

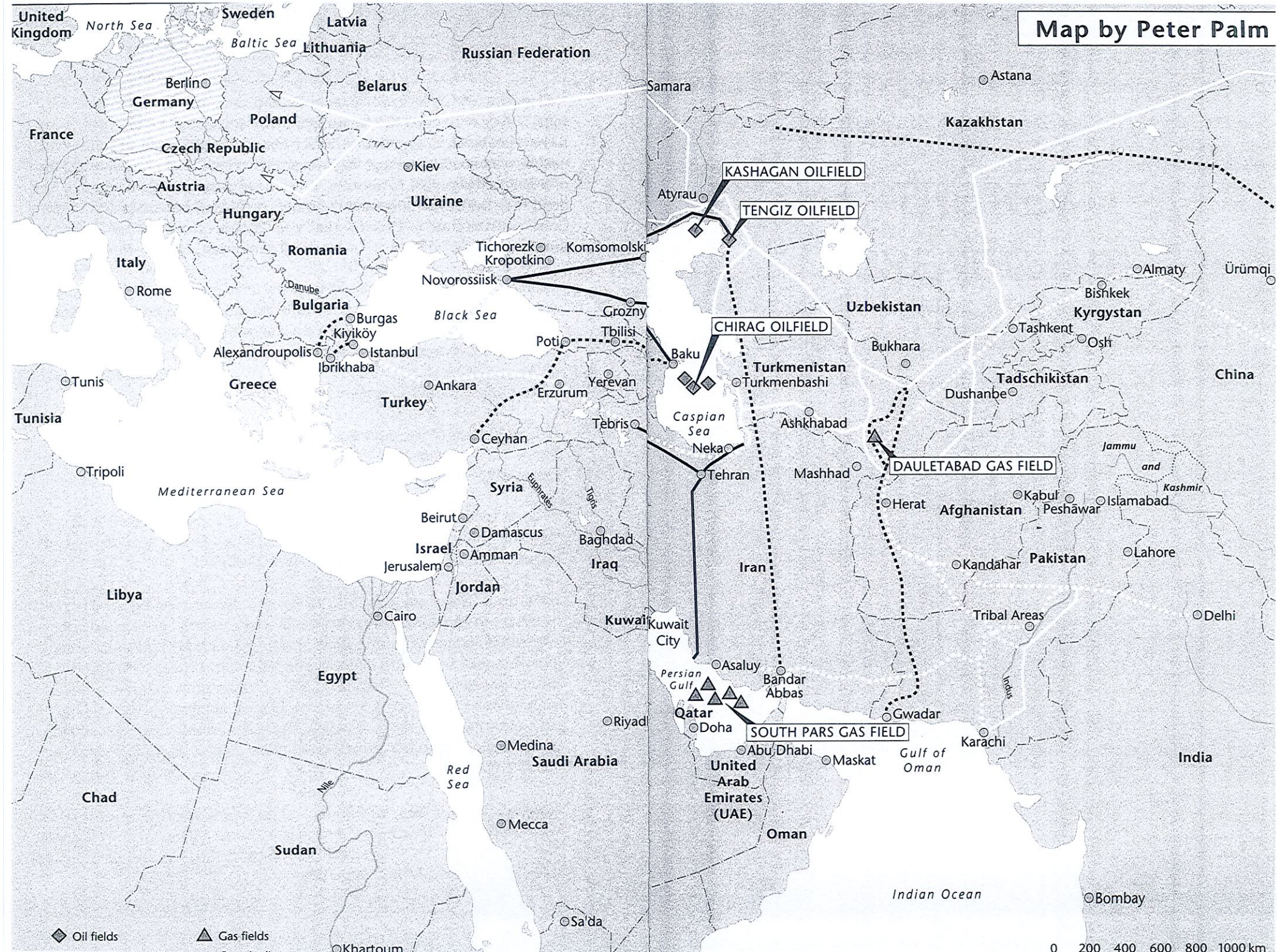
THE NEW
GREAT GAME

Blood and Oil in Central Asia

Lutz Kleveman



Grove Press
New York



ANGRY YOUNG MEN: AN EPILOGUE 255

POSTSCRIPT 265

ACKNOWLEDGMENTS 273

BIBLIOGRAPHY 275

NOTES 279

INDEX 281

The Devil's Tears: An Introduction

On the afternoon of December 16, 2001, a black U.S. Air Force C-17 transport plane begins its descent over the Central Asian plains. Aboard the plane is fifty-year-old General Christopher Kelly. His mission: to set up an American airbase in the small republic of Kyrgyzstan, the first U.S. troops to be stationed on a combat mission on the territory of the former Soviet Union. Their enemies are the Taliban and the remnants of the Al Qaeda terror network in Afghanistan, more than six hundred miles to the south in the Afghan mountains.

At exactly 3:32 p.m. local time, the C-17 touches down at the civilian airport of Manas, near the Kyrgyz capital of Bishkek. Two days earlier, the worst blizzard in decades raged across Kyrgyzstan. Airport workers toiled through the night with shovels to clear the landing strip. "Who would have thought during the Cold War that I would ever reach this place?" Kelly quips as he peers out at giant mounds of snow. He has served in the Air Force for twenty-eight years. In a matter of weeks, a base for three thousand troops is to be established at the airport. "This is combat, this is the real deal," Kelly says.

General Kelly is a product of a new American alliance with a former Soviet republic, a partnership that was unthinkable only a few years earlier. The terror attacks of September 11, 2001 and the U.S. campaign in Afghanistan have pushed Central Asia, a region that had been as obscure as the Balkans ten years ago, to the

forefront of world attention. The vast territories between the eastern shores of the Black Sea and the peaks of the Pamir Range were long known as the “black hole of the world.” For more than seventy years of Soviet rule, the region around the Caspian Sea (the world’s largest inland lake) was isolated from the West, virtually inaccessible to foreigners.

After the Soviet Union’s collapse in 1992, eight republics in the Caucasus and Central Asia—Georgia, Armenia, Azerbaijan, Kazakhstan, Kyrgyzstan, Uzbekistan, Turkmenistan, and Tajikistan—obtained formal independence, opening their borders to their southern neighbors and to China in the east. The goal was to establish new political and economic relations to smooth the transition to capitalism.

