

# Hidden Agenda Behind “War on Terror”: The Conquest of Oil, Gas, Water and Vital Resources

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*As competition for oil, water and other resources intensify, global power relationships are shifting, providing backdrops for a string of conflicts from Iraq to Libya. Brazilian-born journalist Pepe Escobar, one of the most perceptive analysts of these trends, was interviewed by German Lars Schall.*

**Mr. Escobar, given your experience in that field, what would you highlight as the most crucial misunderstanding held by the general public related to the so called “War on Terror”?**

**Pepe Escobar:** This is the cover story for a “Clash of Civilizations” and an undercover cold war that maybe becomes a hot war between the U.S. and the two strategic competitors, China and Russia. They couldn’t go directly against any of these two BRICS members. [BRICS is an organization of emerging economies consisting of Brazil, Russia, India, China and South Africa].

Remember that before the “War on Terror” and after the fall of the Berlin Wall, the Americans were trying to find out who was going to be our next enemy? So you needed a pre-fabricated external enemy – before that there was the Soviet Union, the Iron Curtain and the evil of communism. After the evil was defeated by realpolitik – okay, who’s next?

First they thought about China, but they said, no, we can’t take China, it’s a big power, it’s nuclear armed. The same thing with Russia – and they were doing nice, they had a puppet in the Kremlin, Boris Yeltsin, who was privatizing everything like crazy and was plundering Russia’s resources to the benefit, hypothetically, of Western corporations. Then Putin took the whole thing upside-down.

So the “War on Terror” was perfect because Islam was branded as the enemy, and 9/11, it couldn’t have been more convenient because then, what was conceptualized before, you had the Pearl Harbor element – you could sell it not only to the American public but to world public opinion. But undercover the real agenda of the global “War on Terror,” which the Pentagon calls “The Long War” – meaning infinite war – is in fact that there are two emerging powers that pose a real serious threat to the United States.

Russia basically because it is nuclear armed. At that time they were not thinking about Russia as a major oil and gas exporter – this was before [Vladimir] Putin re-organized Gazprom, so that Gazprom would become the top international major in oil and gas. And China, which at that time, ten years ago, the Americans were looking at it as still struggling,

maybe there would be a peasant revolt, whatever, they didn't think that China was the big competitor. And now, of course, they have 3.2 trillion U.S. dollars in foreign reserves and U.S. treasury bonds etc. (laughs.)

The perfect pretext was 9/11, but undercover the war for energy resources in the Persian Gulf and Central Asia intensified, and they had the neo-con masterplan, which incredibly is being implemented now, which is to destabilize this "Arc of Instability," this is Pentagon-coined, of course, from the Maghreb through Northern Africa across the Middle East and all the way to Central Asia via Afghanistan/Pakistan - which is the intersection between Central Asia and South Asia - up to the Chinese border in Xinjiang.

So they needed to implement their strategy, which was conceptualized finally after 9/11 - this is the Pentagon's "Full Spectrum Dominance" doctrine, which is something you will never ever read about in the U.S. mainstream press or in the European mainstream press for that matter. Since 2002 the "Full Spectrum Dominance" doctrine is the official Pentagon doctrine. It is intrinsically linked to America's National Security - we have to be the predominant power not only on land, on sea and in the air but also in cyberspace and outerspace. That is the essence of the "Full Spectrum Dominance" doctrine.

**[Compare for example Jim Garamone (American Forces Press Service): "Joint Vision 2020 Emphasizes Full Spectrum Dominance", published June 2, 2000 at the website of the U.S. Department of Defense under: <http://www.defense.gov/news/newsarticle.aspx?id=45289> ]**

This is being applied now after the "Arab Spring," and that's incredible because nobody is talking about it also. Everybody was saying at the beginning: Wow, finally the Arabs are "awakening," but that is too hard a term, as it means that the Arabs were sleeping for the past 100 years - that is not true.

"Spring" is also not really the right word, I would say that it is a process of enhanced consciousness of the working classes and the middle classes in Tunisia, in Egypt, in Bahrain and other parts of the Middle East as well. And then came the counter-revolution, and this process of counter-revolution is leading directly to the implementation of further steps of the "Full Spectrum Dominance" doctrine.

We can go back to this later on, but basically what I'm trying to say is that the counter-revolution, orchestrated by the U.S. and especially by the House of Saud, re-instrumentalized what has happened in Tunisia and Egypt, they unleashed the counter-revolution in the Persian Gulf, they try to bribe the military dictatorship in Egypt to keep it that way as a military dictatorship (they gave already 4 billion U.S. dollars to the Tantawi junta, and more is coming from Saudi Arabia), and meanwhile in Central Asia the United States is trying to re-organize itself because suddenly they have noticed that they are losing terrain to who else? China and Russia.

This in terms of oil and gas deals between China and Russia themselves, between Turkmenistan and China, between all these players and Iran as well - Russia and China have very close cooperation with Iran in their oil and gas fields.

So the Americans are saying: Okay, how do we re-organize the whole thing? The "War on Terror" for all practical purposes is more or less over in the Pentagon way of seeing the world. Now it's back to "Full Spectrum Dominance" - we have to control the whole thing. So

this means control of the Mediterranean Sea as a NATO lake, which was what they have implemented in Libya and now will try to implement in Syria; control the rest of Africa, sending troops to Uganda like Obama did a few weeks ago, which is not only Uganda but the heart of Central Africa, it's Uganda, South Sudan, Central African Republic and Congo - lots of oil, lots of minerals, lots of rare earths as well, all extremely precious.

So the West has to be there and the U.S. has to be in control, forget about China. This means raving up AFRICOM, the African Command sitting in Stuttgart, Germany, and soon probably sitting in Benghazi, Libya.

I was talking to people from the European Union in Brussels a few days ago, some smart dissidents who don't agree with what they are doing, and they told me off the record: Look, there is going to be a military base in Libya, this was the project right from the beginning.

There will not be a lot of European boots on the ground, it's going to be Turkish, Qatari, UAE, those mercenaries that get trained by Blackwater - now Xe - in the United Arab Emirates, these people will be part of this base and it's going to be the base that NATO and AFRICOM wanted in North African territory.

For me the number one answer to your question is this: the "War on Terror" was a diversion that lasted more or less ten years. Now even the Pentagon, the CIA, the FBI, the National Security Agency, the Obama administration, everybody is saying out loud: "al-Qaeda is operationally ineffective" - these are their own words.

Virtually everybody is dead, apart from al-Zawahiri and the new guy that they have named to be their military commander, but I can't even remember his name, they have a new one every week or so. Everybody is dead, they are not in Afghanistan anymore, they have a few trainers in the tribal areas in the Waziristans, they are ineffective in the rest of the world, though, of course, they are in power now in Tripoli because the West has used them. Those guys were trained in a military camp north of Kabul.

I was there in this place in early 2001, and I was told that they had a lot of Libyans there. And yes, these Libyans were the guys from the Libyan Islamic Fighting Group, LIFG, and they were trained in this camp north of Kabul, it was very easy to go there. So now they are in Libya, the military commander of Tripoli, Abdelhakim Belhadj, with his cohorts, they are very well armed, very well trained, they will not go away, and these al-Qaeda-linked jihadis were used by the West with no second thoughts.

