

The US Geopolitical Nightmare: The Middle East, Central Asia, East Asia

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By F William Engdahl

By drawing attention to Iraq and the obvious role oil plays in US policy today, the George W Bush-Dick Cheney administration has done just that: it has drawn the world's energy-deficit powers' attention firmly to the strategic battle over energy, and especially oil.

This is already having consequences for the global economy in terms of US\$75-a-barrel crude-oil price levels. Now it is taking on the dimension of what one former US defense secretary rightly calls a "geopolitical nightmare" for the United States.

The creation by Bush and Cheney, Defense Secretary Donald Rumsfeld and company of a geopolitical nightmare is also the backdrop to comprehend the dramatic political shift within the US establishment in the past six months, away from the Bush presidency. Simply put:

Bush and Cheney and their band of neo-conservative war hawks, with their special relationship to the capacities of Israel in Iraq and across the Mideast, were given a chance.

The chance was to deliver on the US strategic goal of control of petroleum resources globally, to ensure the US role as first among equals over the next decade and beyond. Not only have they failed to "deliver" that goal of US strategic dominance, they have also threatened the very basis of continued US hegemony, or as the Rumsfeld Pentagon likes to term it, "Full Spectrum Dominance".

Oil prices break \$70

Oil prices settled at \$70.40 a barrel Monday, setting a new record.

NYMEX crude oil prices



SOURCE: Department of Energy AP

The move by Bolivian President Evo Morales, after meetings with Venezuela's Hugo Chavez and Cuba's Fidel Castro, to assert national control over oil and gas resources is only the latest demonstration of the decline in US power projection.

The Bush Doctrine in the balance

As the reality of US foreign policy is obscured by the endless rhetoric of "defending democracy" and the like, it is useful to recall that US foreign policy since the collapse of the Soviet Union has been open and explicit. It is to prevent at any cost the congealing of a potential combination of nations that might challenge US dominance. This is the US policy as elaborated in Bush's June 2002

speech at the United States Military Academy in West Point, New York.

There the president outlined a radical departure in explicit US foreign policy in two vital areas: a policy of preventive war, should the US be threatened by terrorists or by rogue states engaged in the production of weapons of mass destruction; second, the right of self-defense authorized the US to launch preemptive attacks against potential aggressors, cutting them off before they were able to launch strikes against the US.

The new US doctrine, the Bush Doctrine, also proclaimed "the duty of the US to pursue unilateral military action when acceptable multilateral solutions cannot be found". It went further and declared it US policy that the "United States has, and intends to keep, military strengths beyond challenge". The US would take whatever actions necessary to continue its status as the world's sole military superpower.

The policy also included proactive regime change around the world under the slogan of "extending democracy". As Bush stated at West Point, "America has no empire to extend or utopia to establish. We wish for others only what we wish for ourselves - safety from violence, the rewards of liberty, and the hope for a better life."

Those policy fragments were gathered into an

official policy in September 2002, a National Security Council text titled the "National Security Strategy of the United States". That text was drafted for the president's signature by then national security adviser Condoleezza Rice.

She in turn took an earlier policy document prepared under the 1992 presidency of George Bush Sr by neo-conservative Paul Wolfowitz. The Bush Doctrine of Rice had been fully delineated in 1992 in a Defense Planning Guidance "final draft" done by then under secretary of defense for policy Wolfowitz, and known in Washington as the Wolfowitz Doctrine. Wolfowitz declared then that, with the threat of a Soviet attack gone, the US was the unchallenged sole superpower and should pursue its global agenda, including preemptive war and unilateral foreign-policy actions.

An internal leak of the draft to the New York Times then led Bush Sr to announce that it was "only a draft and not US policy". By 2002, it was officially US policy.

