

Administration views Baku-Ceyhan pipeline as one alternative

by William Jones

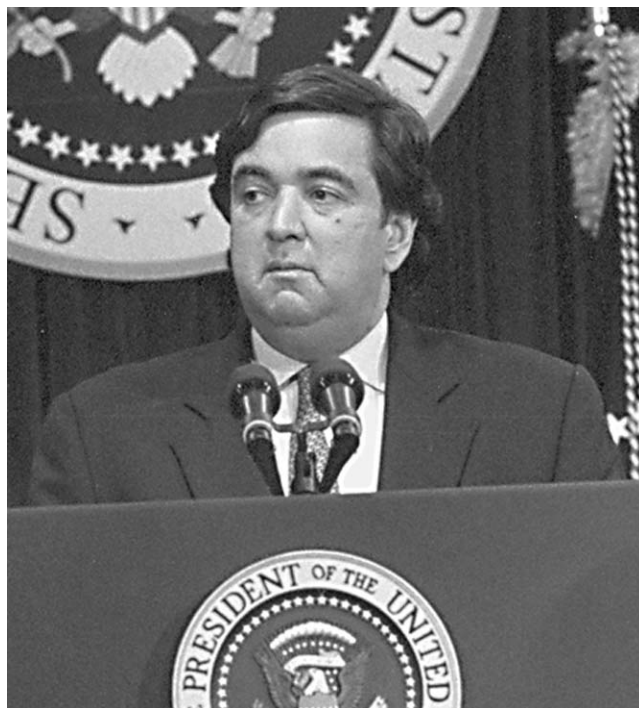
Despite attempts to play geopolitical games around the Baku-Tbilisi-Ceyhan pipeline, and the Trans-Caspian gas pipeline, this costly undertaking is viewed by the Clinton administration as one among several lines, albeit a first choice among lines which either exist now or are in the process of construction, for transporting oil from the Caspian Sea region to the West. Backing for the Baku-Ceyhan route has partly been the result of lobbying by some of the countries in the region, which, given the threatened instability in Russia, desire alternative means of transport to routes that traditionally have gone through Russia. From the beginning, the administration has done everything to propel this proposal forward.

When asked about Russian concerns regarding the line from Baku, Azerbaijan to Ceyhan, Turkey, at a press conference during the Organization for Security and Cooperation in Europe summit in Istanbul on Nov. 18, one senior administration official explained it in the following terms: "Historically, energy from the Caspian has gone north, only north, and then from Russia into world markets," he said. "As I said, the countries and the energy companies that are operating in the region believe that they need to have a multiple pipeline system, and that's what we support—western routes, as well as the routes that already are established or are under construction in Russia. They're not being cut out; the Caspian Pipeline Consortium [under construction] is a major pipeline from Kazakstan to the Russian port of Novorossiysk."

The energy agenda

The general oil and gas policy of the administration, Energy Secretary Bill Richardson told participants at the conference co-sponsored by the Center for Strategic and International Studies (CSIS) and the London *Financial Times* in Washington on Dec. 8-9, is to diversify the type of energy used and to "widely expand the network of oil sources" for the twenty-first century. Richardson identified "an emerging slate of sources: Africa, the Caspian, and Latin America."

At a meeting in Miami of Western Hemispheric energy ministers the day before his appearance at the CSIS conference, Richardson indicated Clinton administration support for an expansion of oil and natural gas pipelines linking Mexico, Central America, Colombia, Brazil, Bolivia, Peru, Argentina, and Chile. He called for the creation of a new window at



U.S. Secretary of Energy Bill Richardson did not endorse the geopolitical lunacies of Brzezinski and company, but the administration's policy is fraught with danger.

the Inter-American Development Bank to facilitate funding for these projects.

A week earlier, at a meeting of the International Energy Administration in Mexico, Richardson outlined a proposal for a Hemispheric Natural Gas Initiative. Richardson also announced that in January, there would be a conference devoted to expansion of energy exploration and development on the African continent.