Instead, almost all the ex-Soviet republics in the Caspian Sea region are still ruled by former communists and KGB generals who reluctantly adopted nationalistic rhetoric to retain dictatorial control over states still in search of their national identities. Most of the republics were created by Joseph Stalin, who paid no attention to each area’s population mix—a legacy that continues to fuel conflict between the many ethnic groups of the region. At the same time, the new nominally independent states are striving to free themselves from Moscow’s hegemonic grip, looking for new allies.

The war against Al Qaeda focused international attention on the Caspian region as an area of strategic importance. However, the Afghan campaign is only an episode, albeit an important one, in a much larger struggle: the “New Great Game.” Coined in the early 1990s, the term describes an odd rerun of the first “Great Game” in the nineteenth century. As immortalized in Rudyard Kipling’s novel *Kim*, the British Empire and Tsarist Russia were fighting then for supremacy in Central Asia.¹

When the Tsarist armies conquered the Caucasus and subjugated the nomadic peoples of Turkestan, London and Calcutta saw this as a threat to the British Crown Colony of India. In turn, the Russian government in St. Petersburg feared that the British might incite the Muslim tribes of Central Asia to rebel against Russia.

The two empires jostled for control of Afghanistan, whose central location offered the most strategically viable base for an invasion of India or Turkestan. Lord George Nathaniel Curzon, viceroy of India in 1898, clearly knew what was at stake for the British in the Great Game: “Turkestan, Afghanistan, Transcaspia, Persia—to many these names breathe only a sense of utter remoteness or a memory of strange vicissitudes and of moribund romance. To me, I confess, they are the pieces on a chessboard upon which is being played out a game for the dominion of the world.”²

Now, more than a hundred years later, great empires once again position themselves to control the heart of the Eurasian landmass, left in a post-Soviet power vacuum. Today there are different actors and the rules of the neocolonial game are far more complex than those of a century ago: The United States has taken over the leading role from the British. Along with the ever-present Russians, new regional powers such as China, Iran, Turkey, and Pakistan have entered the arena, and transnational corporations (whose budgets far exceed those of many Central Asian countries) are also pursuing their own interests and strategies.

The greatest difference in today’s Great Game are the spoils. While in the Victorian-era struggle, London and St. Petersburg competed over access to the riches of India, the new Great Game focuses on the Caspian energy reserves, principally oil and gas. On its shores, and at the bottom of the Caspian Sea, lie the world’s biggest untapped fossil fuel resources. Estimates range from 50 to 110 billion barrels of oil, and from 170 to 463 trillion cubic feet of natural gas. The U.S. Department of Energy comfortably assumes a 50 percent probability of a total of 243 billion barrels of oil reserves. Azerbaijan and Kazakhstan alone could sit on more than 130 billion barrels of oil, more than three times the United States’ own reserves. Only Saudi Arabia, with 262 billion barrels, can claim greater resources. As recently as the summer of 2000, the giant Kashagan oil field was discovered off the Kazakh coast, believed to rank among the five largest fields on earth.³

People have known that there was oil and gas around the Caspian Sea for centuries. As early as the Middle Ages, members of

the Zoroastrian sect went on pilgrimages to the Apsheron peninsula in today's Azerbaijan to pray near gas-fed flames, worshipped as "Holy Fire," that burst forth from its soil even today. At present, transnational energy corporations, littoral states, and world powers vie for the same holy fire, desperately searching for alternatives to the Persian Gulf, which still holds two-thirds of the world's oil reserves.

In industrialized countries' energy ministries, what would be the last oil rush in world history has evoked a sense of euphoria. Democratic governments are courting corrupt Caspian potentates, while transnational companies have signed lucrative contracts and invested more than 30 billion dollars in new production facilities. A further hundred billion dollars has already been earmarked for additional investments. As post-communist Russia and the state-owned Saudi oil fields offer few opportunities for joint ventures, the Caspian boom is proving to be a blessing for the oil corporations.

The British and Russian officers of the nineteenth century who encountered each other along the old Silk Road, often disguised as explorers and cartographers, have been replaced by a new brand of adventurers: geologists and oil engineers. And yet, the "Tournament of Shadows," as Tsarist foreign minister Count Karl Robert Nesselrode once called the Great Game, is played out not by courageous individuals, but by large corporations, bureaucracies, and military forces.

"I cannot think of a time when we have had a region emerge as suddenly to become as strategically significant as the Caspian," declared Dick Cheney in a speech to oil industrialists in Washington, D.C. in 1998, when he was still CEO of the oil supply corporation Halliburton.⁴

Today, Vice President Cheney is one of the most influential men in the coterie of President George W. Bush, himself a Texan oil magnate who wrote in his 1999 autobiography, "I am fascinated with the oil industry. All my friends have in one way or the other been involved in the oil industry."

Immediately after taking office, the Bush administration made oil politics a new priority in the United States, where 4 percent of the world's population consumes more than one-fourth of all

energy. In May 2001, Cheney presented the National Energy Policy report, which addressed the issue of how to secure America's energy demands in the next twenty-five years. For the report, Cheney had met with American business leaders behind closed doors, with the Bush administration classifying the participants' identities and the minutes of the talks, a measure normally taken only if national security is at stake.

The report's official authors, members of a commission that included Secretary of State Colin Powell, recommended that "the President make energy security a priority of our trade and foreign policy." While acknowledging that the Middle East oil producers will remain central to world oil security and that the Gulf will be a primary focus of U.S. international energy policy, the report added that "our engagement will be global, spotlighting existing and emerging regions that will have a major impact on the global energy balance." The Caspian Basin was singled out as a "rapidly growing new area of supply," and the report advocated a deepened "commercial dialogue with Kazakhstan, Azerbaijan and other Caspian states to provide a strong, transparent and stable business climate for energy and related infrastructure projects."⁵

To be sure, contrary to initial expectations, there is less oil in the Caspian than in the Persian Gulf region. With a maximum oil production of six million barrels per day, by 2015 the Caspian region could reach a share of 5 to 8 percent of the world market, roughly equal to that of the North Sea. Most of the world's oil supply will continue to come from the Middle East, and yet that is precisely why the Caspian has become so important in the United States' effort to wean itself off its dependence on the Arab-dominated OPEC cartel, which, since the oil crisis in 1973, has used its near-monopoly position as a pawn and leverage against industrialized countries.

