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# Pipelines and Imperial Missions.

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Tough talk is all the rage in Washington. As nascent presidential bids move forward, tough talk is now de rigueur and that appears to be especially true among Democratic hopefuls. Indeed, John Edwards seems to have already jumped the shark during his recent visit to a conference in Herzliya, Israel, where he "took aim" at Iran and pledged that the "world won't back down," reminding the Israeli audience that "ALL options must remain on the table."

Indeed, Edwards sounded every bit the Bush administration official. He reiterated every White House talking point on Iran and then asserted that

For years, the US hasn't done enough to deal with what I have seen as a threat from Iran. As my country stayed on the sidelines, these problems got worse.

Edwards seemed either to forget or does not know that Iran was aiding the US against the Taliban not so very long ago. Edwards echoed every doubtful and outright dishonest claim that the White House has already launched in their effort to demonize Iran and lay the foundation for military strikes against "high value" targets in that country. While Edwards was more than happy to claim that Iran is supplying the insurgency in Iraq and otherwise supporting terrorism harmful to US interests, he conveniently ignored the fact that the Pentagon has been funding and supporting at least two terrorist groups that have carried out operations on Iranian soil. Known as "operational assets" in Pentagon-ese, the Mujahedeen-e-Khalq (MEK) and, more recently, the Kurdish PEJAK, have been encouraged by the DoD in efforts against the Iranian government. The MEK is responsible for numerous terrorist operations against Iranian officials, including assassinations and bombings, while PEJAK itself claims that it "regularly launches raids into Iran." Such has been the aggressiveness of PEJAK that both Iran and Turkey have amassed tanks and artillery on their borders, with Iran actually shelling PEJAK bases back in August, 2006.

Furthermore and utterly absent from any of the blustery Washington rhetoric about Iran and terrorism in Iraq, is that Saudis are reportedly funding the Sunni insurgency with money that is channeled to "anti-coalition forces." While the White House and, apparently, John Edwards will claim that any supplies coming into Iraq from Iran must necessarily come at the behest of Tehran, they will heartily point out that the insurgent funding coming from Saudi Arabia originates with "private individuals." Given Saudi Arabia's primacy in the world of petroleum, American political discourse generally ignores Saudi Arabia's role in terrorist funding and continues to ignore the "private individuals" from Saudi Arabia who actually executed the 9/11 attack, the event used to justify the entire debacle the world now faces in the Middle East.

That a potentially leading Democratic candidate for president is following this grim and shallow path is disheartening enough. But more importantly is how Edward's posturing indicates that overt militarism is now entrenched within American political discourse. Perhaps Edwards is simply trying to shake off his populist pretty boy demeanor, but even if that is true, this is surely the wrong way to go about that. Because all Edwards looks like right now is a White House staffer who seems utterly clueless about the fact that Cheney and the rest of the neocon rabble have been gunning for Iran since 1992.

Perhaps Mr. Edwards needs a lesson in what is really going.

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Just as the invasion of Iraq was never about weapons of mass destruction, so too is White House agitation against Iran not really about nuclear power or even nuclear weapons. It may look like that, of course, because great pains are taken to make it look that way. This is entirely intended, just as dire warnings of "mushroom clouds" were intended to spark support for the invasion of Iraq. But it is now well known that Paul Wolfowitz, Lewis Libby and Zalmay Khalilzad's 1992 paper, the Defense Planning Guide, and its later incarnation by the Project for the New American Century, laid out a strategy for ensuring the "benevolent global hegemony" of American empire.

The "axis of evil," i.e., Iraq, Iran, and North Korea, was explicitly described by PNAC a full year before the events of 9/11, while Dick Cheney's "Energy Task Force" formed mere days after Bush's 2001 inauguration and immediately proceeded in pouring over maps of Iraqi oil and gas fields. In fact, the map of Iraqi oil fields bears a striking resemblance to the location map of the fourteen permanent US military bases that have been established throughout the country.