**Would you say that al-Qaeda, now as a phantom and in the "good old days" as a real force, was an useful tool for the foreign policy of the U.S.A.?**

**Pepe Escobar:** Yes, of course it was! It was the perfect excuse because they kept them to try to implement "Full Spectrum Dominance" anywhere that they could. In Central Asia they were very active - until maybe two years ago - during the Bush administration.

Remember that Cheney used to go to Central Asia every two or three months at that time. The U.S. tried to strike deals directly with the Kazakhs, with the Turkmen, and especially with the Azerbaijanis - the Azerbaijani elite is very close with the Republicans in the U.S. So Dick Cheney was there all the time.

And their special ambassador, who is still working for the Obama administration, Richard Morningstar, is the oil envoy of Washington to Central Asia, he knows the area well, he

knows all the players. The Americans tried to pressure them: don't do deals with Russia, don't do deals with China, bypass Iran and do deals with us. What is happening now? They did deals with Russia, they did deals with China, they did not bypass Iran and they didn't do any deals with the Americans. (laughs.)

**Usually, people expect when you do a war that you want to win it. But isn't it the case in Central Asia that a perpetual war theater has some advantages for the "military petroleum complex" (as economist James K. Galbraith called it) vis-à-vis China and Russia? [For the term "military-petroleum complex" compare James K. Galbraith: "Unbearable Costs of Empire", originally published by The American Prospect magazine, November 2002, [republished](#) at Third World Travelor.]**

**Pepe Escobar:** Yes, but the problem is that they don't know who they are dealing with. They forget cultural factors, they forget that Turkmen, for instance, are very independent and prefer to do deals with people who speak the same language, which is Russian. If the middleman Medvedev goes to Ashgabat to talk to President Berdimuhamedov in Russian it is much easier to clinch a deal.

Or if the Chinese go to Ashgabat, they say: Look, we build anything you want and we even build a pipeline ourselves. So give us a good rate for your gas and we build this pipeline tomorrow from eastern Turkmenistan to western China. This is exactly what they did, two years ago the pipeline was inaugurated. And this applies to the Africans as well: there are no conditionalities, there is no interference in internal politics.

The Americans tried this for a while, like with Uzbekistan and this guy who boils his own people, Islam Karimov. They had a very close understanding with the Bush administration, and the U.S. had a military base in Karimabad near the Afghan border during the Bush years, which was very helpful to the Americans, but afterwards they started to criticize human rights in Uzbekistan - so what did the Uzbeks say? No more base, bye bye! And they are part of this pipeline that goes from Turkmenistan to China via Uzbekistan. They changed tactics a bit, but at the end the Americans lost the plot.

Now the Americans are realizing that they were losing terrain to both Russia and China in Central Asia, so they redeployed in the Persian Gulf, in northern Africa and inside Africa as well. Libya will be very helpful for new oil and gas explorations. The Libyans say that they will keep the contracts that they have with the Italians - there is this gas pipeline from northern Libya to Sicily and the shipments to Italy. But the new contracts will go to Total, BP and the Americans, not to the Russians and the Chinese.

Libya was, is and will be profitable for Western energy majors. In Central Asia their only hope is Azerbaijan, because they more or less control the energy business in Azerbaijan, and like I have said, the elites work as a satrapy of Washington, basically. But the problem is that they cannot control Turkmenistan. They've been pressuring Turkmenistan to build Nabucco, the pipeline. Nabucco will cost a fortune, it will cost around 20 billion euros, nobody knows where this money is coming from, especially in a European crisis.

The Turkmen say that they can provide enough gas, but nobody knows if they actually have that kind of gas, because they are swapping gas with Iran, they are selling a lot of gas to China, and they are still selling gas via the old Soviet pipeline. Nabucco is going to need a lot of gas and nobody knows if Turkmenistan has it. And the Turkmen still say: you need to prove us that you have the investment for the pipeline, which can be built within the next

three to four years, so that we can commit our gas reserves to this pipeline.

But this means, if Turkmenistan does not have enough gas, the Europeans have to find it somewhere else, and it shouldn't be in Azerbaijan, unless they spend over 22 billion U.S. dollars in new investment.

So while everybody is stuck, the Russians built two pipelines: North Stream and South Stream. Putin is winning the war against Nabucco because he started first and he made deals with governments, with Gerhard Schröder of Germany for North Stream and with Silvio Berlusconi of Italy for South Stream. So North and South Stream is winning against Nabucco, because they still don't know where the money is coming from, they don't know if they will have enough gas, and they don't know where they are finding the gas if it is not in Turkmenistan or in Azerbaijan.

Turkey wants to have a lot of the gas for itself as well, plus the transit fees, it is an absolute mess. I keep reading these official pronouncements from Nabucco, which is based in Vienna, and every month or so there is an official communication: it is going to work, we have the 20 billion euros, it will be ready in 2017, we will start next year - but we are hearing this for the past five years, if I'm not mistaken.

**Another central problem is the opium / heroin trade in Afghanistan. What are your observations with regards to this problem? Who are the major players in that business? And would you say that this whole affair is a shame for the West?**

**Pepe Escobar:** Oh, yes. One of the major players has always been Ahmed Ali Karzai, Hamid Karzai's brother. I met him after 9/11 in Quetta, he was always living in Quetta because this was his perfect base. Quetta is a fascinating place. I would say it is the smuggling capital of the East - and that's no mean feat because you are competing with Hong Kong, you are competing actually with everybody, with the Russians, with the Ukrainian mafia.

In Quetta you have a transportation mafia, you have a heroin mafia, and from Quetta all these networks start to diversify. There is one network that goes through northern Pakistan and goes to Tajikistan, there is another one that bifurcates in Tajikistan and goes towards Central Asia and from Central Asia to Turkey.

So there are these Pakistani/Afghan opium networks, there is another Tajik network which is basically refining. Everybody knows there is a CIA network, what we don't know is exactly what trajectory they follow. Probably it's a trajectory from Afghanistan via Uzbekistan to get to Turkey, probably flying from Uzbekistan. Everybody has a network.

As far as I know the Chinese mafias don't have a network in Afghanistan, but maybe soon they will. And this is the major problem for Russia. Whenever you talk to Russian officials about what is the big deal in Afghanistan, they immediately say: There is a drug war against us, and the source is Afghan opium.

**They have now more victims related to heroin than they had during the 1980's with the war in Afghanistan.**

**Pepe Escobar:** You are absolutely right, exactly. This is one of the key focusses for the Russians within the Shanghai Cooperation Organization. It's not only to keep American

bases outside of the region, just like the Chinese want as well. It's to try to find a way to fight these drug, opium mafias. It's a big problem for Russia, and it's also a big problem for Iran as well.

For Iran because of the Afghan refugees. The Afghan refugees basically moved to eastern Iran, so if you go to Mashhad in eastern Iran, if you go to the suburbs of Mashhad that's the opium center, that's the smuggling center. They cross Afghanistan, they cross via Herat, from Herat to Mashhad with very good roads now it's like seven hours maximum, and from Mashhad they distribute this opium all across Iran, there is a huge drug problem for Iran as well, and Iran is an observer member of Shanghai Cooperation Organization, and one of the main reasons for them to join the SCO is to try to organize a regional mechanism to fight a real drug war, because these countries are badly suffering from it.