The Bush Doctrine stated that "military preemption" was legitimate when the threat was "emerging" or "sufficient, even if uncertainty remains as to the time and place of the enemy's attack". That left a hole large enough for an Abrams tank to roll through, according to critics. Afghanistan, as a case in point, was declared a legitimate target for US military bombardment

because the Taliban regime had said it would turn Osama bin Laden over only when the US demonstrated proof he was behind the New York World Trade Center and Pentagon attacks on September 11, 2001. Bush didn't give proof. He did launch a "preemptive" war. At the time, few bothered to look to the niceties of international law.

The Bush Doctrine was and is a neo-conservative doctrine of preventive and preemptive war. It has proved to be a strategic catastrophe for the US role as sole superpower. That is the background to comprehend all events today as they are unfolding in and around Washington.

The future of that Bush Doctrine foreign policy - and in fact the future ability of the US, as sole superpower or sole anything, to hold forth - is what is now at stake in the issue of the future of the Bush presidency.

Bush administration in crisis

The most fascinating indication of a sea-change within the US political establishment toward the Bush Doctrine and those who are behind it is the developing debate around the 83-page paper, first published on the official website of Harvard University, criticizing the dominant role of Israel in shaping US foreign policy.

The paper was initially trashed by the B'nai Brith

and select neo-conservative writers as "anti-Semitic", which it is not, and one commentator tried to smear it as "echoing the views of former KKK [Ku Klux Klan] leader and white-power advocate David Duke", who has also attacked the Israel lobby.

However, profoundly significant is the fact that this time leading mainstream media, including Richard Cohen in the Washington Post, have come to the defense of authors Stephen Walt and John Mearsheimer. Even certain sections of the Israeli press have done so. The taboo of speaking publicly of the pro-Israel agenda of neo-conservatives has apparently been broken. That suggests that the old-guard foreign-policy establishment, such as Zbigniew Brzezinski and Brent Scowcroft and their allies, are stepping up to retake foreign-policy leadership. The neo-cons have proved a colossal failure in their defense of America's strategic interests as the realists see it.

The paper, "The Israel Lobby and US Foreign Policy", was written by two highly respected US foreign-policy realists and consultants to the State Department. The authors are neither neo-Nazi skinheads nor anti-Semites. Mearsheimer is political-science professor and co-director of the Program on International Security Policy at the University of Chicago. Walt is academic dean and a chaired professor at Harvard's Kennedy School of Government. Both are members of the Coalition for a Realistic Foreign Policy.

(<http://www.realisticforeignpolicy.org/static/00024.php>) They are so-called "realists", along with Henry Kissinger, Scowcroft and Brzezinski.

Some of their conclusions about the Israel lobby's goals: "No lobby has managed to divert foreign policy as far from what the American national interest would otherwise suggest, while simultaneously convincing Americans that US and Israeli interests are essentially identical."

US supporters of Israel promoted the war against Iraq. The senior administration officials who spearheaded the campaign were also in the vanguard of the pro-Israel lobby, e.g. Wolfowitz; under secretary of defense for policy Douglas Feith; Elliott Abrams, Mideast affairs at the White House; David Wurmser, Mideast affairs for Cheney; Richard Perle, first among neo-cons, chairman of the Defense Policy Board, an influential advisory body of strategic experts.

A similar effort is now under way to bomb Iran's nuclear facilities.

It's useful to quote the official goals of the Coalition for a Realistic Foreign Policy, of which Walt and Mearsheimer are members, to have a better indication of their factional lineup in the current factional battle inside the US elite. The website of that coalition states:

Against the backdrop of an ever-bloodier conflict

in Iraq, American foreign policy is moving in a dangerous direction toward empire. Worrisome imperial trends are apparent in the Bush administration's National Security Strategy. That document pledges to maintain America's military dominance in the world, and it does so in a way that encourages other nations to form countervailing coalitions and alliances. We can expect, and are seeing now, multiple balances of power forming against us. People resent and resist domination, no matter how benign.

Authors Walt and Mearsheimer also note that Perle and Feith put their names to a 1996 policy blueprint for Benjamin Netanyahu's then incoming government in Israel, titled, "A Clean Break: A New Strategy for Securing the Realm" (Israel).