The explicitly described "axis of evil" had nothing to do with 9/11, but where do we find ourselves today? Occupying Iraq and threatening attacks on Iran. Considering the recent agreement on nuclear disarmament in the six party talks with North Korea, the presence of Kim Jong Il's regime in the axis of evil perhaps sufficed as a red herring, it's inclusion merely designed to lend an appearance of equanimity in dealing with "rogue states." North Korea is not known to have large deposits of oil or natural gas and appears to be on its way to being removed from the "list of state sponsors of terrorism."

The Bush administration has followed the PNAC plan since 9/11, the "Pearl Harbor" of our time. Regardless of the morass extant in and around Iraq and its notable lack of benevolence, this plan is now swinging into its next phase, which is why trumped up charges against Iran have been placed on the front burner in service of White House foreign policy. Indeed, the mayhem in Iraq serves not only as cover for the new Iraqi Oil Law, something that would never have a chance of passing in the Iraqi parliament were conditions calm, it also provides and will continue to provide the White House at least one rationale justifying military strikes on Iran.

Though it is widely assumed that the original 1992 Defense Planning Guide was drawn in response to the break up of the Soviet Union and the perceived opportunities that event represented for the "unitary imperative" of American global power, at roughly the same time Iran was initializing engagement of regional neighbours (Pakistan and India) in a natural gas pipeline project.

Almost no one talks about these activities or, if they do, it is in a disconnected fashion, as though the Iran-Pakistan-India pipeline agreement and the far larger projects that may stem from it have no connection with Bush administration's ultimate desire for regime change in Tehran and the implied though obvious control that such an imperative indicates. While it is certainly true that ultimate control of both Iraqi and Iranian oil fields would give the controlling party dominating leverage on the geopolitical stage, the threat of Iranian economic engagement with far ranging regional neighbours would be viewed as problematic to the project for American hegemony in the Middle East and Asia. Regime change in Tehran and the presumably western-friendly "government" imagined would be a single punch that would deliver the long-sought control over not just the oil but over the very big plans Iran and Russia currently have for economic allegiance throughout Asia.

Developments in the Middle East and beyond have only spurred the White House toward the imperative of regime change in Tehran, but these events are not the ones being discussed within the restricted and controlled confines of American political discourse. Though the Defense Planning Guide required that US military force be used to "prevent the rise of a contending competitor," contending competitors have arisen in a number of strategic arenas. Russia has been asserting increasing authority throughout Central Asia and Eastern Europe with its own sizable petroleum and gas reserves, while Tehran has vigorously pursued the "peace pipeline," a natural gas pipeline from Iranian gas reserves to Pakistan and India.

While a preliminary agreement between Iran and Pakistan was signed as far back as 1995, recent developments were partly, if not largely responsible for the Bush administration's India nuclear deal, which was to be signed under the proviso that India back out of the Iranian pipeline agreement, White House thinking being that if India reneged, the whole project might come to an end or least be very much endangered. Despite the effort on the part of the White House to scuttle the pipeline deal, today, the project seems very much alive.

Pakistan's Prime Minister, Shaukat Aziz, recently called the pipeline "a good project" that will help "build peace in the region." The Iran-Pakistan-India pipeline is assuredly seen as a very real threat to the neoconservative paradigm. As the Trade & Environment Database described it:

The exportation of natural gas from Iran to India through Pakistan is a venture which may change the face of regional politics in South Asia. It is a study in how economic collaboration possesses the power to engender as well as transform social and political discourse between countries. The Indian government speculated whether Pakistan could guarantee security for the flow of natural gas in the pipeline. Furthermore, Pakistan's collaboration with Iran may foster conflict resolution as well.

Clearly, such developments would be dimly viewed by purveyors of American hegemony and the Iran-Pakistan-India (IPI) pipeline was first imagined as far back as 1989 by Drs. R. K. Pachauri and Ali Shams Ardekani, then Iran's Foreign Minister. The proposal was first presented to the Iranian and Indian governments in 1990 and was further introduced at that year's conference of the International Association of Energy Economics. At this same time, the Soviet Union was in the

midst of its ultimate dissolution and the neoconservatives of the first Bush administrations, "the crazies," began to wax philosophically about cementing American world domination, fully aware of Iran's and India's plans for increased economic interdependence. Shortly thereafter, Bush administration officials (Wolfowitz, Libby, Khalilzad, etc.) produced the first draft of the Defense Planning Guide in 1992.