**If true, then they are processing heroin in Afghanistan, they are not only growing the opium. And one question that I always ask myself is, who provides the chemicals involved in the manufacturing process? I guess the Afghans don't have factories to produce acetic acid chloride, do they?**

**Pepe Escobar:** Honestly, I cannot answer this question, but I would say there is outside help involved, it's true. In Afghanistan they simply cannot process. In fact, the refineries used to be in Tajikistan or in Pakistan, in Quetta, for instance, or in Dushanbe in Tajikistan. The people from the Panjshir valley who deal with the trafficking, everything is concentrated in Dushanbe, 40 minutes to northern Afghanistan by helicopter - and they have their own private helicopters. So I would say yes, there is outside help, and then, of course, it's speculation: is it Western outside help? (laughs.)

**Is it just by chance that one can have the impression: where energy resources and / or illicit drugs are placed (for example South America, Central Asia, South East Asia), the U.S. military and intelligence is never really far away?**

**Pepe Escobar:** They are, they are everywhere. Though they can't be in South America at the moment because of what is going on in South America since, I would say, 2002. It's a geopolitical earthquake, in fact, because the South Americans for the first time in their history with the elections of first Chavez, and then Lula in Brazil in 2002, and then in Ecuador, even in Uruguay, even when Kirchner won in Argentina - they decided: Okay, let's get our act together now that most of our governments are center-left or at least nominally progressive.

Let's get our backyard in order, organize ourselves via the Unasur, for instance, the Union of South American countries, and also the Mercosur, which is a commercial/trade union. And let's try to fight American interference directly. And this is what's been happening. Remember the failed coup against Chavez in 2002, which was directly organized by Washington, there is extensive proof, you can find it on the net, Eva Golinger, a Venezuelan-American lawyer, she wrote excellent books about it. Okay, and they tried in 2007 to destabilize Bolivia as well, the failed coup in Ecuador over a year ago. So why is it not happening anymore in South America? Because of political, economic and geopolitical unity.

But don't doubt it, if the Pentagon found an opening to interfere directly in Venezuela again, they will do it. The problem is, now there are Russian advisors over there, there are Chinese traders in Venezuela, Iranian commercial interests as well. Venezuela is not only trading with South America and they are now a member of Mercosur as well, so they are trading a

lot with Brazil and Argentina etc., but they are trading with the other side of the world as well – and with two of America’s strategic competitors, plus their nemesis, Iran. So that explains a lot.

Since 2002, South America for the Pentagon is a big, big problem, and no wonder these Republican whacko candidates in their last foreign policy debate, they were saying that Hamas and Hezbollah are all over South America, that they have to pay attention to Latin America because we forget that there are a lot of communists and terrorists over there. It’s no wonder.

**But would you say it’s a coincidence, this historical connection between energy resources and illicit drugs? For example, in the Vietnam war.**

**Pepe Escobar:** True, with Air America. Remember, Air America was not only defending civilians in Laos and Vietnam, basically this was a CIA heroin smuggling operation, of course. – But the thing is, it’s not necessarily so. I would mention Colombia. Colombia was a completely different case, Colombia was a case of indigenous cartels, they were fighting among themselves to see who would have the monopoly of exporting cocaine to the U.S., I would say there were few American interests here – selling equipment and weapons, yes, but the Americans were not at the forefront of the battle against the cartels.

So when they fragmented, the cartels went all over the place. So now for the past three or four years, it’s the Peruvians who control the distribution of cocaine in South America, it’s not the Colombians anymore.

They delocalized, for instance, to Brazil as a refinery center and an export center as well. I would say every week there’s a major apprehension of coke at Sao Paulo’s International Airport, for instance. So if you multiply this by what really goes through, it’s amazing. Now the airport in Sao Paulo is one of the major shipping routes of cocaine to North America, or to Europe as well. Once there used to be heroin coming from Central Asia via Europe that was landing in Brazil as well. It was funny, there was a time during the 80s, I remember, there was an Italian connection: people would bring heroin from Milan to Sao Paulo, and would take cocaine from Sao Paulo to Milan. (laughs.) That was almost thirty years ago.

In the Colombian case it’s very different. There is not a direct relation between drugs and energy. In Venezuela as well: the only game in town over there is energy, it’s a battle for energy. Hugo Chavez, whatever you think about him, was very clever, because: Okay, my way out is to do deals with other players. So they made a gigantic deal with China, and now they are one of the top suppliers of oil to China.

Soon they will be selling China one million barrels of oil per day, and they could expand to two million easily, if the Chinese invest in the Orinoco region, exploiting the new fields, which they will do, it’s not a priority at the moment, because for the moment the Chinese are concentrated in Siberia, Central Asia, and Africa, But they still have this Plan C or Plan D for them, which is Venezuela.

**Do they also count on Brazil as an oil exporter?**

**Pepe Escobar:** Definitely, because of the pre-salt deposits in Brazil, which is a kind of mixed blessing, in fact. Petrobras is regarded all over the world as one of the most competent national oil companies. The problem is they have to develop this specific

technology to perforate this salt layer to extract the oil. It's an extremely complex and extremely expensive operation. They say they will start in 2017, I doubt it.

The last figure that I saw in terms of investment that they needed, this was a few months ago, they were talking about 220 to 240 billion U.S. dollars of investment over the next few years to start extracting oil from the pre-salt layer. Everybody wants to be part of it. Chevron is already here, Exxon Mobil, Gazprom wants to be here, and of course the Chinese. And I'm sure when the Brazilians start issuing tenders, the Chinese are going to be at the forefront, all of their companies, CNPC, CNOOC, all of them.

But this is a long term project for the Chinese, of course, because in a realistic assessment there's not going to be oil from the pre-salt layer before 2019/2020, so the Chinese are thinking ahead.

**We hear quite a lot about the BRICS. Would you say this is just a nice name once given by Goldman Sachs or is there more behind it, a comprehensive strategy, something like this?**

**Pepe Escobar:** They still don't have a comprehensive strategy. It used to be a nice name in 2001/2002; not anymore, because now they are meeting regularly, not only an official annual meeting, but their foreign ministers are meeting, their deputy foreign ministers are meeting just like they did in St. Petersburg recently for that matter. Their interests are more or less the same in terms of: for Russia and China to keep the U.S. out of their backyard, which is basically Central Asia and the former Soviet Republics.

For Brazil it's to keep the Americans out of South America as much as humanly possible, considering that the relations between Brazil and the U.S. are very, very close, and the United States still regards Brazil as a key ally in Latin America. It's a very complicated foreign policy game between Brazil and the U.S.

For India, they want to be in the same group of all emerging countries as well, but without antagonizing the U.S. too much, so they have a difficult game to play as well. South Africa was included basically so that they would have a continental span, so that three continents were represented.

I would say from the point of view of the BRICS, and in fact they discussed this in Brasilia over a year ago - the fifth BRIC would be Turkey, it would be BRICT actually, but at the last minute they decided to include South Africa, because they said: we need the largest economy from Africa as well, and because Brazil and South Africa and India started to trade among themselves much more over the past 4 years than over the past 400. Brazil and South Africa are integrating very closely, and South Africa is the bridge between Brazil and India.