The hazards of Gulf oil dependency became all the more compelling in August 1990, when Iraqi dictator Saddam Hussein invaded Kuwait, giving him temporary control of one-fifth of the world's oil reserves. Only after an enormous military and financial effort did a U.S.-led international coalition expel Iraqi troops from Kuwait, and ever since then American troops have been

stationed in the unstable Gulf region, with the U.S. Navy's Fifth Fleet patrolling the Strait of Hormuz, the world economy's Achilles' heel. The cost of this permanent military presence, which has effectively turned Arabic mini-states such as Kuwait into American protectorates, is estimated at about \$50 billion a year. The Bush administration's 2003 invasion of Iraq to remove the Hussein regime and the threat it allegedly posed to the oil-rich region cost the American taxpayers an additional \$80 billion.

These efforts reflect American strategic interests in the Middle East, which is the largest oil supplier to the United States, followed by Canada, Venezuela, and Mexico. The Gulf region provides about one-fifth of the eleven million barrels of crude the United States imports every day and which roughly meet half the country's total energy needs. As America's own crude production is going to drop by an estimated 12 percent over the next decade, though, imports will have to provide for two-thirds of the total energy demand by 2020. Additionally, the economic boom in such countries as China and India is likely to cause global oil consumption to surge from today's seventy-three million barrels per day to ninety million barrels by 2020, according to the International Energy Agency. As many oil wells outside the Middle East are nearing depletion, OPEC will expand its share of the world market to more than 60 percent.

This will increase the political clout of the Saudi oil sheikhs in particular, whose possession of one-fourth of the world's reserves puts them in a unique position to dictate prices to the West. Saudi Arabia is the only country in the world capable of acting as a so-called swing supplier. To compensate for production losses such as those caused by the recurrent political crises in Venezuela, the Saudis are able, in a matter of weeks, to boost production from eight to 10.5 million barrels per day. Alternatively, they could choose not to act at all if a price hike is in their interest.

Many people in Washington are far from comfortable with the Saudi power. The desert kingdom is increasingly perceived as an embarrassing and potentially dangerous ally, even more so since September 11, 2001, when nearly all the plane hijackers were Saudis. There is a growing risk that radical Islamist groups could

topple the corrupt Saud dynasty. Inspired by Osama bin Laden, who has accused the U.S. troops stationed on Saudi soil since the Gulf War of 1991 of the "greatest theft in history" for allegedly keeping oil prices artificially low, those radical groups could stop the flow of oil to Western "infidels." The so-called petrol riots in Britain in the autumn of 2000, when tens of thousands descended into the streets to show their fury at fuel shortages, were an ugly preview of the chaos such an interruption of oil deliveries would cause.

Yet even without an anti-Western revolution such as the one in Iran in 1979—when 4.3 million barrels of crude disappeared from the world market overnight—Saudi oil is already, as it were, ideologically contaminated. In its efforts to stave off political turmoil, the corrupt regime in Riyadh funds the powerful radical Wahhabi sect that backed the Afghan Taliban and foments terror against Americans around the world.

In a bid to decrease its dependence on the Saudi oil sheikhs, the United States has for years pursued a policy of "diversifying energy supplies." This strategy seeks to secure and control oil resources lying outside the unstable Middle East. Bill Richardson, secretary of energy under President Clinton, described how the Caspian region fits into this strategy. "This is about America's energy security, which depends on diversifying our sources of oil and gas worldwide. It's also about preventing strategic inroads by those who don't share our values. We're trying to move these newly independent countries toward the West. We would like to see them reliant on Western commercial and political interests rather than going another way. We've made a substantial political investment in the Caspian, and it's very important to us that both the pipeline map and the politics come out right."⁶

The "pipeline map" Richardson referred to is one of the most controversial elements of the new Great Game, and over the past ten years has led to conflict and war in the Caucasus and throughout Central Asia—with no end in sight. The Caspian Sea is entirely landlocked. From the oil wells, it is a journey of nearly a thousand miles to the nearest high sea ports where tankers could ship the crude to market. Pipelines, umbilical cords for the industrialized

world, need to be constructed. But which route should the pipelines take?

Under communist rule, when a Soviet republic's infrastructure was directed entirely toward Moscow, almost all pipelines were built northward across Russian territory. Today, Russia insists that new pipelines follow the same routes. In a strategic bid to strengthen the new republics' independence from Moscow, the United States is instead attempting to keep the precious oil beyond Russian grasp, while at the same time trying to thwart plans for a pipeline leading south through Iran. To achieve both, Washington in the mid-1990s supported plans by the U.S. energy corporation Unocal to build a pipeline from Turkmenistan through Taliban-controlled Afghanistan. Additionally, the United States has championed a new gigantic pipeline project from Azerbaijan's capital of Baku across the Southern Caucasus to Turkey's Mediterranean port of Ceyhan.

The U.S.-led Afghan campaign has fundamentally altered the geostrategic power equations in Central Asia, which has become the new focus of American foreign policy. This raises a fundamental question: Is there a link between the quest for Caspian oil and the war on terror in Central Asia?

While Washington's military presence in Afghanistan appears to be primarily targeted against international terrorism, it would be naïve to assume that American decision makers are not also pursuing other strategic interests in Central Asia. As early as 1997, President Clinton's Assistant Secretary of State Strobe Talbott argued that were the Caspian region to fall into the hands of religious or political extremists, it "would matter profoundly to the US if that were to happen in an area that sits on as much as two hundred billion barrels of oil."⁷ While the Caspian energy resources may not be the *casus belli*, they certainly could be the big price in the war on terror, which the Bush administration now uses to dramatically extend American influence in Central Asia.

In my work as a journalist, I have long tried to examine how the struggle for raw materials can lead to conflicts and wars. I first investigated this fatal causality in West Africa, in the diamond mines of Sierra Leone as well as in the Nigerian oil fields. The bit-

ter confrontation between the energy giant Shell and the Nigerian tribes about the Niger delta's oil made it clear to me why fossil wealth is often more of a curse than a blessing for a country and its people.