Zalmay Khalilzad, in particular, would become especially well placed in efforts toward suppressing the Iran-Pakistan-India pipeline by becoming an advisor for Unocal Corporation in the 1990's. He "conducted risk analyses" for an alternative to the Iranian pipeline, the then-imagined Trans-Afghanistan gas pipeline, a pipeline that would link Turkmenistan, Afghanistan, Pakistan and India (the so-called TAPI pipeline). The TAPI pipeline was first brought to public attention in 1995. But the Bush administration had another ace up their sleeve: the invasion of Afghanistan.

Though various Texas oil companies, including Unocal and Enron, had courted favor with the Taliban in the late 1990's and none other than Dick Cheney marveled at the golden opportunities present in Central Asia should the Taliban become approvingly disposed toward working with western oil companies, as we have been often told, 9/11 changed everything. After that fateful date, Taliban approval was no longer needed. One year after the invasion of Afghanistan and the rout of the Taliban, the TAPI pipeline deal was signed in December, 2002 with the encouragement of then interim president Hamid Karzai. Karzai had also reportedly been a consultant for Unocal, and was made Chairman of the Transitional Administration shortly after the US-led invasion and then appointed interim president.

Despite such maneuvers by the Bush administration and recent promises for accelerated construction, construction on the TAPI pipeline remains stalled now that much of southern Afghanistan is once again under de facto Taliban control. Efforts by the Iranians on the Iran-Pakistan-India pipeline only accelerated as Coalition forces lost ground in Afghanistan, while NATO forces there now are faring no better.

In spite of the ailing conditions in Afghanistan, foreign minister Rangin Dadfar Sapanta, indicated that the Bush administration hopes that TAPI will forge close ties between South and Central Asia, i.e. where the US has some control, and argues against the Iranian pipeline project. Given the treatment received from the Bush administration, it seems unlikely that the Taliban would be willing to forgo hostilities and reengage western interests in the TAPI pipeline. The TAPI pipeline project, which will surely be doomed should the Taliban regain significant control of the country, is about more than just the oil. It seems clear enough that it was also about balancing -- perhaps even overriding -- Iranian pipeline hegemony in the region. But there is potentially a much larger problem looming for American global hegemony.

Rather than existing as a one-off, the Iran-Pakistan-India pipeline represents merely the beginning of a much broader effort in creating economic collaboration across a vast region. In fact, the Iran-Pakistan-India pipeline was being viewed in Southeast Asia as a catalyst for a pan-Asian energy grid.

At the meeting in New Delhi in November 2005 of principal north and central Asian energy producing and consuming countries, India unveiled

an ambitious 22.4-billion-dollar pan-Asian gas grid and oil-security pipeline system.

The first would extend the existing Baku-Tbilisi-Ceyhan pipeline system -- originally conceived by the US as a means of shipping central Asian hydrocarbons westwards -- down to the Red Sea via Syria, Jordan, and Saudi Arabia, allowing Caspian crudes to be exported easily to the Indian Ocean littoral. Second is the famous Iran-Pakistan-India pipeline, with the possibility of two additional sourcing spurs, one from the Caspian-Turkmenistan region to Iran, the other from Turkmenistan via Afghanistan. The third element would be a pipeline system connecting eastern India to Myanmar and south-western China with one connection running from Sittwe on the Burmese Bay of Bengal coast to Mizoram, Manipur, and Assam into China, eventually connecting up to the West-East China gas pipeline near Shaanxi, the other from Yangon to Kunming. The fourth element would involve the laying of pipelines that would connect the Sakhalin deposits in Russia to Japan, China, and South Korea.

