. sanctions, which he says penalize American companies. He has pushed for a review of policy toward Iraq, Iran and Libya.

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"George is true-blue for God, but he also has a soft spot for Mammon; and an even softer spot for Dick Cheney, who spent much of the last decade scheming with his fellow oil barons to get a pipeline from the virgin fields of the Caspian Sea -- where \$4 trillion in profits are waiting for them -- through Afghanistan and Pakistan to the Indian Ocean. Cheney's business interests in oil and arms, temporarily divested while he helps direct American policy in energy and defense, rival those of the Bushes and bin Ladens. Or as the Chicago Tribune noted last year: 'War is big business, and Dick Cheney is right in the middle of it.'" --Chris Floyd, 10/1/01

Mondo Washington
by James Ridgeway

The U.S. Eyes Oil in Central Asia and Steps on Russia's Turf

THE NEW COLD WAR

WASHINGTON, D.C.—As the war winds down, the U.S. is eyeing Central Asia as a new colony. And as America projects its power across the region, it runs the risk of setting off a new cold war with Moscow. A few reasons why:

Big Oil is once again taking a hard look at prospects for building a pipeline carrying Caspian Sea oil across Afghanistan and down through Pakistan to ports on the Arabian Sea. "The large-scale projects aimed at building gas and oil pipelines linking the Caspian region with the attractive international market of the Arabian Sea may become the principal, if not the only, means to breathe a [new] life into Afghanistan," Martha Brill Olcott, a Carnegie Endowment scholar, told the Moscow paper *Izvestia*.

Turkmenistan, which used to be part of the Soviet Union and has huge natural gas deposits, is key to controlling the region. In late October, Turkmenistan's president, Saparmurat Niyazov, sent a letter to the UN leaders advocating construction of a pipeline bringing Turkmen gas across Afghan territory to Pakistan's Arabian Sea ports. The *Far Eastern Economic Review* reports Niyazov claimed the pipeline "will help rebuild this country [Afghanistan], normalize peaceful life and work of the Afghan people and also accelerate socio-economic development of the entire adjacent region."

In Moscow at the end of last month, Niyazov declared, "We could sell to foreign markets about 120 billion cubic meters of gas annually, but we can not do this due to the lack of pipelines."

Hooking Turkmenistan's immense gas fields up to Pakistan ports is a direct slap at Russia, which has traditionally dictated policy in the area. More to the point, if Turkmen gas goes to Pakistan, Russia will get less gas for its own purposes and lose revenues obtained in transporting it. So Moscow is already fighting back, trying to suck Turkmenistan into a long-term gas supply deal, and stepping up military presence in Afghanistan. Russians, of course, back the Northern Alliance and quietly dropped commandos into Kabul when the capital fell to an invading force, whose tank columns reportedly were directed by Russian officers.

Then there's Uzbekistan, another former Soviet republic that already is a key U.S. military base in the Afghan war. While the U.S. forges tighter long-term ties with Uzbekistan through a \$100 million aid package, Japan has quietly developed a set of economic links that make it a big time stealth player there. Despite its recession, Japan is financing cotton mills, refineries, and airports in Uzbekistan along with providing help on railroad modernization.

The U.S. wants long-term deals to cement ties with Uzbekistan, provide the country with more military bases, and help it break away from reliance on Russia.

In its new role as Central Asian power broker, the U.S. has no choice but to play an active role in Pakistan's new world policy of using a dictatorship to oversee democratic procedures. That sounds nice, but really it's just a device for trying to get the Pakistani military, now well greased with U.S. money, to clamp down on the religious schools in the northern frontier province that spawned the Taliban. And U.S. diplomats will continually be trying to keep India and Pakistan from nuking each other. Not to mention, preventing ever eager Pakistani scientists from building bombs and making deals with nations like Iran. With the Taliban gone, Pakistan is without a presence in Afghanistan and can see regional stability in cozying up to Iran.