This book is the result of many research trips and interviews in the countries of the Caspian region, the Caucasus, and Central Asia. In exploring the various front lines of the new Great Game, I tracked down its players, observers, and victims. Meeting with oil executives, warlords, diplomats, refugees, oil workers, politicians, agents, and generals, I traveled for thousands of miles from the Caucasus peaks across the Central Asian plains down to the Afghan Hindu Kush and to Kashmir.

My journey began in Baku, the capital of Azerbaijan, which is both the center of the Caspian oil boom and the starting point for a U.S.-backed giant pipeline to the Turkish Mediterranean coast. I followed its projected course across the war-torn country of Georgia, where Western investors face rampant corruption and the constant threat of Russian military attacks. After an excursion by UN helicopter to the secessionist Caucasus republic of Abkhazia, I crossed the Caucasus mountains to reach Chechnya, where pipelines also play a role in the terrible war between Russian forces and Chechen rebels.

Following a brief return to Baku for a dramatic turn of events, I flew to Kazakhstan, the new "Wild East Oil Dorado," where massive corruption scandals involving American energy corporations mar the world's greatest oil discoveries in three decades. From there, I visited the Muslim Uighur people in Xinjiang, the westernmost province of China, which, by aggressively pursuing pipeline plans to transport Kazakh oil to Shanghai, is turning out to be one of the United States' main Great Game rivals. The other is Iran, part of George W. Bush's "axis of evil," whose oil bosses told me in Tehran of their plans to thwart the American pipeline plans by offering Iran's oil network to the Caspian states.

After a nocturnal boat trip across the Caspian waters I then reached Turkmenistan, one of the world's most isolated countries, whose eccentric dictator erects golden statues of himself while trying to play Americans and Russians against each other. Venturing

deeper into Central Asia, I traveled to Uzbekistan, Washington's new and despotically ruled ally, to witness the arrival of thousands of U.S. antiterror troops, now stationed within a day's march of the Caspian oil riches.

After a visit to U.S. troops at another new base in Kyrgyzstan and to their potential adversaries, Russian troops in neighboring Tajikistan, I traveled to post-Taliban Afghanistan, the latest Great Game battlefield. There, I met with warlords, government members, and American officers to investigate new plans to construct a pipeline through U.S.-controlled territory. My long journey ended in Pakistan, the cradle of terrorism and the driving force behind the Afghan pipeline deal, where I tracked down Islamic militants who threaten to bring the American presence in the region to a violent end.

All the different countries and people in this story have a small part to play in the new Great Game. The actors may have changed since Kipling's time but its culmination in war and death remains the same, and the victims are nearly always innocent civilians. They know why oil is called "the Devil's tears."

Angry Young Men: An Epilogue

Years ago, long before I first traveled to Central Asia, I met “Major Black Man” in the West African country of Sierra Leone. The tall man, who was exactly my age, was a fighter in the Revolutionary United Front (RUF), one of the most feared rebel groups in Africa, which gained notoriety by chopping off limbs of thousands of civilians during the country’s ten-year civil war. Working as a reporter for the London *Daily Telegraph*, I had ventured across the front lines to the rebels’ positions in the bush. After some time, the RUF commander allowed me to proceed to the rebel-controlled diamond fields, the civil war’s main spoils. During the ten-hour car drive on muddy tracks through the bush, I talked with Major Black Man, one of my armed escorts, about his reasons to fight for the RUF. He told me of the abject poverty in which he had grown up, of hunger and illness, and that he had never had a chance to go to school. “I had no hope and I was angry, so angry,” Black Man said. “My life was shit and it was going to be short anyway. So I took up a gun to have a bit of fun before I die. I have nothing to lose.”

What makes a man a terrorist? On my travels for this book, I often thought of Black Man’s words when I met other angry young men who, with nothing to lose but their seemingly valueless life, were prepared to fight for whatever their leaders told them was worth the fight. One of them was the twenty-year-old Ahmed I once met in an Internet café in Tashkent, the capital of

Uzbekistan, whose dictator Islam Karimov has become the Bush administration's latest ally in the new Great Game over power and pipelines in Central Asia. Over a cup of tea Ahmed told me that he had just been released from prison after serving a three-year sentence for allegedly belonging to an Islamic terrorist organization. "The guards beat me every day," Ahmed said. "It was awful but I never stopped praying to Allah." The group the young Muslim belonged to was a religious Sufi order, which, he insisted, had nothing to do with terrorism. "But maybe in the future my brothers and I have to defend ourselves and fight." How did Ahmed feel about the arrival of American antiterror troops in Uzbekistan? "They only make things worse. They don't help us, the people, but only the government. I hate America."

Ahmed's angry words reflect a dangerous trend throughout Central Asia that could ultimately decide the new Great Game's outcome. The region's impoverished populaces, disgusted with the United States' alliances with their corrupt and despotic rulers, increasingly embrace militant Islam and virulent anti-Americanism. Since the Bush administration has been using the September 11 terror attacks as an excuse to pursue policies seen by many outside the United States as arrogant, aggressive, and outright imperialist, the change in perception could not be any more drastic. At the end of the Cold War in 1989, America was admired and loved by the Soviet-oppressed peoples of Eastern Europe not only as the leader of the West but as the champion of democracy, civil liberties, and cultural progress. This cultural appeal was perhaps as powerful, albeit more subtle, a weapon in the struggle with the Soviet Union as NATO's military might. Young Czechs, Poles, and Hungarians, even if they had never heard of the Bill of Rights, craved American rock music and blue jeans.

Today, the United States has lost most of its cultural attractiveness in the ex-Soviet countries of Central Asia and their neighbors, and it is widely hated for its politics. To be sure, some of the resentment is motivated by envy of American wealth and most young men in the region still dream of obtaining a U.S. visa and a green card, although the Bush administration's massive

post-September 11 curtailment of civil liberties, particularly those of Muslim immigrants, frightens some. Worse, many people in the region have come to realize that the democratic and liberal values Americans enjoy at home are often missing from U.S. foreign policy. They resent the immoral opportunism with which Washington courts the region's dictators, such as Azerbaijan's Aliyev, Kazakhstan's Nazarbayev, and Pakistan's Musharraf. Many Muslims also perceive Bush's war on terror, rightly or wrongly, as a brazen cultural crusade against Islam.

