

# China raises oil stakes: China National Petroleum bids for Petrokazakhstan

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In another round of the mushrooming [geostrategic and economic Cold War](#) over [oil](#), and shifting [regional alliances](#) aimed at countering a belligerent United States, China National Petroleum Corporation has placed a bid [to acquire Petrokazakhstan](#), just weeks after China National Offshore (CNOOC) lost (or, more accurately, was refused) its bid for Unocal.

According to the AP report:

“Beijing is especially interested in Kazakhstan, which is expected to become one of the world’s leading oil producers. The discovery of the huge Kashagan oil field on its Caspian Sea coast in 2000 prompted some in the industry to call it the ‘Kuwait of Central Asia’.

“Chinese President Hu Jintao visited Kazakhstan in July and signed an agreement with Kazakh President Nursultan Nazarbayev to develop a ‘strategic partnership.’

“The two governments already are partners in the Shanghai Cooperation Organization — a six-nation security group led by Beijing and Moscow that is meant to combat Islamic extremism in Central Asia.”

There are several interesting aspects to this development. Clearly, China knows, as does the Anglo-American axis, that oil is the key to national security, and are willing to resort to dramatic (and some say desperate) measures for every drop. This apparently includes paying a high price for Central Asian/Caspian riches that have turned out, so far, to be a disappointing [non-bonanza](#), including Tengiz/Kashagan. It remains to be seen if China and Petrokazakhstan know something Western majors have missed, or Nazarbayev and Petrokazakhstan is selling the Chinese a dry hole.

The other fascinating aspect is the irony. The lure of the energy riches of Kazakhstan, and the vision of [Central Asian pipelines](#) were the focus of many years of corruption and set-up leading up to 9/11, and in many ways, 9/11 itself.

This corruption involved as much as \$1 billion in bribes to Nazarbayev, Dick Cheney (then-member of the Kazakh state oil advisory board), former Attorney General John Ashcroft, ExxonMobil and BP-Amoco. Details on this case can be found in the following stories, and the case remains the subject of a Justice Department probe:

[“The Elephant in the Living Room”](#) (Mike Ruppert)

[“Cheney’s Energy Policy Task Force, and ExxonMobil”](#) (Peter Dale Scott)

[“Will ExxonMobil be indicted for payments in Kazakhstan?”](#) (Peter Dale Scott)

[“Big oil, the United States, and corruption in Kazakhstan”](#) (Larry Chin)

[“Chevron quizzed in bribery probe”](#)

Now the United States is forced to watch, as its most feared major geopolitical and economic rival gets a stake in the Caspian, over which the US has bribed, bombed, invaded and slaughtered.

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