Meanwhile Pakistan President Musharaff said in an interview with *Far Eastern Economic Review* he is all for another new pipeline project, this one connecting Iran to India via Pakistan. Looks great on paper, but just the idea raises tensions between Pakistan and India—even though both countries would benefit from such a pipeline.

Most of all, everyone's waiting for the big breakthrough, in a long overdue thawing of U.S.-Iran relations, leading almost certainly to oil and gas deals that will provide the U.S. with real throw weight against Saudi Arabia whenever the medieval country and its kooky royal family decide to screw us over. Not to mention something to make the wily KGB agent Putin think twice. If the U.S. buries the hatchet with Iran it will have won an important ally in what easily could become a new cold war pitting Washington and Moscow against one another in Central Asia.

A pro-western regime in Kabul should give the US an Afghan route for Caspian oil

George Monbiot

Tuesday October 23, 2001

[The Guardian](#)

"Is there any man, is there any woman, let me say any child here," Woodrow Wilson asked a year after the first world war ended, "that does not know that the seed of war in the modern world is industrial and commercial rivalry?" In 1919, as US citizens watched a shredded Europe scraping up its own remains, the answer may

well have been no. But the lessons of war never last for long.

The invasion of Afghanistan is certainly a campaign against terrorism, but it may also be a late colonial adventure. British ministers have warned MPs that opposing the war is the moral equivalent of appeasing Hitler, but in some respects our moral choices are closer to those of 1956 than those of 1938. Afghanistan is as indispensable to the regional control and transport of oil in central Asia as Egypt was in the Middle East.

Afghanistan has some oil and gas of its own, but not enough to qualify as a major strategic concern. Its northern neighbours, by contrast, contain reserves which could be critical to future global supply. In 1998, Dick Cheney, now US vice-president but then chief executive of a major oil services company, remarked: "I cannot think of a time when we have had a region emerge as suddenly to become as strategically significant as the Caspian." But the oil and gas there is worthless until it is moved. The only route which makes both political and economic sense is through Afghanistan.

Transporting all the Caspian basin's fossil fuel through Russia or Azerbaijan would greatly enhance Russia's political and economic control over the central Asian republics, which is precisely what the west has spent 10 years trying to prevent. Piping it through Iran would enrich a regime which the US has been seeking to isolate. Sending it the long way round through China, quite aside from the strategic considerations, would be prohibitively expensive. But pipelines through Afghanistan would allow the US both to pursue its aim of "diversifying energy supply" and to penetrate the world's most lucrative markets. Growth in European oil consumption is slow and competition is intense. In south Asia, by contrast, demand is booming and

competitors are scarce. Pumping oil south and selling it in Pakistan and India, in other words, is far more profitable than pumping it west and selling it in Europe.

As the author Ahmed Rashid has documented, in 1995 the US oil company Unocal started negotiating to build oil and gas pipelines from Turkmenistan, through Afghanistan and into Pakistani ports on the Arabian sea. The company's scheme required a single administration in Afghanistan, which would guarantee safe passage for its goods. Soon after the Taliban took Kabul in September 1996, the Telegraph reported that "oil industry insiders say the dream of securing a pipeline across Afghanistan is the main reason why Pakistan, a close political ally of America's, has been so supportive of the Taliban, and why America has quietly acquiesced in its conquest of Afghanistan". Unocal invited some of the leaders of the Taliban to Houston, where they were royally entertained. The company suggested paying these barbarians 15 cents for every thousand cubic feet of gas it pumped through the land they had conquered.

For the first year of Taliban rule, US policy towards the regime appears to have been determined principally by Unocal's interests. In 1997 a US diplomat told Rashid "the Taliban will probably develop like the Saudis did. There will be Aramco [the former US oil consortium in Saudi Arabia] pipelines, an emir, no parliament and lots of Sharia law. We can live with that." US policy began to change only when feminists and greens started campaigning against both Unocal's plans and the government's covert backing for Kabul.