While the war on terror has allowed the Bush administration to massively extend American influence in Central Asia, this influence all too often relies on the mere projection of power. Though military and intelligence action may be an effective short-term way to obliterate identified terrorist groups such as Al Qaeda and to discourage "rogue states" from sheltering them, it cannot eradicate terrorism as such and might instead make it easier for terrorist groups to recruit new fighters. Final victory in the war on terror cannot be achieved through military means alone but must be accomplished through a multipronged approach of military, political, and economic measures that also target the social roots of terrorism. While B-52s and Cruise missiles inspire fear and hatred, the building of roads, schools, and hospitals would win people's hearts and minds. Why has the Bush administration not provided sufficient funds to engage in such nation-building in Afghanistan, instead continuing to support regional warlords who tear the country apart and are deeply implicated in the heroin trade? Why has the Bush administration not helped the Musharraf regime in Pakistan to secularize the country's tens of thousands of Koran schools that continue to churn out America-hating Islamic militants? These are just two randomly chosen examples of the many myopic U.S. policies in the region that are bound to eventually backfire terribly, as did the CIA's arming of Islamic mujahideen like Osama bin Laden in Afghanistan in the 1980s.

Why do so many people hate America so much? Whoever seeks to root out anti-American terrorism cannot ignore this core question. Sadly, the few debates of this issue since the

September 11 outrage have not led to many honest answers. "They hate our freedom and democracy," President Bush, at his Manichean best, has repeatedly stated. While this may be true for some Al Qaeda figures, most America haters have better reasons.

In late March 2003, American forces invaded Iraq, in what is the latest war of the new Great Game over oil. The troops quickly seized the vast oil fields in the south before pushing north to Baghdad to remove the regime of Saddam Hussein from power. Regardless of its eventual outcome, the Iraq war will have enormous repercussions on the entire region, seriously undermining America's hopes of victory in the war on terror. While ostensibly waged to disarm Iraq of its alleged weapons of mass destruction, Operation Iraqi Freedom underscored the fact that the new Great Game over oil fields and pipelines in Central Asia gives but a foretaste of future energy wars over the world's remaining oil and gas resources.

In Iraq, the Bush administration has for the first time put into practice its new doctrine of "preemptive self-defense" against countries that could one day pose potential terrorist threats to the United States. Most international lawyers see the invasion of Iraq, a sovereign Arab country, as a violation of the UN Charter of 1945, which prohibits aggressive military action unless provoked by an attack or authorized by the UN Security Council. With Washington unable to show compelling evidence of Iraq's ties to Al Qaeda, it was unable to secure the backing of neither the UN nor NATO. Supported only by its ally Britain and a small "coalition of the willing," the United States invaded Iraq more or less unilaterally and against public opinion in most countries across the world. In going it alone against the explicit opposition from many countries, most notably Russia, China, France, and Germany, the Bush administration managed to alienate longtime allies and to squander even the last remnants of worldwide post-September 11 solidarity with America. Relegating the UN (and all nations that constitute this organization) to what it called "irrelevance," the Bush administration has further consolidated the new post-Cold War world order best described as *Imperium Americanum*.

While there can be no doubt about the tyrannical nature of Hussein's regime, its military removal at the cost of thousands of lives is similar to taking a baseball bat to a hornet's nest. Rather than miraculously spreading democracy in the Middle East, as the Bush administration would have people believe, the war is more likely to worsen regional instability. Furious at their own despotic leaders' cooperation with the United States, radical Islamic groups in Egypt, Jordan, and Saudi Arabia could attempt to rise in revolt. With Afghan Taliban fighters already joining forces with the mujahideen of warlord Hekmatyar in a jihad against America, more violence could soon erupt in Pakistan and Afghanistan. "Before the war in Iraq there was one Osama bin Laden; now there are one hundred," Egypt's President Hosni Mubarak succinctly put it.

By opening the Iraqi Pandora's box, the Bush administration also puts at risk the few successes in the war on terror. The invasion and possible occupation of a Muslim country, re-sented as yet another attack on Islam and an imperialist bid to control the region's oil reserves, will inevitably fill the ranks of Al Qaeda in the region, increasing, not decreasing, the threat of September 11-style terrorist attacks in the United States and Europe.

American arrogance of power will not fail to affect relations between the United States and its main rivals in the new Great Game: Russia, Iran, and China. Long before the diplomatic rift over Iraq, those countries suspected that the Bush administration was using its war against terror in Central Asia to seal the American Cold War victory against Russia, to contain Chinese influence, and to tighten the noose around Iran. Faced with Bush's verdict that "those who are not with us are against us," the regimes in Moscow, Beijing, and Tehran became increasingly worried about what they perceived as an aggressive U.S. foreign policy aimed at "full-spectrum dominance," i.e., worldwide control of political, economic, and military developments. In what reads like a deliberate allusion to Lord Curzon's famous "chessboard" dictum, President Jimmy Carter's national security adviser Zbigniew Brzezinski argued as early as 1997 that "America is now Eurasia's arbiter, with

no major Eurasian issue soluble without America's participation or contrary to America's interests. How the United States both manipulates and accommodates the principal geostrategic players on the Eurasian chessboard and how it manages Eurasia's key geopolitical pivots will be critical to the longevity and stability of America's global primacy."¹

The arrogance and hubris expressed in such words infuriate the conservative power circles in Moscow who loathe the prospect of a long-term American military presence in Russia's strategic backyard. For them, the much-lauded post-September 11 "strategic partnership" between Russia and the United States is hardly more than a tactical teaming-up whose *raison d'être* is the common struggle against terrorism. Former KGB officer Putin's pragmatic *salto occidentale* appears to be but a back-against-the-wall maneuver in a game whose rules Russia no longer sets, destined to attract Western investment until a reinvigorated Russian economy once again allows for a more dominant foreign policy. The clearest indications of the Kremlin's cunning double game are Russia's intense cooperation not only with Hussein's Iraq but also with the two other countries in the "axis of evil," North Korea and Iran.

While Russia and the United States continue to argue over the routes of pipelines, the new Great Game need not necessarily be a zero-sum game. Washington would in fact have good reasons to cooperate with Moscow in the energy field because Russia, sitting on about fifty billion barrels of oil and the world's largest gas reserves, could help allay the America's oil dependence on the Middle East.

