

America's Geopolitical Nightmare and Eurasian Strategic Energy Arrangements

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Part I: The disintegration of the Bush Presidency

By drawing attention to Iraq and the obvious role oil plays in US policy today, the Bush-Cheney administration has done just that: They have 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 \$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-Cheney-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/Cheney and their band of neo-conservative warhawks, 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, in order 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.' The move by Bolivian President Evo Morales, following meetings with Velezuela's Hugo Chavez and Fidel Castro, to assert national control over oil and gas resources is only the latest demonstration of the decline in US power projection.

Future of 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 West Point speech.

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 USA to launch pre-emptive attacks against potential aggressors, cutting them off before they are 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. This resembled British Empire policy before World War I, namely, that the Royal Navy must be larger than the world's next two largest navies put together.

The policy also included pro-active 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 entitled the ***National Security Strategy of the United States***. That text was drafted for the President's signature by then NSC head Condi Rice. She in turn took an earlier policy document prepared under the 1992 Bush senior Presidency 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, Paul 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 pre-emptive war and unilateral foreign policy actions.

An internal leak of the draft to the *New York Times* then led President Bush senior to announce it was 'only a draft and not US policy.' By 2002 it was officially US policy.

The Bush Doctrine stated that 'military pre-emption' 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 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 September 11 World Trade Center and Pentagon attacks. Bush didn't give proof. He did launch a 'pre-emptive' 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 pre-emptive war. It has proven to be a strategic catastrophe for the United States 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 United States, 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. Useful to note is that Deputy Defense Secretary Wolfowitz wrote his 1992 draft for then Defense Secretary, Dick Cheney.

Bush Administration in crisis

The most fascinating indication of a sea-change within the American political establishment towards 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 ADL of B'nai Brith and select neo-conservative writers, as 'anti-semitic', which it is not, and as one commentator tried to smear it, as 'echoing the views of former KKK 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 defense of Walt and Mearsheimer. Even certain Israeli press has 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, types 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 real interests as the realists see it.

The paper, 'The Israel Lobby and U.S. 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. John J. Mearsheimer is political science professor and co-director of the Program on International Security Policy at the University of Chicago. Stephen M. 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. They are so-called 'realists' along with Kissinger, Scowcroft, 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 U.S. and Israeli interests are essentially identical.'*
- *American 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., then Deputy Defense Secretary Paul Wolfowitz; Undersecretary of Defense for Policy Douglas Feith; Elliott Abrams, Mideast affairs at the White House; David Wurmser, Mideast affairs for Vice President Richard Cheney; Richard Perle, first among neocon equals, 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.*
- *AIPAC is fighting registering as foreign agents because this would place severe limitations on its congressional activities, particularly in the legislative electoral arena. ... American politicians remain acutely sensitive to campaign contributions and other forms of political pressure and major media outlets are likely to remain sympathetic to Israel no matter what it does.*

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 line-up 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 Richard Perle and Douglas 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.

When NBC's TV's Tim Russert on the widely-watched 'Meet the Press' asked Perle about his geopolitical laundry list for Israel's benefit, Perle replied, 'What's wrong with that?'

For all this to succeed, Perle and Feith wrote, 'Israel would have to win broad American support.' To ensure this support, they advised the Israeli prime minister to use 'language familiar to Americans by tapping into themes of past US administrations during the Cold War, which apply as well to Israel.' An Israeli columnist in Ha'aretz accused Perle and Feith of, 'walking a fine line' between 'their loyalty to American governments and Israeli interests.'

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.

Wave of Bush resignations underway

Now White House Chief of Staff and a man who was a Bush family loyal retainer for 25 years, Andrew Card, has left, and in an announcement that apparently shocked the neo-conservative hawks like William Kristol, on May 5 Bush's pro-neo-con CIA head, Porter Goss, abruptly announced his resignation in a one line statement.

Goss' departure was preceded by the growing scandal involving Goss' Number 3 man at CIA, Executive Director, Kyle 'Dusty' Foggo. Last December the CIA Inspector General opened an investigation into Foggo's role in Pengaton-CIA contract fraud. Foggo is also being linked to an emerging White House-GOP sex scandal which could pale the Monika Lewinsky affair. As Goss violated seniority precedence in naming Foggo to No. 3 at CIA, the Goss resignation and the imminent breaking sex and bribery scandals around Foggo are being linked by some media.

The Foggo case is tied to disgraced Republican Congressman, Randall 'Duke' Cunningham. Federal prosecutors have accused, as an un-indicted co-conspirator, one of Foggo's closest friends, San Diego businessman Brent Wilkes, of participating in a scheme to bribe Cunningham, the former GOP congressman from San Diego. Cunningham in turn is linked to convicted Republican money launderer and fix-it man, Jack Abramoff. Foggo oversaw contracts involving at least one of the companies accused of paying bribes to Congressman

Cunningham. The *Wall Street Journal* reports that Foggo has been a close friend, since junior high school, with California defense contractor Brent R. Wilkes. They report, an ongoing 'criminal investigation' centers on whether Mr. Foggo used his postings at the CIA to improperly steer contracts to Mr. Wilkes's companies.'

Wilkes was implicated in the charges filed against Cunningham, as an un-indicted co-conspirator who allegedly paid \$630,000 in bribes to Cunningham for help in obtaining federal defense and other contracts. No charges have been filed against Wilkes, though federal prosecutors in San Diego are working to build a case against him, as well as Foggo.

The FBI and federal prosecutors are investigating evidence that Wilkes had given gifts to Foggo and paid for various services, including alleged sex orgies at the Watergate (now Westin), while Foggo was in a position to help him gain particular CIA contracts.