Even so, as a transcript of a congress hearing now circulating among war resisters shows, Unocal failed to get the message. In February 1998, John Maresca, its head of international relations, told representatives that the growth in demand for energy in Asia and sanctions against Iran determined that Afghanistan remained "the

only other possible route" for Caspian oil. The company, once the Afghan government was recognised by foreign diplomats and banks, still hoped to build a 1,000-mile pipeline, which would carry a million barrels a day. Only in December 1998, four months after the embassy bombings in east Africa, did Unocal drop its plans.

But Afghanistan's strategic importance has not changed. In September, a few days before the attack on New York, the US energy information administration reported that "Afghanistan's significance from an energy standpoint stems from its geographical position as a potential transit route for oil and natural gas exports from central Asia to the Arabian sea. This potential includes the possible construction of oil and natural gas export pipelines through Afghanistan". Given that the US government is dominated by former oil industry executives, we would be foolish to suppose that such plans no longer figure in its strategic thinking. As the researcher Keith Fisher has pointed out, the possible economic outcomes of the war in Afghanistan mirror the possible economic outcomes of the war in the Balkans, where the development of "Corridor 8", an economic zone built around a pipeline carrying oil and gas from the Caspian to Europe, is a critical allied concern.

American foreign policy is governed by the doctrine of "full-spectrum dominance", which means that the US should control military, economic and political development worldwide. China has responded by seeking to expand its interests in central Asia. The defence white paper Beijing published last year argued that "China's fundamental interests lie in ... the establishment and maintenance of a new regional security order". In June, China and Russia pulled four central Asian republics into a "Shanghai cooperation organisation". Its purpose, according to Jiang Zemin, is to "foster world multi-polarisation", by which he means contesting US full-spectrum dominance.

If the US succeeds in overthrowing the Taliban and replacing them with a stable and grateful pro-western government and if the US then binds the economies of central Asia to that of its ally Pakistan, it will have crushed not only terrorism, but also the growing ambitions of both Russia and China. Afghanistan, as ever, is the key to the western domination of Asia.

We have argued on these pages about whether terrorism is likely to be deterred or encouraged by the invasion of Afghanistan, or whether the plight of the starving there will be relieved or exacerbated by attempts to destroy the Taliban. But neither of these considerations describes the full scope and purpose of this war. As John Flynn wrote in 1944: "The enemy aggressor is always pursuing a course of larceny, murder, rapine and barbarism. We are always moving forward with high mission, a destiny imposed by the Deity to regenerate our victims while incidentally capturing their markets, to civilise savage and senile and paranoid peoples while blundering accidentally into their oil wells." I believe that the US government is genuine in its attempt to stamp out terrorism by military force in Afghanistan, however misguided that may be. But we would be naïve to believe that this is all it is doing.

**Bush Family, Cheney Go Where The Oil Will Flow--
Afghanistan**

"The New York Times ran an interesting [recently], as interesting for what it did not say as for what it did.

"Headlined, "Fears, Again, of Oil Supplies at Risk," the piece by Neela Banerjee addressed the nightmares that George W's war has raised among those concerned about oil. Politicians and oil executives imagine, says Banerjee, a potential domino effect that could end up with angry Persian Gulf states cutting off the flow of oil to the west, terrorism blocking its transport through the

Strait of Hormuz and even Osama bin Laden taking control of Saudi Arabia from a toppled Saud family.

"If bin Laden takes over and becomes king of Saudi Arabia, he'd turn off the tap," Roger Diwan, a managing director of the Petroleum Finance Company, a consulting firm in Washington, told Banerjee. "He said at one point that he wants oil to be \$144 a barrel - about six times what it sells for now." And Saudi Arabia, the Times reminds us, is Osama bin Laden's Enemy No. 1: "Mr. bin Laden has long made clear that his ultimate goal, more than wreaking havoc in the West, is toppling the Saud family. And Saudi Arabia would be a crucial target for anyone seeking to cut deeply into the world oil flow."

"Banerjee restates other points that need emphasizing, such as the fact that while U.S.-dependence on Gulf oil is down to 13 percent of overall use, Saudi Arabia is still the country's biggest single supplier of crude. Moreover, "The Saudis are the only ones with enough spare oil-field capacity to call on if there is a severe disruption elsewhere," he writes. There are some major omissions, however, in Banerjee's piece.