Yet faced with the Bush administration's outright refusal to listen to the Kremlin's objections to the invasion of Iraq, Russia is now more likely to join forces with China in undermining American global supremacy. With its economy increasingly dependent on oil imports from the Middle East and Central Asia, China in particular will assert its interests in those regions even more vigorously in the future. Iran, another Great Game adversary that some hawks in Washington have already singled out as Washington's next target in the preemptive war on terror, is also likely to

step up its actions against U.S. interests and pipeline plans in the Caspian region, Afghanistan, and possibly Iraq. Contrary to the Bush administration's hopes that Operation Iraqi Freedom will discourage "rogue states" from acquiring weapons of mass destruction, Iran (like North Korea) might come to see the possession of nuclear bombs as the sole effective defense against a possible American attack.

By spilling over the Central Asian borders into Iraq, the new Great Game over oil has entered its crucial stage. However vehement the denials by the Bush administration, its true intention in Iraq clearly is to turn the country into a strategic oil supplier for the U.S. economy and America's new ally in the Middle East, as an alternative to Saudi Arabia. What is at stake behind the rhetoric of disarmament and human rights is nothing less than the control over the earth's remaining fossil reserves, as envisaged in the May 2001 Cheney report on U.S. national energy policy.

Iraq sits on an astronomic 112 billion barrels of crude, the world's second largest oil reserve. Before the war, Iraq legally exported about two million barrels a day as part of the UN "food for oil" program. Most of its production facilities were in dire need of technical modernization, but the UN sanctions kept foreign investors out. Once U.S. troops bring the country firmly under American control, there will be no shortage of corporate suitors for drilling concessions. Iraq's light, low-sulfur oil, considered to be of supreme quality, often lies right under the surface, allowing for production costs as low as two dollars a barrel.

With the help of \$20 billion of investment in new and existing facilities, Iraqi oil output could soar within a few years to seven million barrels a day, roughly a tenth of global consumption. Abundant supply on the world market would lead to a long-term oil price drop, which is just what lagging Western economies need. "When there is a regime change in Iraq, you could add three to five million barrels of production to world supply [per day]," Bush's then-economic adviser Larry Lindsey bluntly stated as the U.S. war aim in September 2002. "The successful prosecution of the war would be good for the economy."²

The only possible alternative to Saudi Arabia as a “swing supplier,” Iraq has become the linchpin in the U.S. strategy to secure and diversify cheap oil supply while breaking the clout of the Arab-dominated oil cartel OPEC. Lest foreign investors in Iraq be burdened by production limits, a new U.S.-installed government in Baghdad could go as far as pulling the country out of OPEC. Soon, the block of non-OPEC producers, including Russia and the Caspian countries, would churn out enough oil to bust the cartel by undermining its high-price agreements.

In the wake of geostrategic moves, oil corporations are jockeying for the best deals in a post-Hussein Iraq. While it seems absurd that President Bush would launch such a costly military campaign to obtain a handful of lucrative contracts for his Texan oil friends, it is not difficult to imagine that a post-Hussein regime bombed into power by B-52s would favor American suitors for Iraqi oil fields. After meeting with managers of ExxonMobil and ChevronTexaco, Ahmed Chalabi, the leader of the dubious Pentagon backed Iraqi opposition, promised that “American companies will get a big shot at Iraqi oil.”³

A few days later, Lord John Browne, CEO of British Petroleum, which pioneered the discovery of oil in Iraq in the early twentieth century, publicly warned the Blair government that British oil companies would lose out against their American competitors if London did not participate in a war on Iraq.⁴

Oil interests also partly accounted for the antiwar positions of France, China, and particularly Russia. Energy companies from all three countries had concluded with the Hussein regime a number of multibillion-dollar oil contracts, which they feared a new Iraqi government indebted to Washington would declare null and void, only to offer them to U.S. companies. More strategically, the Russian government abhorred the thought that a “liberated” Iraq would flood the world market with cheap oil, reducing the market share for Siberian oil. The Russian state budget, which is financed almost entirely through oil and gas export revenues, has been calculated in expectation of an oil price of twenty-three dollars per barrel. To make matters worse, high production costs in Siberia could cause Western oil corpo-

rations (whose capital Russia tries to attract) to invest in a reopened Iraq instead. “Our budget would collapse,” Aleksei Arbatov, deputy chairman of the Duma’s defense committee, described the consequences.

No matter how many soldiers and civilians have so far died in Iraq and other Great Game battlefields for the sake of brazen energy imperialism, they won’t be the last. With the industrialized world’s addiction to oil growing unabated, more energy wars are a realistic prospect. As the planet’s remaining oil reserves are going to last for only a few more decades, the struggles over access and profits between countries and multinational corporations are fast becoming fiercer, and they continue within the societies of oil-rich countries. In Kazakhstan, Nigeria, Venezuela, Sudan, Angola, the Arab sheikhdoms, and many other countries sudden oil wealth has led to corruption, economic decline, political oppression, revolutions, or civil wars. “We are drowning in the excrement of the Devil,” the Venezuelan OPEC founder Juan Alfonzo once said of an oil boom’s dire side effect.⁵

The fallout of energy imperialism will be felt in the United States and Europe in the shape of floods of refugees and oil price shocks, which will force governments to further increase costly overseas military commitments. In the long run, though, the vulnerability of oil infrastructure in volatile regions makes it virtually impossible to secure energy supply purely by military means. As part of a foresighted security policy, political leaders would be well advised to dilute our nefarious dependence on petroleum through the promotion of renewable energy technologies, which the task of climate protection against the global greenhouse effect urgently requires anyway.

Nearly a hundred years ago, on August 31, 1907, the first Great Game ended when Russian foreign minister Count Alexander Izvolsky and the British ambassador Sir Arthur Nicholson signed a secret treaty in St. Petersburg in which both countries defined their imperial interests in Central Asia. The Russian government accepted that Afghanistan lay in the British sphere of influence. In turn, London pledged never to challenge the Tsar’s rule over the rest of Central Asia.