So it would suit all of these three players. But soon the BRICS might include - I say "might" because they started discussing but still don't know how to do it as a formal mechanism: Turkey, Indonesia and South Korea, which are natural candidates, there is no question about it. Two in Asia and one in the Middle East, the intersection between Europe and Asia.

So they started to talk about more integration in terms of our economies, cultural exchanges, all those bla-bla-bla's...now they are thinking: Okay, we need geopolitically to pound our fist on the table, even if very softly in the beginning. So it started in Libya, they



abstained from voting UN 1973, which was already a big step. They were mildly condemned by the Europeans and the Americans for that. But they said, this is still not a red line, this is a very, very yellow line, we cannot afford to antagonize the Americans at this point.

And then came the latest proposal for a UN Security Council vote on Syria, and the BRICS immediately said: No way, this is the red line. For many reasons, because Russia and China have very good deals with Syria. Brazil and Syria are very close. There are millions of Syrians living in Brazil and Syrian-Libanese living in Brazil, so in Brazil people call them Syrian-Libanese, it's indistinctive for most people here because they started coming in the 1920's, 1930's, and after the Second World War as well, they are very well integrated in Brazilian society, and there is lots of commercial deals between Brazil and Syria. These are some of the reasons why they have a common position for this as well.

As for South Africa, it is evident. The first time they voted for the UN resolution, they were pressured by Obama, Obama called president Zuma, they were on the phone for two hours or so, and Obama said: Look, you got to vote for us, otherwise you are going to be in trouble. So Zuma voted against his will. And later he was part of the African Union delegation to organize a peace deal between the rebels and Gaddafi. And the Gaddafi regime said yes, the rebels said no. Why? Because NATO told them to say no.

So South Africa had their reasons, too. Syria is the red line. So now they are starting to organize their geopolitical approach vis-à-vis the Atlanticist West in a much more coordinated way. And in terms of economics, they are putting pressure on the IMF to give more voting power rights to Brazil and China.

There are three guys as regional chair directors at the IMF, and the Chinese and the Brazilians are saying for years: we need more directors and we need more voting rights. That was part of the discussion, remember when the Brazilian minister of finance said: Look, maybe we can devise a mechanism to help the struggling European economies. That was their message to say: The thing goes to the IMF, and we want to be there, we want more voting rights, and then we decide if we can help or not, but this has to be within the IMF mechanism.

Yes, they are definitely coordinating much more than they were, I would say, two years ago. Soon BRICS is going to be BRICTS, BRICTIISS, an expanded BRIC. But now it is configured as a counterpower in geopolitical terms, in terms of appeal to the developing world, because the appeal by the BRICS to the Non-Aligned Movement, NAM, for instance, to other countries in South America, to a lot of countries in the Middle East, to many countries in South-East Asia is huge against what is an Atlanticist U.S.-NATO, which is basically the same thing because the U.S. controls NATO.

NATO aligned with the most ultra-reactionary and repressive Persian Gulf monarchies. The realignment of the chessboard is something very tricky now because now these countries, especially Qatar and the Emirates, they are sub-sects of NATO. In one of my pieces recently I was venturing the possibility of soon talking about a NATOGCC, or GCCNATO, Gulf Cooperation Council - I usually call them Gulf Counterrevolutionary Club, because this is what they are.

So the merging between NATO and the GCC now is total. And if we include the merger between the Western military-industrial complex in the U.S. and the Saudi defense system which is total as well, we can say that Pentagon and the GCC is all the same thing.

And the BRICS look at this and for some of them this is extremely complicated, for China, for instance, because still their number one oil supplier is Saudi Arabia. For the moment Saudi Arabia is outrunning Angola. Venezuela is already among the top five. Libya was not among the top five, that's why they said: Okay, not now, maybe later. But how do they organize the relationship between Beijing and Riyadh, because they see that Riyadh is totally aligned with the Pentagon agenda, and at the same time they depend on their oil, and this explains among other things why the Chinese are so eager to be less and less dependent on Middle Eastern oil.

So this means more deals with Iran. My guess, my more or less informed guess is soon the Chinese will go to Iran and say: How much money do you need to totally upgrade your oil and gas installations? Here it is, but deal with us.

This explains the pipeline from Turkmenistan to China, this explains the two pipelines from Siberia to China, and this explain China in Angola and in Central Africa as well, and this will explain China coming to Brazil as soon as possible, saying: How much money do you want? The Saudi-China relation for Beijing is very complicated, and that means, for now, they they cannot antagonize Saudi Arabia on anything.

**Related to the BRICS, do you pay attention to the fact that the central banks of Russia, China and India and also South American central banks are buying gold big time?**

**Pepe Escobar:** Oh, yes! In the moment they are buying gold, and they still have in the backburner the Plan B, which is a basket of currencies in terms of an international currency system. The Russians and the Chinese want it, the Brazilians also want it, it would include probably the U.S. dollar, the euro, yuan, maybe ruble, maybe real as well, maybe yen, but the Japanese are not part of this conversation, and for the moment, of course, it's to buy gold, including those who are not in this loop but are connected to the loop, Venezuela. Remember Venezuela was repatriating all their gold that they had in European banks, the first shipment already arrived in Caracas.

**Do you think there could be some sort a connection in the pricing of oil with gold in the future going ahead?**

**Pepe Escobar:** I don't know, Lars, honest answer. I don't know. You know why? I would say it depends on a move connected to bypassing the petrodollar. And this move already started a few years ago. Iran wants to do it badly like yesterday. Russia already said: Yes, we want it. Venezuela already said in South America: Yes, we want it as well. But I think this is the nuclear option. Can you imagine the day when you have major oil producers inside OPEC saying: It's not going to be the petrodollar anymore, it's going to be our own currencies or it's going to be a basket of currencies. That's basically the end of the American hegemony for good.

**The whole country will burn, basically.**

**Pepe Escobar:** Exactly. The whole globe will burn. I see this as the nuclear option. A few years ago when Iran was establishing an energy bourse, in fact, they did, it's already there.

**Since 2008. [[Oil Bourse Opens in Kish](#), published at Fars News Agency on Feb. 18, 2008]**

**Pepe Escobar:** I remember in 2005, I interviewed the guy in charge of establishing this bourse in Tehran. We had a fantastic conversation, and then I got into a big fight with the editor at that time of Asia Times, because he said: If we publish this, the Americans will bomb our site tomorrow.

The Iranians said: This is our first step to entice people to start buying oil contracts with us at our bourse and not in New York or in London. And then I told this guy: You know what you're doing when this thing goes ahead. You are going to be bombed by the U.S. tomorrow. They said: Yes, we know the risks. But the guy who was implementing this mechanism for us was a former trader in London actually. It was a very complicated messy affair.

After my interview, it took them three years, as you have said, they only established it in 2008. It's a very small bourse, but as far as the Iranians see it, it's just the beginning. They like this bourse. They started with petrochemicals first. They start to deal with petrochemicals, oil and gas for the future and they were especially interested in attracting buyers from the developing world plus Russia and China, so that they could buy Iranian energy products in Iran directly. I'm sure, Russia and China loved the idea as well, but for the moment it's an embryo of something much bigger coming later.