"The first of these is that in an article focusing on Saudi Arabia, oil and the United States, there is no acknowledgement of the Bush family's ties to the corrupt Kingdom of Saud, and its explicit investment in maintaining the status quo in that fundamentalist country.

"Most obviously, ex-President and ex-CIA Director George Bush has been working his assets for the Washington-based Carlyle Group, a \$12 billion private equity firm, since he left office. He specializes in Saudi Arabia and certainly has in interest in the Kingdom's enduring profitability.

"The public-interest law firm Judicial Watch earlier this year strongly criticized this situation, pointing out in a

March 5 statement that it is a "conflict of interest [which] could cause problems for America's foreign policy in the Middle East and Asia." In a Sept. 29 statement, Judicial Watch added that, "This conflict of interest has now turned into a scandal. The idea of the president's father, an ex-president himself, doing business with a company under investigation by the FBI in the terror attacks of September 11 is horrible." They demanded President Bush make his father pull out of the Carlyle Group.

"Additionally, an article about oil supplies that doesn't mention the Caspian Sea is quite something to see. Banerjee entirely ignores the story that is burning up progressive talk radio waves this month, and buzzing around thoughtful alternative Web sites. Hidden behind President Bush's war to avenge the victims of September 11, could there be an Oil Agenda? Michael Klare, author of "Resource Wars," has suggested that the long-term Bush/Cheney plan is to establish a Pax Americana in Central Asia and secure the vast oil resources of the Caspian Basin.

"U.S. oil companies have been negotiating with the post-Soviet republics of Kazakhstan and Turkmenistan for access to the oil for years, but have been stymied by political instability in the region. Oil conglomerates were torn between two possible pipeline routes to Western markets: west through the war-torn Caucasus Mountains to Turkey, or south through war-torn Afghanistan to Pakistan and the Arabian Sea.

"Until it was put on hold in 1998, Unocal, which spearheaded the Afghan project was to have built a 1,005-mile oil pipeline and a companion 918-mile natural gas pipeline, in addition to a tanker loading terminal in Pakistan's Arabian Sea port of Gwadan. The company projected annual revenues of \$2 billion, or enough to recover the cost of the project in five years.

As reported by journalist Jan Goodwin, Unocal opened offices in Kazakhstan, Uzbekistan, Pakistan and Turkmenistan and got every faction of the Afghan Northern Alliance to sign on. Even former Secretary of State Henry A. Kissinger got on board to help sell the project in the region. [See: New York Times, 12/5/98]

"Backing the Caspian plan is none other than Vice President Dick Cheney, who, as CEO of Halliburton was successful in winning contracts from Caspian Sea states to be part of any future development. In 1994, Cheney helped to broker a deal between the oil company Chevron and the state of Kazakhstan when he sat on the Oil Advisory Board of that former soviet state.

"The Amarillo Globe-News reported on a 1998 talk to oil executives in which Cheney said that "the current hot spots for major oil companies are the oil reserves in the Caspian Sea region. Former Soviet states Azerbaijan, Kazakhstan and Turkmenistan all are seeking to quickly develop their oil reserves, which languished during the years of Russian domination." The stakes in that region could be as much as 200 billion barrels of oil and natural gas, he told the crowd.

"The potential for this region turning as volatile as the Persian Gulf, though, does not concern Cheney," the article continued. "You've got to go where the oil is," he said. "I don't worry about it a lot."