The CIA inspector general has opened an investigation into the spy agency's executive director, Kyle "Dusty" Foggo, and his connections to two defense contractors accused of bribing a member of Congress and Pentagon officials.

The Goss resignation follows on the heels of public calls for Secretary Rumsfeld's immediate resignation over the Iraq military debacle coming from a growing chorus of retired US military generals.

The latest in the slow, systematic 'let 'em twist in the wind' process of downsizing the Bush regime, was an incident in Atlanta May 4 before a supposedly friendly foreign policy audience where Rumsfeld spoke. During the question period, he was confronted with his laying about the ground for going to war in Iraq.

Ray McGovern, a 27-year CIA veteran who once gave then-President George H.W. Bush his morning intelligence briefings, engaged in an extended debate with Rumsfeld. He asked why Rumsfeld had insisted before the Iraq invasion that there was 'bulletproof evidence' linking Saddam Hussein to Al Qaeda.

'Was that a lie, Mr. Rumsfeld, or was that manufactured somewhere else? Because all of my CIA colleagues disputed that and so did the 9/11 commission,' McGovern asked a startled Rumsfeld. 'Why did you lie to get us into a war that was not necessary?'

Significant in terms of the shift reflected in how the establishment media handles Rumsfeld, Cheney and Bush today is the following account in the *Los Angeles Times*:

'At the start of the exchange, Rumsfeld remained his usual unflappable self, insisting, "I haven't lied; I did not lie then," before launching into a vigorous defense of the administration's prewar assertions on Iraq's weapons of mass destruction.

But Rumsfeld became uncharacteristically tongue-tied when McGovern pressed him on claims that he knew where unconventional Iraqi weapons were located.

"You said you knew where they were," McGovern said.

"I did not. I said I knew where suspected sites were," Rumsfeld retorted.

McGovern then read from statements the Defense secretary had made that weapons were located near Tikrit, Iraq, and Baghdad...'

Rumsfeld was stone silent. The entire episode was filmed and shown on network television. Rumsfeld's days are clearly numbered. Karl Rove is rumoured to be days away from being co-indicted with Cheney aide Lewis Libby for the Valerie Plame CIA leak affair. Recall that that affair was over alleged Niger uranium evidence as basis for convincing Congress to waive a War Declaration on Iraq and give Bush carte blanche. All threads are being carefully woven, evidently by a re-emerging realist faction into a tapestry which will likely spell Impeachment, perhaps also of the Vice President, the real power behind this Presidency.

Part II: Disintegration of US Eurasia Strategic Influence

A Foreign Policy disaster over China

In this context, the recent diplomatic insult from Bush to visiting China President Hu Jintao, is doubly disastrous for the US foreign position. Bush acted on a script written by the anti-China neo-conservatives, to deliberately insult and humiliate Hu at the White House. First was the incident of allowing a Taiwanese 'journalist,' a Falun Gong 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 White House filmed press conference. Then came the playing of the Chinese National Hymn for Hu. The 'Chinese' hymn, however, was the (Taiwan) Republic of China hymn, not the (Beijing) People's Republic hymn.

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 form of US Treasury paper with an estimated \$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.

China's Hu didn't waste time or tears over the Bush affront. He immediately went on to Saudi Arabia for a 3 day state visit where both signed trade, defense and security agreements. Needless to say, this is no small slap in the fact to Washington by the traditionally 'loyal' Saudi Royal House.

Hu signed a deal for SABIC of Saudi Arabia to build a \$5.2 billion oil refinery and petrochemical project in northeast China. At the beginning of this year, King Abdullah was in Beijing for a full state visit. Hmmmm...Since the 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, another traditional US sphere of interest, Nigeria and Kenya, all regarded as US spheres of interest. Hmmmm. Only two months ago Rumsfeld was in Morocco to offer US arms. Hu is offering to finance energy exploration there.

The SCO and Iran events

The latest developments around 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 USSR Central Asian republics- Kazakhstan, Kyrgystan, 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 'one-polar' world.

At the next June 15 2006 SCO meeting, Iran has been invited to become a full SCO member.

Last month in Teheran, the Chinese Ambassador, Lio G Tan announced that a pending oil and gas deal between China and Iran is ready to be signed.

The deal is said to be worth at least \$100 billion, and includes development of the huge Yadavaran onshore oil field. China's Sinopec would agree to buy 250 million tons of LNG over 25 years. No wonder China is not jumping to back Washington against Iran in the UN 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 each others' arms, Washington's 'geopolitical nightmare.'

At the same June 15 SCO meeting, India, which Bush is personally attempting to woo as a geopolitical Asian 'counterweight' to China, will also be invited to join SCO. As well, Mongolia and Pakistan will be invited to join SCO. SCO is gaining in geopolitical throw-weight quite substantially.

Iran's Deputy Foreign Minister Manouchehr Mohammadi told ITAR-Tass in Moscow in April that Iranian membership in 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 SCO opens many new options for Iran and the region. By virtue of SCO membership, Iran can now take part in SCO projects, which in turn means access to badly-needed technology, investment, trade, infrastructure development. It will have major implications for global energy security.

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 SCO but was turned down. The rebuff - along with SCO's demands for a reduced American 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, Secretary of State Condoleezza Rice announced re-organization of the US 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. 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, says, '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 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, as we noted back in December, 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 today are disastrous. The US effort to isolate President Islam Karimov, along lines of the Ukraine 'Orange Revolution' tactics, is not working. Indian Prime Minister Manmohan Singh visited Tashkent in late April.

As well, Tajikistan relies heavily on Russia's support. In Kyrgyzstan, despite covert US attempts to create dissensions within the regime, President Burmanbek Bakiyev'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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