**You call the “Great Game 2.0” in Central Asia / the Greater Middle East “Pipelineistan.” Is it of advantage to be familiar with good ol’ Halford Mackinder (a British geographer credited with being the father of geopolitics) in “Pipelineistan”?**

**Pepe Escobar:** No, the thing is, the people who are familiar with Mackinder are the Brzeziński crowd and people at national security agencies in Washington. They think they can apply Mackinder and win. (laughs.) The Russians and the Chinese would say: Not in our region, guys, here is different. We have the resources. Russia is a continental power. China, it's a kingdom and a civilization in itself, we don't admit foreign interference, you are never going to control our part of Eurasia, you can control the euro part of Eurasia, but that stops at the Bosphorus.

To the right of the Bosphorus, Turkey has regional ambitions, Iran has regional ambitions, we have our former Soviet Republics, which we still see as our satellites, South East Asia now is linked to China in terms of trade, commerce, and I would say parts of South East Asia are becoming a sub-sect of China, in fact.

Remember, during the Asian Miracle, when the World Bank launched that famous book in 1993, “The Asian Miracle,” it was Japan as the lead goose, then the other four tigers right behind it, then the mini-tigers, and China was way behind, and now in 2011 the whole thing is upside down, because it's China as the larger-than-life goose, and then we have all these mini-geoses behind China trying to keep up and clinch deals as well, because the Chinese diaspora in all these countries is essential.

They control most of the economy in Indonesia, they control most of the economy in Thailand, mixed marriages Thai-Chinese, they control most of the economy in the Philippines, they control a lot of the economy in Malaysia, they control the whole economy in Singapore. Tigers? Not really. Mini-geoses. The whole thing is upside down.

So I don't see Mackinder being applied. They thought during the Bush administration because of hubris, and because they said, remember, they were saying it on a daily basis

practically: We create our own reality, and then you people in the rest of the world have to keep up. They thought that they could implement their new great game strategy in Central Asia by building this pipeline in Afghanistan, finally, the TAPI - Turkmenistan, Afghanistan, Pakistan, India, bypassing Iran and bypassing Russia and China.

They thought that they could force the Turkmen to sell gas to Western companies and not to China or to be linked to the Russian pipeline network. They were still drunk with their success of the BTC, the Baku- Tbilisi-Ceyhan pipeline, saying this was the beginning of many other pipelines bypassing Iran.

But that was in the beginning of the Bush administration until 2003/2004 after the “success” of the Iraq war. Now, only a few years later, as we were talking before, they didn’t win anything. In fact, the Shanghai Cooperation Organization which is a mechanism that is counter this proliferation of American initiatives in Central Asia is getting stronger and stronger.

In terms of energy deals, Russia, Iran, China, Turkmenistan, they all are dealing among themselves. Obviously there is space with Europe, but they cannot deal with Europe in the case of Iran because of the sanctions, and in the case of Turkmenistan because to build a pipeline like Nabucco, over 20 billion euros, it’s unfeasible. To give you an idea: BTC cost 4.5 billion U.S. dollars at that time, and at that time everybody was saying: it’s ridiculous to build a pipeline like this when we could have had a shorter route from Iran that probably costs ten times less than this pipeline. They built it anyway. So now it’s 500 percent more than BTC was.

So the Americans are not winning anything, in fact, in Afghanistan they are shooting themselves in the foot, because now they antagonized not only Pakistan, which they did when they began to bomb the country over the last few years with the drone war, they antagonized the Afghans themselves, which were really willing to cut a deal with the Americans. The tribal leaders were even saying let’s talk to the Americans what kind of a base complex they want after they retire in 2014. They were willing to discuss it.

Nowadays, forget it, because Pakistan don’t want to discuss this anymore, they are fed up, and Pakistan and China are getting closer and closer, the Chinese are going to exploit this rift between Washington and Islamabad. In Afghanistan, there will be a total mess, they don’t want American bases, I’m sure, after 2014, so the Pentagon has to force these bases over to Afghan controls, we still don’t know the road map for this as well. So if you analyze in terms of successes of the new great game American-style in Eurasia over the past four or five years, there is not much to show. (laughs.)

**If one would address the question: “Why do wars happen at all?”, would you say that the fact that bankers are at the top of the list of beneficiaries of wars is an important part of the answer, insofar for example:**

**[Editor: For background, see J.S. Kim: “[Inside The Illusory Empire Of The Banking Commodity Con Game](#)”, published at The Underground Investor on Oct. 19, 2010: “The U.S. Federal Reserve creates money to fund the war and lends it to the American government. The American government in turn must pay interest on the money they borrow from the Central Bank to fund the war. The greater the war appropriations, the greater the profits are for bankers.”]**

**Pepe Escobar:** I agree if there were a lot of war appropriations, if the looting is conducive. In Iraq it didn't happen. The looting in Iraq would supposedly be the oil that would not only pay for the war, but for America's supply of oil for the next 1,000 years or so, the new American Reich based on Iraqi oil. Didn't work.

We had a fascinating historical lesson of what happened in Iraq. The neocons thought in the beginning, obviously, because they knew absolutely [nothing] about the Middle East, they don't even travel, they don't even go there, they thought: Okay, this will cost us virtually nothing, we will make the Iraqis pay for the whole thing later on, and then when the oil comes, that's it. Remember what they used to say: We're the new OPEC, this was in late 2002/03.

Didn't work. And now we have a different, let's say, variant of the model, that you've just explained: wars paid by foreign powers. China is financing the wars in Iraq, Afghanistan, part of the war in Libya, it didn't cost much, but anyway, still the war in Libya, the war in Somalia, the war in Yemen, the next war in Uganda or Sudan that the U.S. decides to start. This is being financed basically by Chinese buying U.S. treasury bonds. It's a variant of the model.

**In an article for al-Jazeera you've once quoted a study related to the cost of the War on Terror, published by the Eisenhower project at Brown University. [Pepe Escobar: "Why [the US won't leave Afghanistan](#)", published at Al Jazeera on July 12, 2011] Do you remember?**

**Pepe Escobar:** Yes, I do.

**And the costs were four billion?**

**Pepe Escobar:** Yes, depending on the variables, depending on the medical costs for the injured veterans in the U.S., which escalate and go on forever, because they still have to pay pensions for these people, it could be between four and six trillion U.S. dollars. So what did the U.S. get for these four to six trillion dollars so far? We can say, so far they only got Libya, which is not exactly a priority for them.

It was part of the original neocon plan - it starts with Iraq, then Lebanon, Syria, especially Iran. For the moment the only thing they get is Libya. That's why Syria is so important because Syria is the way to Iran, and it is still the same what the neocons said in 2002, and it is still part of the Full Spectrum Dominance doctrine. We always come back to the same themes, because these themes are the basis of what we are watching nowadays.

**Do you think that the war in Libya qualifies as a Resource War, not only related to oil and maybe the gold currency that Gaddafi wanted to issue, but also related to the Great Man Made River project?**

**Pepe Escobar:** Yes, I was going to say that, Lars, absolutely, it's a water war already. I was writing a few months ago a long story about coming water wars - no, it's not coming, they are already here. This was the first big water war, if you think about it. There is going to be a lot of water wars in the Middle East, Southern Turkey, Israel-Palestine, but this one is big because of the Great Man Made River project - over 20 billion U.S. dollars financed by the Libyan government, by Gaddafi, with a lot of Canadian expertise involved.