In a story about oil fears and worries, the New York Times failed to ask the obvious question: Is Cheney worried now? And if not, why not?" --[Laura Flanders](#), 10/26/01

Halliburton And KMNF [Azerbaijan] Ink 12 Year Caspian Contract

"Halliburton International Inc. and KASPMORNEFTELOT (KMNF), the marine division of the State Oil Company of Azerbaijan Republic (SOCAR), have entered into a 12-

year contract for a marine base and associated services to support Halliburton Subsea offshore construction activity in the Caspian region. Halliburton Subsea is a business unit of Halliburton Company's Energy Services Group. "The base, with a 6,000-square metre lay down area, is located at KMNF's Southern Basin adjacent to Caspian Shipyard. It will be primarily utilised to support Halliburton Subsea's catamaran crane vessel Qurban Abbasov (previously known as the Titan 4) during the restoration and upgrade of the vessel and during the forthcoming offshore construction, pipelay and subsea activities. The site will also be developed to provide warehouse, office and training facilities that will include advanced diver and life support technician training, utilising the company's 16-man modular saturation system. "The Qurban Abbasov is operated by Halliburton Subsea in an alliance agreement with SOCAR for a period of 12 years. It will provide an advanced, stable, dynamically positioned construction platform for saturation and remote vehicle diving; flexible and bundle pipeline installation with trenching; emergency pipeline repair, subsurface well intervention with wire line; and coiled tubing. It also will be used in flotel configuration for hook-up and commissioning work. "'The acquisition of the marine base is a further indication of our commitment to the Caspian region and to the success of the partnership arrangements with SOCAR,' says Edgar Ortiz, President and Chief Executive Officer, Halliburton's Energy Services Group." --[Aylward, Marine Publishers](#) and [Haliburton Press Release](#), May 15, 2001.

Politex, Iran borders the Caspian and their approval is needed before the construction of any pipeline in the Caspian Sea. It was my understanding that US companies were prohibited from doing business with Iran due to the Iran-Libya Sanctions Act (ISLA). I do

understand Halliburton's desire to control the Caspian. It's been described as one of the world's wealthiest oil fields. Some have estimated Caspian's oil reserves could reach 200 BILLION BARRELS. Comment? --Ken, 10/14/01

Ken, Dick Cheney delivered a speech entitled "Defending Liberty in a Global Economy," at the Cato Institute, a Conservative think tank, on June 23, 1998. At that time he was Haliburton CEO, owned shares of stock in Haliburton as of August 2000, and is said to have ongoing "financial interests" in the Caspian region (see Cohn below). As Ari Fleischer is fond of saying, I think Cheney's statements at Cato speak for themselves. -- Politex, 10/15/01:

"The good Lord didn't see fit to put oil and gas only where there are democratically elected regimes friendly to the United States. Occasionally we have to operate in places where, all things considered, one would not normally choose to go. But, we go where the business is. So, what happens with respect to U.S. commercial policy, how we conduct ourselves as a nation, the kinds of rules and regulations that American firms are expected to abide by and operate under, and how all of that affects our ability to compete overseas is of considerable interest to those of us at Haliburton and Dresser. Obviously, such matters are not only important to our employees, but to our shareholders, and our customers as well...."

I think it is a false dichotomy to be told that we have to choose between "commercial" interests and other interests that the United States might have in a particular country or region around the world. Oftentimes the absolute best way to advance human rights and the cause of freedom or the development of democratic institutions is through the active involvement of American businesses. Investment and

trade can oftentimes do more to open up a society and to create opportunity for a society's citizens than reams of diplomatic cables from our State Department...We need enlightened political leadership that understands and comprehends the complexities of the world economy. All too often these days that leadership appears to be lacking....What the international community has done with respect to Iraq in the period since the Gulf War as an appropriate use of multilateral economic sanctions. But my concern today is primarily with unilateral economic sanctions imposed by the United States. I would begin by arguing that they almost never work. It is very hard to find specific examples where they actually achieve a policy objective....

Right now there are sanctions on Azerbaijan. We're not allowed to spend any U.S. government dollars in that country. That's not a response to what we perceive to be sound foreign policy in that part of the world. It's more specifically a reflection of a desire by Congress to respond to the concerns voiced by the Armenian-American community, which is bigger than the Azerbaijani-American community. As a result we currently have a prohibition against U.S. government money being spent in Azerbaijan....The problem in part stems from the view by my former colleagues on Capitol Hill that sanctions are the low-cost option. It is the cheap, easy thing to do. You don't have to appropriate any taxpayer's money. You don't send any young Americans into combat....