A mere three months after this meeting, Bush was in India, handing over a trove of nuclear technology incentives and asking India to back out of the pipeline agreement with Iran. At the same time, Bush also doled out a sizable arms deal to Pakistan. Both efforts seemed entirely designed to provoke friction. They certainly did this, though not to the degree that was probably hoped because the pipeline deal has remained viable. Elsewhere and about the same time as the enormously ambitious pan-Asian energy plan was germinating, Iranian efforts to engender economic ties throughout Central Asia were further evident when a possible Iran-Ukraine natural gas deal, complete with pipeline, was proposed in 2005.

The explicit mention of the Sakhalin deposits -- "the world's largest combined oil and natural gas development" -- is of particular note given the recent forced takeover of majority control of the operation by Russian state-owned Gazprom and signaled Russian intent on extending its control over petroleum resources in the region. Furthermore, Vladimir Putin has also indicated that a recently proposed Iran-Russian natural gas cartel -- an OPEC-like organisation -- was of some interest and Russian and Iran have entered into talks regarding the proposal. On the heels of this international move, Russia also appealed to Qatar to enter just such a cartel, to which the Emir of Qatar, Sheik Hamad bin Khalifa al-Thani, said, "We seek to develop special relations between Qatar and Russia."

Naturally, the Bush administration indicated that they would "discourage" plans for any such cartel. What has also been little noted by western media is the fact that, for the first time, Russia has quietly become the world's largest oil producer.

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It is through this contextual prism that we might now look back to the Ukraine presidential elections of 2004, casting against each other, as it did, the pro-western opposition leader Viktor Yushchenko and the then pro-Russian Prime Minister Viktor Yanukovich. After accusations of election rigging by Yushchenko, his supporters, and western observers -- something that appeared to be entirely true -- the US State Department became heavily involved in both demanding a rerun election and ensuring that the rerun be cleaner since polls indicated that Yushchenko should win under nominal conditions. The

election was rerun and the results proved satisfactory to US interests. However, this was to be short lived. While the much publicized dispute between Russia and Ukraine over natural gas pricing indicated some serious friction between Moscow and Kiev, this may not have been as it seemed. On January 1, 2006, Gazprom actually cut natural gas exports to the Ukraine but the issue was quickly resolved, if not entirely satisfactorily. This episode was widely viewed by the west as an effort on the part of Moscow to "punish" the pro-western government of Yushchenko. Unsurprisingly, this was disputed by Gazprom. Nonetheless, Yushchenko grew unpopular, in part as a result of the gas dispute, and two months later his party lost heavily in parliamentary elections, as Yanukovich regained the office of Prime Minister. US interests in the Ukraine were loosing out to what was becoming, once again, a pro-Russian parliament. Washington appeared to have been out-maneuvered in yet another corner of the Central Asian board. Since that time and with Washington rhetoric against Tehran becoming increasingly threatening, Russia has only grown more aggressive with its activities throughout the region.

Certainly much of Russia's interest in realigning with the Ukraine arises from Moscow's ongoing concern over the expansionist policy of the NATO alliance, which began in earnest with the addition of a newly-united Germany in 1990.

While the G.H.W. Bush administration would balk at calls for overt imperial action by the neoconservatives, they too were keen to seize opportunities presented by the collapse of the Soviet regime, as was the Clinton administration, albeit in a more "realist" fashion. 1999 witnessed Poland, the Czech Republic and Hungary move under the NATO umbrella, but NATO expansionism rapidly increased after 9/11 with the addition of seven more countries (Estonia, Latvia, Lithuania, Slovakia, Slovenia, Bulgaria and Romania). This has caused a great deal of ire in Moscow and a flash point is currently in the making now that the Bush administration has proposed missile defense installations in both the Czech Republic and Poland. And, in an attempt to counter the reemergent Russian influence over the north Black Sea region, the US Congress is supporting the addition of both the Ukraine and Georgia to the NATO alliance. While pro-western factions within the Ukraine do desire NATO membership, certain regions, such as Crimea, are threatening secession and it is expected that Moscow might even move in militarily under pretext. In other words, the region will not be surrendered lightly unto NATO.