How long the new Great Game is going to occupy the strategists of the early twenty-first century, and if it will be possible to end it as peacefully, is anyone's guess. As I write these final lines, CNN is showing pictures from Baghdad of "collateral damage" after a Cruise missile attack. An anguished Iraqi man stands in the street, holding in his arms the mangled, blood-covered body of a small boy. Seconds later, the news report is interrupted by commercials for SUVs and painkillers.

Postscript

Iraq: Oil and Terror

"It's important for Americans to remember that America imports more than 50 percent of its oil—more than ten million barrels a day. And the figure is rising. This dependence on foreign oil is a matter of national security. To put it bluntly, sometimes we rely upon energy sources from countries that don't particularly like us."

— George W. Bush, February 25, 2002

The day after U.S. Army soldiers shot and killed Yaass Abbass in May 2003, I realized that America would lose the war in Iraq. The twenty-eight-year-old truck driver from Falluja, a center of Iraqi guerrilla resistance in the Sunni "triangle of death" west of Baghdad, had been an innocent civilian, but that was not the point. Nor was it the sobbing of his five orphaned sons during the bereaved family's mourning ceremony in a hastily set up tent. Not even the outrage of the tribal representatives who arrived to offer condolences, shrouded in white *dishdasha* robes and turbans. What struck me was the U.S. Air Force Apache combat helicopter, which kept hovering above the tent, the engine's roaring noise drowning out the men's recital of verses from the Koran. "The Americans treat us like animals," said Kudair Abbass, one of Yaass's brothers. When I asked him if he wanted revenge, he kept silent but his eyes were filled with tears and hate. The answer was clear and had nothing to do with loyalty to Saddam Hussein.

Falluja was just one destination on my many travels through post-Saddam Iraq that took me from Baghdad to the Kurdish areas in the north, the Shiite cities in the south, and the Sunni region in the west—journeys that reminded me in so many ways of my research for this book in Central Asia. After seeing the Saddam regime's mass graves south of Baghdad, I believe ousting a terrible tyrant was a good cause, however poorly planned and executed. Even the idea that this ouster could remedy the lack of democracy in the Middle East, one of the root causes of terrorism, has had its idealist attractions. Yet I lost count of how many Iraqis I met, be they dignitaries or ordinary men, who told me that "the war is all about oil."

By contrast, U.S. Secretary of Defense Donald Rumsfeld claimed, typically for a Bush administration that has tried to brand war-for-oil critics as conspiracy theorists, that the war "had nothing, absolutely nothing to do with oil." But as the U.S. government's claims of Saddam Hussein's weapons of mass destruction and links to Al Qaeda have turned out to be intelligence failures at best and blatant lies at worst, such denials of the central role of oil in this war are hardly more credible. Surely the U.S. military would not be engaged in the Gulf region if there were only strawberry fields to protect. "Why otherwise was the oil ministry the only government building in Baghdad the American forces never attacked and never allowed the *ali babas* to loot?" an Iraqi once asked me. His question was typical of the distrust of the U.S. government's motives, which has been one of the key factors in the popular insurgencies currently engulfing the country.

Among the many reactions this book received since its publication in the autumn of 2003, one reviewer detected a "not-quite-subconscious European delight in portraying Americans as clumsy imperialists." Fair enough, but the sober truth is that long before the U.S. military's torture practices were revealed, many Iraqis' gratitude for the liberation from the tyrant had been replaced by resentment toward their erstwhile liberators, who have behaved as heavy-handed military occupiers. In the increasingly violent and lawless environment, the American troops and civil administra-

tors were seen as incapable of providing security. The initial plan to rebuild Iraq with the help of oil revenues has largely failed because the country's oil industry is in deplorable shape and the insurgents have repeatedly disrupted exports by sabotaging Iraq's four-thousand-mile pipeline system and the Basra oil terminals. As French, German, and other offers to help finance a massive reconstruction effort, provided it be undertaken under UN auspices, were spurned by Washington, the bill for American taxpayers has soared well beyond \$100 billion. Since George W. Bush triumphantly declared hostilities in Iraq over on May 1, 2003, hundreds of American, British, and other coalition servicemen have been killed, as well as thousands of Iraqis.

The revelation that U.S. military and intelligence services have for months used systematic and widespread torture against Iraqi detainees at the notorious Abu Ghraib Prison and other locations has further outraged the Arab community as well as the rest of the world. It's difficult to underestimate how much damage the revolting images of American soldiers perpetrating beatings, humiliations, sexual perversities, as well as alleged cases of rape and murder—with at the very least the tacit approval of their superiors—have done to America's image and moral authority. Suffice it to say, they seem to confirm Arab suspicions of the "war on terror" being all but a crusade against Muslims and Islam. Worse, these terrible violations of the Geneva Conventions undermine the very liberal and democratic ideals for which the United States went to war.

By not preventing the abuses in Iraq (and in Afghanistan and Guantanamo) and by generally bungling the postwar occupation, the Bush administration has given Osama bin Laden just what he wanted. Across the Middle East, the American presence on Arab soil motivates angry Muslim men to join Al Qaeda-like terror groups that have perpetrated heinous attacks in Saudi Arabia, Turkey, Spain, and other countries. It is difficult to escape the conclusion that the Bush administration's Iraq gamble, one of the "boldest hostile takeovers of all times" (*The Wall Street Journal*), has all but backfired, seriously undermining America's chances of winning the struggle against terrorism.

The Iraq war has also had repercussions in neighboring Central Asia where the new Great Game about oil and hegemony has raged on, with new and intriguing developments. In Afghanistan, powerful warlords such as Ismail Khan now openly challenge the U.S.-supported Karzai regime in Kabul, while the Taliban are on the rebound in the south. They are doubtless heartened by the news from Iraq and by videos of Osama bin Laden taking relaxed afternoon strolls in some alpine valley in the Afghan-Pakistani borderlands. Successive joint U.S.-Pakistani special forces operations to hunt down the Al Qaeda leader have failed so far.

They have continued, however, to serve as a useful pretext for the United States to consolidate its military presence throughout Central Asia. In an effort to deepen crucial alliances in the region, top U.S. officials have routinely visited the region to court its despotic leaders. Contrary to previous assurances that American troops would stay only temporarily, Pentagon officials have now begun to openly talk about a permanent presence in Uzbekistan and Kyrgyzstan, as well as a new base in Azerbaijan.