An example that comes immediately to mind has to do with efforts to develop the resources of the former Soviet Union in the Caspian Sea area. It is a region rich in oil and gas. Unfortunately, Iran is sitting right in the middle of the area and the United States has declared unilateral economic sanctions against that country. As a result, American firms are prohibited from dealing with

Iran and find themselves cut out of the action, both in terms of opportunities that develop with respect to Iran itself, and also with respect to our ability to gain access to Caspian resources. Iran is not punished by this decision. There are numerous oil and gas development companies from other countries that are now aggressively pursuing opportunities to develop those resources. That development will proceed, but it will happen without American participation. The most striking result of the government's use of unilateral sanctions in the region is that only American companies are prohibited from operating there. --Dick Cheney, head of Haliburton, June 23, 1998.

Politex, I agree that Cheney's words do speak for themselves. The arrogance of corporate America speaks through him. When our country declares unilateral sanctions against a country such as Libya or Iran, it is a message from the people to the business community to develop alternative resources in the national interest. Cheney's response to the American people is to tell us that we are wrong! He then redefines the national interest as corporate interest and reduces all of our goals to the profit motive. What conceit! It is frightening that such a person should be posing as a public servant. Will we soon be told that our objectives in Afghanistan are corporate objectives and that defeating terrorism is important as long as it does not diminish Halliburton's bottom line? --Paul, 10/14/01

Updated Sept. 14, 2001: Unocal reiterates prior statements

"The company is not supporting the Taliban in Afghanistan in any way whatsoever. Nor do we have any project or involvement in Afghanistan. Beginning in late 1997, Unocal was a member of a multinational consortium that was evaluating construction of a Central Asia Gas (CentGas) pipeline between Turkmenistan and Pakistan. Part of this pipeline would have crossed western Afghanistan. However, Unocal suspended its participation in the CentGas consortium in August 1998 and formally withdrew from that consortium in December 1998. Our company has had no

further role in developing or funding that project or any other project that might involve the Taliban. The pipeline was never constructed.

"During this time, Afghanistan was in the midst of a civil war. We met with many factions, including the Taliban, to educate them about the benefits such a pipeline could bring to this desperately poor and war-torn country, as well as to the Central Asian region. At no time did we make any deal with the Taliban, and, in fact, consistently emphasized that the project could not and would not proceed until there was an internationally recognized government in place in Afghanistan that fairly represented all its people. Our hope was that the project could help bring peace, stability and economic development to the Afghans, as well as develop important energy resources for the region.

"Unocal suspended its participation in the CentGas consortium (see statement). The company officially withdrew from the project in December 1998 (see statement). After several incorrect reports appeared, including one published in Pakistan in February 1999, Unocal reconfirmed its position regarding this matter in another statement dated Feb. 16, 1999." ([MORE](#))

Six Nobel laureates move against U.S. energy firm [Unocal] with Myanmar link

"Washington, 4 Oct (dpa) - Six Nobel Peace Prize laureates have spoken out against a California-based energy company for doing business in military-ruled Myanmar (Burma) and urged a university to drop its shares in the company, a U.S. human rights group said Wednesday. . Tibet's exiled spiritual leader, the Dalai Lama, was among the signatories to a letter urging the University of Virginia in Charlottesville to drop its assets in Unocal, which has helped build a gas pipeline from

Myanmar to neighbouring Thailand. The Yadana natural gas project has stirred controversy because of reports of human rights abuses by Burmese troops guarding the pipeline, which runs through rebel territory, and because revenues from it help support a regime considered a pariah in the West.

''While Unocal turns its back on the conditions surrounding its pipeline, its partners, the illegal military junta, are torturing, killing, raping, and enslaving thousands of people,' read the letter, released by the Free Burma Coalition. . Other signatories were Nobel laureates Betty Williams (Ireland, 1976), Oscar Arias (Costa Rica, 1986), Rigoberta Menchu Tum (Guatemala, 1992), Jose Ramos Horta (East Timor, 1996) and Jody Williams (United States, 1997). --[Office Of Tibet \(more\)](#), Oct. 4, 2001

MISSING THE OIL STORY

Nina Burleigh has written for The Washington Post, The Chicago Tribune, and New York magazine. As a reporter for TIME, she was among the first American journalists to enter Iraq after the Gulf War.