**And no money from the International Monetary Fund.**

**Pepe Escobar:** Especially that! No money from the IMF and from those schemes at the World Bank when you have to keep paying interest until you die three times over. They built this by themselves and they imported the technology that they needed, and they built an indigenous pipeline system undercover in the southern desert to bring water to the coast line in Libya. It's absolutely fantastic because they have a reservoir of fresh water in the southern desert that lasts according to the best estimates for a thousand years. A thousand years of fresh water.

Can you imagine, the project isn't even totally completed, I think 80 percent are completed. Obviously, the three major water companies in the world are French, and in my opinion this explains 99 percent of the French rationale for the war. They want to privatize these one thousand years of fresh water and sell it to the whole planet. And then we have Sarkozy and the interests of the industrial-military complex in France, we need more gas and oil for Total, which they were always complaining that they always wanted the lion's share of Libya's energy exports.

There is an alliance of the Qataris, the industrial-military complex in France and Sarkozy, who is basically a lackey of these people, and the Qataris wanted to be involved in trade and commerce in Northern Africa. NATO and AFRICOM interests in establishing a beach head. There were so many interests. Gaddafi couldn't win from the beginning because all these interests in the axis Pentagon, NATO, key European countries like France and England, and the monarchies of Qatar, the United Arab Emirates, and House of Saud as well, because they wanted to bring Gaddafi down because there was a bad beef between King Abdullah and Gaddafi since 2002, before the invasion of Iraq.

Gaddafi couldn't possibly face this, too many powerful interests were behind it, they wanted to renegotiate the contracts, they wanted the new oil and gas contracts to go only to European and American companies, maybe Turkish companies, but not to BRICS countries, and Gaddafi, he was interviewed by German journalists two or three days before the resolution was passed, and he said explicitly: If you attack us, the next contracts are going to BRIC countries - so he was attacked three days later. (laughs.) Absolutely obvious.

And what you've mentioned, very important as well: the gold dinar, because the gold dinar could have been an African currency, he could have financed development projects in Sub-Saharan Africa, he was already doing this, financing a lot of projects in Sub-Saharan African countries, and he was bypassing completely the Bretton Woods system and this from the point of view of Washington, the Bank of International Settlements, all this gang - it's a no-no, it's an absolute no-no. And remember, when Saddam started selling oil in euro in Iraq in late 2002. Major reason for the invasion as well.

**Do you think it was good for the Benghazi "rebels" to establish a central bank that is in bed with Western central banks?**

**Pepe Escobar:** This is what they wanted. In fact, these people of the Transition National Council, which is bag of dodgy cats - opportunists, former Gaddafi officials, Islamists linked to al-Qaeda from Cyrenaica, exiles living in Virginia, come on! This is a bloody tragic joke, in fact. And of course, from the beginning, they had a Qatari connection: one of the advisors of Sheika Moza, the wife of the Emir of Qatar, was the link between Qatar and the Transition National Council.

So why Qatar got this independent central bank based in Benghazi, obviously, Qatari

influence, because they wanted to get into the financial and the trade system in Northern Africa, they are expanding. Qatar is a fast-expanding mini empire. It's very, very impressive. I remember Doha ten years ago, it was a backwater. I remember very well. I used to go Iraq via Qatar. I saw it growing year by year, and nowadays when you arrive in Doha, you think you are in a mini-Hong Kong already.

And their tentacles are everywhere: in Europe, in the U.S., in the Middle East, of course, and northern Africa as well, they trade heavily with Asia, they are setting their sights in Brazil nowadays. So it's very impressive. And their move in Northern Africa was very clever, because they are now localized in Northern Africa, and, as they hope, the rest of Africa: We want to trade with everybody, we have a very good banking system, we sell gas to anyone who wants to buy. Mini-empire in the make.

**What do we have to expect in the next year related to Syria and Iran. These are allies, right?**

**Pepe Escobar:** Yes. Well, this is the multi-trillion-dollar question. I would go to Iran as soon as I can, the problem for us to get a press visa to Iran, after the Green Movement in 2009, it's very difficult. You need a press visa to go to Iran, because if you want to talk to the IRGC, for instance, officials, people from the government, you need that kind of visa. I am going to try again, exactly to get from those people their point of view, and I am talking especially about the IRGC commanders, the people in the oil industry, and of course, in order to talk to average Tehranians, which is something that I have always enjoyed doing.

In the North of Tehran, you think you are in California. In South Tehran, you know you are in the hardcore heart of the Middle East. There are two universes in one city, and the spectrum of opinions that you get just by a forty minute taxi ride, is absolutely outstanding. You see people who want to kill Rafsanjani the day they'd meet him, you see people defending the ayatollahs strictly, you see people saying, without the Green Movement we're lost. It's a universe in itself.

And the echoes that I get from my friends who live there or from Iranians who send me a lot of stuff is: people are consuming, they are living their lives, there is lots of inflation, prices have been rising substantially, but they want to go out, try to buy an iPad that was smuggled from China, they want to have a new European car that they can afford, they want to keep eating meat, which is very funny, because the Brazilian meat that they import is cheaper than the Iranian-produced meat. Go figure! You have that kind of stuff.

And at the same time, they know that something is brewing. It could be an Israeli strike, it could be a U.S.-Israeli strike, it could be a strike only on the nuclear facilities, but a lot of people fear a strike on the civilian infrastructure. They always say: Look, what happened to Iraq. They attacked civilian buildings - yes, it's true, I saw it for myself.

People are expecting the worst. They are trying to keep a brave face, but they immediately recognize there is a power struggle inside the regime between the Ahmadinejad faction and the revolutionary guards ultra-hardline faction, which is against Ahmadinejad because he wants some sort of a compromise with the West. These IRGC guys, they want confrontation.

This is very dangerous. Why? Because the supreme leader, Ayatollah Khomeini, is supporting this faction against Ahmadinejad. He wants Iran to be respected for what it is, and we can assume that he is welcoming this confrontation. This is extremely dangerous,

because we could have an incident that would be the casus belli for an attack, an Israeli-Anglo-American attack, let's put it this way.

People are very much aware of this, and they are very much afraid of this power struggle at the top of the regime. At the same time, next year they will have parliamentary elections, and they are going to have Presidential elections in 2013, where the favorite, at least for the moment, is Larijani, he is a former nuclear negotiator and a close friend and protege of Khamenei's. This means the hardliners are very much in power and control, and incredibly as it might seem, Ahmadinejad at the moment he is more or less sidelined, and he is considered by these hardliners as an appeaser vis-à-vis the West.

So the internal situation inside Iran is extremely worrying. And they know what might happen in Syria, and they know that Syria is the short cut to get to them. But at the same time the hardliners they are not only expecting an attack on Syria, in fact, they say: maybe they won't even use the short cut, maybe they will attack us directly. So they are preparing for this as well. Everything very worrying.