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While a US-guided NATO presses further expansion to the Russian borders, the litany of activity on the part of both Iran and Russia will not be viewed favorably by the White House. And in what must surely be the more troubling aspect of this outburst of economic cooperation, the timing is of particular note. The big plans and widespread efforts at economic cooperation have clearly ramped up since the invasion of Iraq. No doubt, both Iran and now Russia see that forging close economic ties and petroleum dependence throughout Central and South Asia would serve as a protective shield to the publicly stated goals of the Bush administration. While Americans may generally be unaware of the actual agenda driving the military misadventures in the Middle East, rest assured, the Iranians and the Russians are not. This is perhaps the biggest reason why Putin is now acting swiftly while he publicly denounces US foreign policy.

We are witnessing an almost uncontained hyper-use of military force in international relations. One country, the United States, has overstepped its national borders in every way.

The media, for the most part, ignored the truth contained in the warning Putin delivered, preferring to echo establishment hacks who cannot respond to the actual matters raised but claim that Putin simply wants to re-establish the preeminence of Russia on the world stage. Which may not be entirely untrue, but it hardly addresses the reasons as to why that is a happening. But Putin put it quite plainly:

Arguing that the United States is ignoring international law in its use of military power, a clear reference to the Iraq invasion, Putin said the legal constraints that once protected smaller, weaker nations are no longer viable.

"This is very dangerous," he said. "Nobody feels secure anymore."

Ironically, or perhaps not so, the strident neoconservative policy prescriptions of blunt force military attack and acquisition of the geopolitically crucial oil producers, Iraq and Iran, in order to prevent the emergence of global competitors has perforce resulted in regional powers responding by increasing the very influence US foreign policy sought to prevent. And other forces have begun working in opposition to Washington foreign policy as well.

Apart from the burgeoning economic ties Iran is establishing both with Russia and throughout Central and South Asia, there has been another economic development that is threatening American hegemony and that is the slumping value of the US dollar, which began to slide against the euro shortly after the new currency was introduced. Today, the euro has surpassed the dollar, not only in value, but in circulation. Much of the devaluation the dollar has experienced, oddly enough, has occurred since invasion of Iraq. Actually, it is not odd at all.

The US dollar is a fiat currency whose value depends entirely upon its use, i.e. its demand. Like any commodity, when demand for the dollar drops, the value of the dollar drops against other currencies used for transactions. In 1971, Saudi Arabia stipulated that all oil trading be done in US dollars -- just as US domestic oil production had peaked and the US moved away from the gold standard. This guaranteed that high demand for the dollar around the world would be assured. At the time, no one foresaw a potential competing transactional currency. This also ensured that the dollar would become a standard transactional instrument for a wide range of commodity trading, not just oil.

However, recent threats to dollar hegemony began to emerge with the introduction of the euro. Initially, the viability of the euro as an international currency was dismissed by "experts" who could not envision a serious threat to the US dollar domination in the market place. This began to change when the US stock market took a severe down turn in March of 2000 and foreign investors moved assets out of US markets and into European markets. Then, in November of 2000, Saddam Hussein switched the Oil-for-food account -- trading some 2.5 million barrels of oil a day -- from dollars to euros.

Since the invasion of Iraq, the dollar has only continued its downward slide. Despite claims of the Bush administration, the US economy is not perceived as terribly strong. Record budget and trade deficits since Bush took office have only contributed to the loss in confidence that

markets have expressed and the rampant budgetary mismanagement causes concern that those in charge of the White House have very little idea about how to actually run a government.

While markets generally expect graft in any government, the Bush administration has overflowed the buffer. The ballooning military expenditures, rampant corruption and crony corporatism have shaken the confidence of those not directly profiting from this activity. Which is, as one might expect, a large part of the world. What might also be suspected is that the Bush administration really doesn't care about running government even remotely properly, so convinced are they that control of Middle East oil will be their solution to every problem.