Moscow reacted in November 2003 by setting up a new military base of its own in Kyrgyzstan for hundreds of troops and dozens of aircraft. Ominously, the base (the first to be opened outside of Russia since the cold war) lies a mere thirty-five miles away from the U.S. airbase at Manas, raising the specter of interstate conflict. At the same time, China has intensified its military cooperation with the Central Asian republics. Even India, which had been, until recently, a behind-the-scenes player in the new Great Game, has entered the fray by establishing a military foothold in Tajikistan.

In October 2003, shortly before his death, the longtime ruler of oil-rich Azerbaijan, Heydar Aliyev, rigged elections to pass on the presidency to his playboy son Ilham. Opposition protests against the establishment of the first dynasty in the former Soviet Union were brutally crushed by Aliyev's security forces, who beat and arrested hundreds of people. Still, U.S. Undersecretary of State Richard Armitage, apparently less concerned with democracy than with stability for Western oil investments, phoned the fledgling dictator to congratulate him on his "strong showing" in the

elections. When American pundits or politicians wonder aloud "why they hate us so much," actions like Armitage's phone call might provide some answers.

It need not be that way. The U.S.-supported overthrow in December 2003 of the Georgian strongman Eduard Shevardnadze, following equally fraudulent elections, showed that protecting strategic energy interests can also promote, however accidentally, democracy. To be sure, the Bush administration's motives for dropping Washington's longtime pet ally in favor of the more pro-American and U.S.-educated lawyer Mikhail Saakashvili was the result of hard-nosed realpolitik. Presiding over an abominably corrupt regime, Shevardnadze was no longer able to provide stability in Georgia, the corridor for major Caspian pipelines and a crucial Great Game battleground. He had previously allowed Russian companies to buy up most of the country's energy sector, which increased Moscow's clout at Washington's expense. The "rose revolution" has done nothing to lessen the rivalry between the United States and Russia, with Moscow reasserting its support for Georgia's separatists in Abkhazia and South Ossetia. Although in May 2004 the Saakashvili regime restored central control over the secessionist province of Ajaria by forcing the local strongman Aslan Abashidze into Russian exile, a new civil war is still a possibility in Georgia.

These developments highlight this book's central argument that the sudden Caspian oil boom has been more of a curse than a blessing for the local people. Today, this tragic "paradox of plenty" (Terry Karl) increasingly affects America and Europe, too, as it has become clear since September 11 how the politics of oil contribute to the rise of radical Islamic terrorism. Saudi petrodollars have been and are still being used to fund anti-American jihadist groups, including Al Qaeda. Now the radical Wahhabis pose a threat to the corrupt Saud dynasty itself, committing frequent terror attacks in Riyadh and endangering a stable supply of oil to the industrialized world.

In Saudi Arabia as in Iraq, terrorists have realized that oil, once described in a statement by Al Qaeda as "the provision line and artery of life to the crusader nation," is their most lethal

weapon. A successful attack on Ras Tanura, the world's largest offshore terminal in Saudi Arabia, "would be more economically damaging than a dirty nuclear bomb set off in midtown Manhattan or across from the White House in Lafayette Square," wrote former CIA Middle East field officer Robert Baer. This "would be enough to bring the world's oil-addicted economies to their knees, America's along with them."

For decades, successive American and European governments were indifferent toward how badly the Middle Eastern regimes treated their people and how much anti-Western hatred they inculcated their youth with—as long they kept the oil flowing. Today, this has become a fatal affair. President Bush acknowledged as much in long overdue speeches in late 2003 where he called on the Egyptian and Saudi governments to make democratic reforms and drain terrorist breeding grounds.

The U.S. government's ability to nudge autocratic regimes toward democratic reform does have its limits. The Bush administration has a credibility problem by repeating the same mistakes in Central Asia, wooing some of the region's most tyrannical dictators, such as Islam Karimov of Uzbekistan. Similar to Saddam Hussein in his brutality, the ex-communist ruler ruthlessly suppresses Islamic groups and any other opposition. After an assassination attempt in 1999, Agence France-Presse quoted him as saying, "I'm prepared to rip off the heads of two hundred people, to sacrifice their lives, in order to save peace and calm in the republic. . . . If my child chose such a path, I myself would rip off his head." Uzbek security forces are notorious for secret executions and ghoulish torture methods such as boiling people alive.

Although the U.S. State Department acknowledges that the Uzbek authorities use "torture as a routine investigation technique" against tens of thousands of political prisoners, Washington in 2002 paid \$500 million to the Karimov regime in exchange for the airbase it allowed the Pentagon to set up on Uzbek territory during the Afghan campaign. This cynical policy has only produced more Islamic terrorists. Some of them perpetrated deadly attacks in the Uzbek capital of Tashkent in April 2004, including the first-ever

suicide bombings in Central Asia. More than forty people died in gun battles between the terrorists and security forces.

Another problem with the proclaimed goal of bringing democracy to the cradles of terrorism, especially the autocratic petrostates in the Middle East, is that an addict cannot force his pusher to change his criminal activities. The United States and Europe are highly dependent on increasingly expensive oil imports. One out of every seven barrels of oil produced in the world is burned on American highways. Much of the oil imports come from the Middle East where two-thirds of the planet's fossil reserves lie. This is the West's Achilles' heel, which so far prevents any government from telling Arab sheiks, "Stop churning out terrorists or else we'll stop doing business with you."

So is it worth mortgaging our security to pursue oil interests? Clearly not. What is urgently needed is a sustainable alternative-energy policy to reduce this dependence on oil and to "defuel" hostile petrostates—for environmental and security reasons. In the short term, this means saving energy through cleaner and more efficient technologies, such as hydrogen fuel cells. The U.S. government's archaic energy policies of yet more fossil-fuel production and waste continue in the wrong direction. We need to realize that more gas-guzzling Hummer SUVs on U.S. highways only leads to more Humvees (and American soldiers) near oilfields. The Caspian region may be the next big gas station but, as in the Middle East, an awful lot of men are already running around throwing matches. A bold policy to end the nefarious addiction to oil would therefore be the best strategy to win the epic struggle against terrorism—and may be the only one that works.

Lutz Kleveman
Paris, May 2004