### **Do you perceive a similar mood in Israel?**

**Pepe Escobar:** I don't know. I have a lot of Jewish friends in South America, in the U.S. and in Europe, they come and go to Israel, and when they come back, they say: Look, people are lost in Israel, they don't know how to deal with the Arab Spring, the regime doesn't know how to deal with the Arab Spring, they don't even know how to deal with the the non-Spring in Syria, because they expect what might come next as even worst, like a Muslim Brotherhood antagonistic government in Damascus. Which is a no-no for Israel.

They prefer to deal with the devil they know, which is an ineffectual devil, the Assad regime. There is a civil society movement, very strong in Israel, against corruption, inflation and rising costs of living, they are anti-war and anti-government as well.

And then we have a government that is a hostage of this absolutely disgusting settler lobby. Extreme right-wing, Lieberman-Ukrainian immigrants, it's horrible, because the progressive left in Israel, you read them in the Israeli press once in a while, but they have been marginalized. Even inside the U.S.: the progressive Jews in the U.S., they are more or less marginalized, because AIPAC is controlling the discourse.

If you listen to radio, read the mainstream press, watch the networks, it's like an AIPAC press release after another. You don't see Jewish progressives saying: It's crazy, what we are doing, we have to sit down and talk about Palestine, sit down and talk about the Golan Heights, about Iran. This is a minority position.

### **Whereas the majority is supported by the Evangelicals and new-born Christians in the U.S., who believe in Armageddon.**

**Pepe Escobar.** Exactly. You have the majority of the establishment who wants to have an Eretz Israel, a greater Israel, and the religious nuts, who say: Okay, the best way to (expedite) Armageddon is a war against our neighbours.

### **The maniacs are running the asylum.**

**Pepe Escobar:** Yes, it's crazy. I would say, since the beginning of the Arab Spring, 2011 was the year that the maniacs took over the asylum completely. And that's why 2012 could



be such a really terrible year, I think, for all this arc: Northern Africa, Middle East and Central Asia. In Central Asia basically Af/Pak, because the situation in Af/Pak tends to be going down the drain very fast.

**What's your take of the recent assault by NATO troops on Pakistan? [See ["Mistakes made': Pentagon 'regrets' slaughter of 24 Pakistani troops"](#), published at Russia Today on Dec. 22, 2011]**

**Pepe Escobar:** This is a very complex thing, because maybe there's a hidden motive behind it, and we still don't know what it could be. Could be that some Pakistani provoked it, could be that NATO itself provoked it to have a better excuse to ramp up the demonization of Pakistan campaign, try to provoke a military coup, so that the factions within the Pakistani military who are more pro-American are running the show. It's still very murky.

But there is something behind this attack that makes no sense: NATO knows where all the Pakistani checkpoints are in the tribal areas, they have the maps and the coordinates, they simply cannot bomb a Pakistani military checkpoint, because they know that it is a friendly place, it's not that they were bombing a Pashtun wedding in Waziristan in a mud house, where the satellite said: This house is full of al-Qaeda, bomb them – boom! It's different. Our writers in India and Pakistan are not convinced by the official story. Short of calling it a lie, it's still a story to tell.

**But it is a problem, because Pakistan and China have the closest relations to each other possible.**

**Pepe Escobar:** Yes, and anything that happens in Pakistan from now on, drives Islamabad closer and closer to Beijing, it's absolutely inevitable. Pakistani public opinion is fed up with American interference, with the relentless drone war and the loss of their sovereignty if they had ever had any, by the way.

And of course, the Chinese are reacting typically, they are very quiet, they are not making any move, they are just waiting for the leadership in Islamabad to come running to Beijing and say: Take care of us, please. And it is not very hard with the way the Americans are acting. The only two things that matters to Washington; they don't give a flying fuck – excuse me for the expression – about the Pakistani people. What they cared about was the "War on Terror" to exterminate al-Qaeda.

So now they are saying openly and on the record, that al-Qaeda is ineffective, since the death of bin Laden – was it bin Laden or not is still open for speculation, but they killed al-Qaeda. So what are they doing in Af/Pak? Oh, now we have a problem, because Pakistan is a very unstable country, they are now the heartbeat of the terrorist movement in the world, it's not Afghanistan anymore, and can you imagine if these nuclear weapons fall into the hand of the terrorists.

This is the only thing that matters. They want to find a pretext to interfere in Pakistan to get a hold of Pakistan's nuclear arsenal. It's an extremely long shot, of course, but this is what the Pentagon would like to do. This is their agenda.

The political elite in Pakistan apart from Imran Khan, I would say, is corrupt. Imran Khan by himself is not a corrupt man, he is getting a hundred thousand people everytime he speaks

in public in Pakistan, because they start to see him as an alternative. He says: Let's get rid of the Americans, let's get rid of the corrupt political elite, let's get the military to stay in their barracks, let's have a true civilian government, let's try to develop the country and try to bridge the inequality gap. That's why he is so popular now, he could win the next elections.

But basically, Pakistani civil society is fed up with the state of things. And for the Americans this is really bad news, because they want since Zia to have the military in control basically, doing what the Pentagon tells them to do, and for the past few years conduct their "War on Terror" the way they want it from their bases inside Pakistan, like this one in Balochistan, Samsi, and the drone war in the Waziristans, but this is not going to happen anymore, I don't see it happening. The Chinese are just waiting. I think they will admit Pakistan to the SCO, this is something that could happen next year, so Pakistan would be inside a mechanism that implies military cooperation with the Chinese.

The problem is that the Pakistani military is not a monolithic organization, there are layers, there are people who were appointed by Musharraf, there are people, like some Pashtun middle-ranking officers, who are sympathetic to the Taliban in Pakistan or even al-Qaeda, and there are cracks inside this arrangement. And I am sure the army leaders, their relationship with the Pentagon is more than difficult at the moment, especially after the last raid, which was an attack against their own, this was an attack against an army post. This is for them a bit too much.

**Anti-Americanism is on the raise everywhere in the world.**

**Pepe Escobar:** Except in the Persian Gulf. (laughs.)

**Would you say it's a bit tragic given the friendliness of the ordinary American people?**

**Pepe Escobar:** It's true. I have been going to the U.S. since I was a kid, I traveled to at least 40 states, I lived there on both coasts, I have friends in the U.S., a lot of people who read my stuff know where I am coming from, but I also have a lot of readers who are saying: you are a Taliban-Communist-Apocalyptic-Anti-American bla-bla-bla - the whole thing. They still don't get it.

One thing is to be very fond of the country and American pop culture, American entertainment, American icons in music, in literature, in cinema, in architecture, in art etc., and another thing is to criticize their foreign policy. If you grew up like myself, I grew up in Brazil and Europe during the 1960/70's - the military dictatorship installed in Brazil in 1964, when I was ten years old, was an American coup.

**Yes.**

**Pepe Escobar:** We learned here in South America by ourselves what it means to live under a military dictatorship sponsored by the U.S. So we know what we are talking about. Obviously, the people in the Middle East also know what they are talking about. Some people in Asia also know what they are talking about, like the South Koreans, for instance, they lived under a military regime sanctioned by the U.S. before they became a democracy.

So it's very tragic that after the beginning of the Arab Spring, a lot of people in the Persian Gulf haven't seen already that they live in extremely autocratic regimes, they are vassals and satrapies of the U.S. empire, and they simply cannot count on their own governments to get the minimum of sovereignty.