In that document, Perle and Feith advised Netanyahu that the rebuilding of Zionism must abandon any thought of trading land for peace with the Palestinians, i.e., repeal the Oslo accords. Next, Saddam Hussein must be overthrown and democracy established in Iraq, which would then prove contagious in Israel's other Arab neighbors. That was in 1996, seven years before Bush launched a near-unilateral war for regime change in Iraq.

Today, Perle has been forced to take a low profile in Washington after initially heading Rumsfeld's Defense Policy Board at the Pentagon. Feith was

forced to leave the State Department for the private sector. That was more than a year ago.

A foreign policy disaster over China

In this context, the recent diplomatic insult from Bush to visiting Chinese President Hu Jintao is doubly disastrous for the US foreign position. Bush acted on a script written by the anti-China neo-conservatives, deliberately to insult and humiliate Hu at the White House.

First was the incident of allowing a Taiwanese "journalist", a Falungong member, into the carefully screened White House press conference, to rant in a tirade against Chinese human rights for more than three minutes, with no attempt at removal, at a filmed White House press conference.

Then came the playing of the Chinese national anthem for Hu, which was introduced as the anthem for the Republic of China - Taiwan. It was no slip-up by the professional White House protocol people. It was a deliberate effort to humiliate the Chinese leader.

The problem is that the US economy has become dependent on Chinese trade imports and on Chinese holdings of US Treasury securities. China today is the largest holder of dollar reserves in the form of US Treasury paper worth an estimated US\$825 billion. Were Beijing to

decide to exit the US bond market, even in part, it would cause a dollar free-fall and collapse of the \$7 trillion US real-estate market, a wave of US bank failures, and huge unemployment. It's a real option, even if unlikely at the moment.

Hu, though, didn't waste time or tears over the Bush affront. He immediately went to Saudi Arabia for a three-day state visit where he signed trade, defense and security agreements. This is no small slap in the face to Washington by the traditionally "loyal" Saudi royal house.



Saudi King Abdullah bin Abdul Aziz welcomes Hu Jintao in Riyadh, April 22, 2006.

Hu signed a deal for Saudi Basic Industries Corp (SABIC) of Saudi Arabia to build a \$5.2 billion oil refinery and petrochemical project in northeastern China. At the beginning of this year, Saudi King Abdullah was in Beijing for a full state visit.

Since the Franklin D Roosevelt-King Ibn Saud deal giving US Aramco and not the British

exclusive concession to develop Saudi oil in 1943, Saudi Arabia has been regarded in Washington as a core strategic sphere of interest.

Hu then went on to Morocco, Nigeria and Kenya, all regarded as US spheres of interest. And only two months ago Rumsfeld was in Morocco to offer US arms. Hu is offering to finance energy exploration there.

The SCO and Iran

The latest developments surrounding the Shanghai Cooperation Organization (SCO) and Iran further underscore the dramatic change in the geopolitical position of the United States.

The SCO was created in Shanghai on June 15, 2001, by Russia and China along with four former Soviet Central Asian republics, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. Prior to September 11, 2001, and the US declaration of an "axis of evil" in January 2002, the SCO was merely background geopolitical chatter as far as Washington was concerned.

Today the SCO, which has to date been blacked out almost entirely in US mainstream media, is defining a new political counterweight to US hegemony and its "unipolar" world. At the next SCO meeting on June 15, Iran will be invited to become a full SCO member.

And last month in Tehran, Chinese Ambassador Lio G Tan announced that a pending oil and gas deal between China and Iran was ready to be signed.



China-Iran Oil Deal

The deal is said to be worth at least \$100 billion, and includes development of the huge Yadavaran onshore oilfield. China's Sinopec would agree to buy 250 million tons of liquefied natural gas over 25 years. No wonder China is not jumping to back Washington against Iran in the United Nations Security Council. The US had been trying to put massive pressure on Beijing to halt the deal, for obvious geopolitical reasons, to no avail. Another major defeat for Washington.