Recently emerging powers have expressed great dismay about the military adventurism of the Bush administration and have probably realised that Bush intends to make good on the neoconservative agenda. Russia, China and certainly Iran are under no delusions about what the current threatening posture against Tehran really represents. Many other nations in the Middle East are also concerned about this and it is possibly one of the reason why these same countries have signaled that they will be "diversifying" future investments away from dollar denominated assets. As early as January of 2006, rumours were rampant about China moving away from the US dollar, with each prompting a plunge in the dollar's value. Then in November of 2006, the central bank of China confirmed that it would be "diversifying its foreign-exchange reserves." Everyone knew exactly what that meant and the dollar plunged 20% on the euro. China had to then restate its position and assuage immediate concerns by saying that this would only affect future investments, not current reserves. Nonetheless, the writing is now on the wall. Russia and many OPEC nations have also made similar announcements while, of course, Iran had announced that it's new oil bourse would trade primarily in euros and that it would cut use of US dollars in current oil trading.

Establishment figures in the market dismissed the Iranian oil bourse, doubting that it would affect the use of the dollar at all. Such pronouncements seem designed primarily to prevent runs on the dollar and certainly on dollar denominated assets, which almost everyone has. But the reality is far different when the larger picture emerges. Major holders of US debt have announced diversification away from the dollar. The dollar is dropping but not disastrously so. At least, not yet. There are two reasons why the dollar is being protected to the extent that it is and has not been plunged into the financial abyss completely. One, pure self-interest: holders of US dollar-denominated debt cannot afford to have their holdings devalue too greatly. And two, more self-interest: the US marketplace must be preserved. The US is, after all, the biggest market in the world and everyone wants in. However, this will not continue in perpetuity as the policies of the Bush administration and the behaviour of the country's own multinational corporations continue to draw wealth away from the consumer population of the country. Should the trend continue, the giant maw that is the US consumer market will shrivel considerably and then all bets are off as to what the value of the dollar might do.

What is immediately clear from this situation is that the United States right now is beholden to US creditors. Like White House military prescriptions, the tremendous deficit spending encouraged by the neoconservatives in the White House, a great deal of which has resulted from Bush's enormous tax cuts, has ironically created a condition in direct opposition to the neoconservative agenda:

it has weakened US hegemony. Though it is not yet apparent, for the reasons stated above, the economy of the United States hangs in the balance and it is hanging there at the behest of the country's biggest creditors. And lately, the signs indicate that the creditors are not amused. Recent moves, such as China's, signal a growing sense of unease with overtly aggressive military actions of the United States. It is a signal the Bush administration, like every other sign and signal flashed in front of them, will quite likely ignore.

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The neoconservative agenda of overt military excursions throughout the world, predicated on massive military budgets, suffers two fatal flaws. And the agenda is suffering them now. They are the flaws of a plan produced by people of limited real world experience and who have lived entirely sheltered lives, apparently unexposed to anyone not exactly like themselves. The first flaw seems so obvious, yet it bears statement: resistance was never imagined. It seems hard to believe that anyone could propose a foreign policy based upon war and occupation without considering certain resistance developing. Resistance here is not meant as a local insurgency within the attacked and occupied country, but a larger global resistance to such a foreign policy. No, it seems the Project for the New American Century didn't think anyone would have much of a problem with this or, if they did consider it, were unable to conceive that anything could be done to stop it. Which brings us to the second flaw: the way to stop it.

Everyone recognizes that the US military is not going to be beaten. This is a given. But what the neoconservatives also never considered were the economics of the plans for "benevolent global hegemony" by the barrel of lots of expensive guns while the Bush administration simultaneously launched an ill-considered program of prodigious tax cuts. This has place the United States in a precarious position, beholden to the very nations the US sought to repress through a delusional and, ultimately, criminal agenda. Should the Bush administration actually launch an attack against Iran, the results will be devastating, not only for the Middle East and Central Asia, but for the United States itself. There is a great deal of internal resistance to this, of course, not the least of which is coming from the American military itself. But considering that the White House seems bent on ignoring the external signals that have already been put in place, it remains to be seen whether any of it will be enough to prevent such a catastrophic decision.

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