So when you see indigenous pro-democracy movements in Bahrain or in Eastern Saudi Arabia, you see how the response is. Even in Egypt, where they said: Let's get finally rid of the system once and for all – they didn't get rid of the system, the snake is still there, and the snake is being financed by Saudi Arabia.

There was no revolution in Egypt, the revolution maybe will start if they get rid of the Tantawi junta, which is what the masses in Tahrir Square, the Google generation and the working class in Egypt want. But the problem is the army in Egypt controls – there are different estimates about it – from 25 to 40 percent of the Egyptian economy, they are not going to give that up. It's got to be a real bloody revolution for these people to go, and obviously the U.S. don't want this.

**As a geopolitical analyst would you say that the future of Germany is much more in the East of Eurasia (Russia, China) than in New York and London?**

**Pepe Escobar:** I would love to pose this question to you. My maybe wild guess is that Germany wants to integrate more with Russia.

**Yes. Well, the economic and political elites here in this country [Germany] are still aligned to the U.S.**

**Pepe Escobar:** Exactly.

**As you could see when Angela Merkel as the chancellor of Germany received the highest civilian medal this year in Washington DC, the "Medal of Freedom." She has now something in common with Duke Ellington, because he received it once, too (in 1969). But the thing is that I think this is telling.**

**Pepe Escobar:** It is. That's the problem with Germany, because it's an Atlanticist thing, but they know that their future in terms of all the raw materials and the commodities that they need they can have from Russia. They can have the rest of the world as their market, which they already have. It's a fabulous exporting power. They don't have to be subjugated to this Atlanticist link, definitely not. But as you have said correctly: the elites in Berlin and Frankfurt are still very Americanized.

**For me both as a journalist and from my perspective as a German, it is interesting that you are familiar with my favorite German of all-time, Heinrich Heine...**

**Pepe Escobar:** Heine!

**...who was also a journalist.**

**Pepe Escobar:** Unfortunately, I only read him in translation. Wonderful translations in English and in Spanish. I never read him in German, but German friends tell me that his German is absolutely outstanding.

**Yes, together with people like Nietzsche, Schopenhauer and Goethe he is at the**

**very top.**

**Pepe Escobar:** I was a major Nietzsche fan for some years. One of my best philosophy professors, he was a Nietzsche specialist, a French guy, Gerard Lebrun, he was one of the best Nietzsche scholars in France. I learned a lot from him. And Nietzsche is still one of my go-to guys.

**And he was a fan of Heine's poetry, too.**

**Pepe Escobar:** Yes, he was a fan of Heine's poetry, exactly.

**From a journalistic point of view, do you think that journalism in the West is in a profound crisis?**

**Pepe Escobar:** Oh yes. I give you two personal examples. One of the reasons why I wanted to become a journalist was Watergate. I was in college at that time, I was 19, and I hadn't decided at that time what to do, I thought maybe visual arts, and I was always a big fan of literature, but I thought with literature I cannot made a living.

Then I wanted to become a journalist, and that, Watergate, was my role model in the profession. Later on, before digital journalism, I worked for big national papers, I got the insight of how the industry works. A big national paper is basically a corporate institution, they operate more or less the same all over the world.

Then I became seriously disenchanted about it, I wouldn't say disgusted, not yet. I became disgusted, finally, with mainstram media after the beginning of the "War on Terror" and before the war in Iraq, because then most of the credibility of the mainstream press in the world disappeared.

When you see the New York Times printing lies in their front page everyday for months, that was for me the end of respectable mainstream journalism. And papers like Le Monde, that I used to read since I was in high-school for that matter, they became an Americanized rag like a bad copy of the New York Times, and sometimes even more reactionary. It's a bit sad that I don't read German papers, because at least their cultural sections are still the best in the world.

**And the modern German "Feuilleton" is more or less an invention by Heinrich Heine...**

**Pepe Escobar:** I used to read a lot of the English papers, but you can't sometimes even trust the gold standard of English media, like the Guardian or the Independent, who were historically very strong center, left, progressive papers. So this disenchantment became total this past decade, I may say. You have to go to the net, if you want to find information that connects the dots, it's in the net, it's not in mainstream media anymore. And my friends who still work at big papers, they tell me: Look, it's impossible to discuss with our editors what should and what should not be printed. It's over.

**Would you say that the whole handling of affairs related to 9/11 was a big push for alternative media?**

**Pepe Escobar:** It was, because if you wanted to know after 9/11 what was really going on - forget about mainstream media anywhere in the world. The only place where you could find

it was in the net – independent observers and analysts, who took the trouble of going through documents, in mainstream media it was impossible.

Nowadays, sometimes they filter these guys, you see them once in a while, but these are just glimpses. The mainstream discourse itself is monolithic. There is no alternative. And there is really no alternative, because you only listen to these guys all saying the same thing for decades.

**Yes, and most of those experts and big news media outlets are linked to the Round Tables like the Royal Institute of International Affaires, Council on Foreign Relations, the Trilateral Commission, Bilderberg Club...**

**Pepe Escobar:** Exactly, they all work for the same think tanks. And other media outlets have credibility problems as well. The international Chinese tv-channel in English, CCTV9, because you would need at least a minimum of debates, but there are no debates going on. I like what RT, Russia Today, is doing, I am a contributor, but they don't criticize Russia. Big problem.

I also work for al-Jazeera, which is great, because I can reach people and get responses that I otherwise would not have, for example from people in Africa. But they have an enormous problem of credibility, because of their coverage of Tunisia, Egypt and Libya compared to their coverage of what happens in the Persian Gulf, they simply cannot criticize themselves and they cannot criticize – forget about it – the House of Saud, because of the close relations between the House of Saud and the Emir of Qatar. It's very complicated when you are navigating this universe.

We are very happy, all of us, who work and write for Asia Times because it is truly independent and we are respected for that. We have Zionists' opinions in it, we have extreme-right opinions, extreme-left opinions, we have the middle, we have the Iranians, the Pakistanis, the Russians, the Chinese, we even have a North Korean writing for us, so it's all there.

We don't have any specific editorial line, no, it's open for everybody. That is what people respect us for. But that's something hard to find. We have for example tremendous problems with financing. I have been involved with this for the past few months, and it's a headache: we want to expand, but we don't want to lose our editorial control. Very tricky equation.

**I wish you many success with that!**

**Pepe Escobar:** Thank you!

**Pepe Escobar** was born in 1954 in Brazil and has been a foreign correspondent since 1985, based in London, Milan, Los Angeles, Paris, Singapore, and Bangkok. Since the late 1990s, he has specialized in covering geopolitical stories from the Middle East to Central Asia and has reported during this decade from Afghanistan, Pakistan, Iraq, Iran, the Central Asian Republics, U.S.A. and China. He now works for Hong Kong/Thailand-based [Asia Times](#) as "The Roving Eye" and is an analyst for [The Real News](#) in Washington DC, as well as a contributor to *Russia Today* and *Al Jazeera*. He is author of three books: [Globalistan: How the Globalized World is Dissolving into Liquid War](#), [Red Zone Blues: a snapshot of Baghdad during the surge](#), and [Obama does Globalistan](#).

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