Recently I attended one of those legendary Washington dinner parties, attended by British cosmopolites and Americans in the know. A few courses in, people were gossiping about the Bush family's close and enduring friendship with the Saudi ambassador, Prince Bandar, dean of the diplomatic corps in Washington. By the end of the evening, everyone was talking about how the unfolding events were going to affect the flow of oil out of Central Asia.

I left wondering whether 6,000 Americans might prove to have died in New York for the royal family of Saud, or oil, or both. But I didn't have much more than insider

dinner gossip to go on. I get my analysis from the standard all-American news outlets. And they've been too focused on a) anthrax and smallpox, or b) the intricacies of Muslim fanaticism, to throw any reporters at the murky ways in which international oil politics and its big players have a stake in what's unfolding.

A quick Nexis search brought up a raft of interesting leads that would keep me busy for 10 years if the economics of this war was my beat. But only two articles in the American media since September 11 have tried to describe how Big Oil might benefit from a cleanup of terrorists and other anti-American elements in the Central Asia region. One was by James Ridgeway of the Village Voice. The other was by a Hearst writer based in Paris and it was picked up only in the San Francisco Chronicle.

In other words, only the Left is connecting the dots of what the Russians have called "The Great Game" -- how oil underneath the 'stans' fits into the new world order. Here's just a small slice of what ought to provoke deeper research by American reporters with resources and talent.

Start with father Bush. The former president and ex-CIA director is not unemployed these days. He's been globetrotting as a member of Washington's Carlyle Group, a \$12 billion private equity firm which employs a motorcade of former ranking Republicans, including Frank Carlucci, Jim Baker and Richard Darman. George Bush senior and colleagues open doors overseas for The Carlyle Group's "access capitalists."

Bush specializes in Asia and has been in and out of Saudi Arabia and Kuwait (countries that revere him thanks to the Gulf War) often on business since his presidency. Baker, the pin-striped midwife of 'Election 2000' was working his network in the 'stans' before the ink was dry on Clinton's first inaugural address. The Bin

Laden family (presumably the friendly wing) is also invested in Carlyle. Carlyle's portfolio is heavy in defense and telecommunications firms, although it has other holdings including food and bottling companies.

The Carlyle connection means that George Bush Senior is on the payroll from private interests that have defense business before the government, while his son is president. Hmmm. As Charles Lewis of the Washington-based Center for Public Integrity, has put it, "in a really peculiar way, George W. Bush could, some day, benefit financially from his own administration's decisions, through his father's investments. And that to me is a jaw-dropper."

Why can we assume that global businessmen like Bush Senior and Jim Baker care about who runs Afghanistan and NOT just because it's home base for lethal anti-Americans? Because it also happens to be situated in the middle of that perennial vital national interest -- a region with abundant oil. **By 2050, Central Asia will account for more than 80 percent of our oil. On September 10, an industry publication, Oil and Gas Journal, reported that Central Asia represents one of the world's last great frontiers for geological survey and analysis, "offering opportunities for investment in the discovery, production, transportation, and refining of enormous quantities of oil and gas resources."**

It's assumed we need unimpeded access in the 'stans' for our geologists, construction workers and pipelines if we are going to realize the conservation-free, fossil-fueled future outlined recently by Vice President Cheney. A number of pipeline projects to carry Central Asia's resources west are already under way or have been proposed. They would go through Russia, through the Caucasus or via Turkey and Iran. Each route will be within easy reach of the Taliban's thugs and could be

made much safer by an American vanquishment of Muslim terrorism.

There's also lots of oil beneath the turf of our politically precarious newest best friend, Pakistan. "Massive untapped gas reserves are believed to be lying beneath Pakistan's remotest deserts, but they are being held hostage by armed tribal groups demanding a better deal from the central government," reported Agence France Presse just days before September 11.