Iran is also moving on plans to deliver natural gas via a pipeline to Pakistan and India. Energy ministers from the three countries met in Doha recently and plan to meet again this month in Pakistan.

The pipeline progress is a direct rebuff to Washington's efforts to steer investors clear of

Iran. Ironically, US opposition is driving these countries into one another's arms, Washington's "geopolitical nightmare".

At the same SCO meeting next month, India, which Bush is personally trying to woo as a geopolitical Asian "counterweight" to China, will also be invited to join the organization, as well as Mongolia and Pakistan. The SCO is gaining in geopolitical throw-weight quite substantially.

Iranian Deputy Foreign Minister Manouchehr Mohammadi told ITAR-Tass in Moscow last month that Iranian membership in the SCO could "make the world more fair". He also spoke of building an Iran-Russia "gas-and-oil arc" in which the two giant energy producers would coordinate activities.

US out in cold in Central Asia

The admission of Iran into the SCO opens many new options for Iran and the region. By virtue of SCO membership, Iran will now be able to take part in SCO projects, which in turn means access to badly needed technology, investment, trade and infrastructure development. It will have major implications for global energy security.



Central Asia

The SCO has reportedly set up a working group of experts ahead of the June summit to develop a common SCO Asian energy strategy, and discuss joint pipeline projects, oil exploration and related activities. Iran sits on the world's second-largest natural-gas reserves, and Russia has the largest. Russia is the world's second-largest oil producer after Saudi Arabia. These are no small moves.

India is desperate to come to terms with Iran for energy but is being pressured by Washington not to.

The Bush administration last year tried to get "observer status" at the SCO but was turned down. The rebuff - along with the SCO's demands for a reduced US military presence in Central Asia, deeper Russia-China cooperation, and the setbacks to US diplomacy in Central Asia - have prompted a policy review in Washington.

After her October 2005 Central Asian tour, Rice announced reorganization of the State Department's South Asia Bureau to include the

Central Asian states, and a new US "Greater Central Asia" scheme.

Washington is trying to wean Central Asian states away from Russia and China. President Hamid Karzai's government in Kabul has not responded to SCO's overtures. Given his ties historically to Washington, he likely has little choice.

Gennady Yefstafiyev, a former general in Russia's Foreign Intelligence Service, said, "The US's long-term goals in Iran are obvious: to engineer the downfall of the current regime; to establish control over Iran's oil and gas; and to use its territory as the shortest route for the transportation of hydrocarbons under US control from the regions of Central Asia and the Caspian Sea, bypassing Russia and China. This is not to mention Iran's intrinsic military and strategic significance."

Washington had based its strategy on Kazakhstan being its key partner in Central Asia. The US wants to expand its physical control over Kazakhstan's oil reserves and formalize Kazakh oil transportation via the Baku-Ceyhan pipeline, as well as creating the dominant US role in Caspian Sea security. But Kazakhstan isn't playing ball. President Nursultan Nazarbayev went to Moscow on April 3 to reaffirm his continued dependence on Russian oil pipelines. And China is making major energy and pipeline deals with Kazakhstan as well.

To make Washington's geopolitical problems worse, despite securing a major US military basing deal with Uzbekistan after September 2001, Washington's relations with Uzbekistan are disastrous. The US effort to isolate President Islam Karimov, along the lines of the Ukrainian "orange" revolution tactics, is not working. Indian Prime Minister Manmohan Singh visited Tashkent late last month.

As well, Tajikistan relies heavily on Russia's support. In Kyrgyzstan, despite covert US attempts to create dissensions within the regime, President Kurmanbek Bakiev's alliance with Moscow-backed Prime Minister Felix Kulov is holding.

In the space of 12 months, Russia and China have managed to move the pieces on the geopolitical chess board of Eurasia away from what had been an overwhelming US strategic advantage, to the opposite, where the US is increasingly isolated. It's potentially the greatest strategic defeat for the US power projection of the post-World War II period. This is also the strategic background to the re-emergence of the so-called realist faction in US policy.

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