So many business deals, so much oil, all those big players with powerful connections to the Bush administration. It doesn't add up to a conspiracy theory. But it does mean there is a significant MONEY subtext that the American public ought to know about as "Operation Enduring Freedom" blasts new holes where pipelines might someday be buried.

This is Nina Burleigh for TomPaine.com, 10/12/01

Published on Thursday, August 10, 2000 in the Chicago Tribune
Cheney's Black Gold:
Oil Interests May Drive US Foreign Policy
by Marjorie Cohn

What do the Persian Gulf, the Caspian Sea and the Balkans have in common? U.S. domination in these areas serves the interests of corporate multimillionaires such as Dick Cheney. As George Bush's secretary of defense, Cheney was chief prosecutor of Operation Desert Storm in 1991. Humanitarian rhetoric notwithstanding, the bombing of Iraq--which continues to this day--was primarily aimed at keeping the Persian Gulf safe for U.S. oil interests. Shortly after Desert Storm, the Associated Press reported Cheney's desire to broaden the United States' military role in the region to hedge future threats to gulf oil resources. Cheney is CEO of Dallas-based Halliburton Co., the biggest oil-services

company in the world. Because of the instability in the Persian Gulf, Cheney and his fellow oilmen have zeroed in on the world's other major source of oil--the Caspian Sea. Its rich oil and gas resources are estimated at \$4 trillion by U.S. News and World Report. **The Washington-based American Petroleum Institute, voice of the major U.S. oil companies, called the Caspian region, "the area of greatest resource potential outside of the Middle East."** Cheney told a gaggle of oil industry executives in 1998, **"I can't think of a time when we've had a region emerge as suddenly to become as strategically significant as the Caspian."**

But Caspian oil presents formidable obstacles. Landlocked between Russia, Iran and a group of former Soviet republics, the Caspian's "black gold" raises a transportation dilemma. Russia wants Caspian oil to run through its territory to the Black Sea. The United States, however, favors pipelines through its ally, Turkey.

Although the cheapest route would traverse Iran to the Persian Gulf, U.S. sanctions against Iran block this alternative. Cheney has lobbied long and hard, as recently as June, for the lifting of those sanctions, to lubricate the Iran-Caspian connection. This is consistent with his position, described in a 1997 article in The Oil and Gas Journal, that oil and gas companies must do business in countries with policies unpalatable to the U.S.

Cheney also favors the repeal of section 907 of the 1992 Freedom Support Act, which severely restricts U.S. aid to Azerbaijan because of its ethnic cleansing of the Armenians in Nagorno Karabakh, a mountainous enclave in Azerbaijan. Why would Cheney choose to ignore Azerbaijan's human-rights violations? Because Azerbaijan, key to the richest Caspian oil deposits, is, according to the Bulletin of the Atomic Scientists, "in fact, the focal point of the next round in the Great Game

of Nations, a dangerous, hot-headed place with a Klondike of wealth beneath it. It is Bosnia with oil."

Cheney's oily fingerprints are all over the Balkans as well. Last year, Halliburton's Brown & Root Division was awarded a \$180 million a year contract to supply U.S. forces in the Balkans. Cheney also sits on the board of directors of Lockheed Martin, the world's largest defense contractor. Replacing munitions used in the Balkans could result in \$1 billion in new contracts.

War is big business and Dick Cheney is right in the middle of it.

Meanwhile, our energy and gasoline prices continue to soar in many parts of the United States. OPEC controls the oil production in the Persian Gulf. Cheney, worried about a falloff in investment, spoke in favor of OPEC cutting oil production so oil and gasoline prices could rise.

Cheney is ineluctably invested in keeping the world safe for his investments.

Although he stepped down as CEO of Halliburton, he still owns shares of stock in the conglomerate and his financial interests in the Persian Gulf, the Caspian region and the Balkans will invariably continue. Chosen by George W. Bush to bring foreign-policy expertise to the GOP presidential ticket, we can expect a Republic administration to increase U.S. intervention in regions when it suits Dick Cheney's oil and other corporate concerns.