A fourth area of concentration was indicated in mid-December, when the National Research Council of the U.S. National Academies and the Chinese Academies of Sciences and Engineering announced that a joint report, entitled "Cooperation in the Energy Futures of China and the United States," would be released in January. The report explores avenues for further cooperation in realizing China's energy needs for the twenty-first century.

One point in the Baku-Ceyhan pipeline's favor, is that it would bring Caspian oil into the Mediterranean Sea, avoiding passage through the Bosphorus Strait, which is already clogged with tanker traffic. The fact that President Clinton himself witnessed the signing of the agreements in Istanbul, which marked the formal launching of the project, is one indication of the importance that he attaches to the project. Another is his response to a question on the achievements of his Presidency, at a press conference on Dec. 9, where he included the Caspian agreement as one among several accomplishments. "We've got a Caspian pipeline agreement, which I believe 30

years from now you'll all look back on that as one of the most important things that happened this year," he said.

And yet, the initiative remains extremely problematic. With Brzezinski and his geopolitical co-thinker, Secretary of State Madeleine Albright, intent on using the new relationships in Central Asia and the Caucasus to form a new "arc of crisis" targetting Russia and Iran, the project threatens to become a cat's-paw against stable U.S.-Russian relations. The determined rejection of a shorter and more economical pipeline route through Iran, in an attempt to isolate that important country, could prove to be very troublesome down the road.

The commercial viability of the project also remains to be seen. Many of the oil companies, although eager to cash in on the Caspian "bonanza," are very skittish about bearing the costs of this enormous undertaking, when alternative routes already exist. There is also a great deal of skepticism with regard to the amount of oil that can be profitably extracted from the Caspian region. If the present estimates prove to be significantly over, it will be difficult to make headway on the project, with its \$2.4 billion construction cost.

When presented with the numerous difficulties this project might encounter, a senior administration official admitted that there would be many obstacles to getting the Baku-Ceyhan pipeline up and running by 2004. "The scope of this project is very ambitious. There are many ways that the process could be detoured," he said.

The Silk Road Strategy Act

Brownback's bill is a geopolitical hoax

by Suzanne Rose

Portions of Sen. Sam Brownback's (R-Kan.) "Silk Road Strategy Act" (S. 579) passed Congress on Nov. 17, as part of the Omnibus Budget Bill. Originally introduced in 1997, it was reintroduced, in a watered-down version, as an amendment to the Senate Foreign Operations Appropriations Bill on June 30. It passed the Senate the same day.

When Brownback originally introduced his bill two years ago, it followed—and opposed—the worldwide campaign led by Lyndon LaRouche and Helga Zepp-LaRouche in support of the Eurasian Land-Bridge. In 1991, Lyndon LaRouche had developed a perspective for rebuilding the Eurasian continent after the fall of the Berlin Wall. The

plan, known as the Paris-Berlin-Vienna Productive Triangle, called for utilizing investments and skilled labor in Europe to build transportation corridors linking Europe and Russia. Its Asian counterpart, known as the Eurasian Land-Bridge, was based on the idea of modernizing the old Silk Road transportation routes between China and Europe, to become corridors for economic development.

When this perspective was taken up by the Chinese government, Zepp-LaRouche campaigned for it around the world. She participated in a symposium in Beijing in May 1996 on "The Development of the Nations Along the Eurasian Land-Bridge," delivering a speech there titled "Building the Silk Road Land-Bridge: The Basis for the Mutual Security Interests of Asia and Europe." She told American audiences that it is in the interest of the United States to support the ambitious infrastructure program initiated by the Chinese government to modernize the old Silk Road routes, and that it would become the engine for growth in Eurasia. Railroads would drive the economic development of backward areas, particularly western China and Central Asia, by becoming corridors for agro-industrial infrastructure development of the land areas on either side, creating an export boom for the West, and ensuring economic development, and therefore peace, in the region.

The response of the British geopoliticians and their allies, was to counter this campaign with a strategy, developed at various forums and sponsored by such Conservative Revolution outposts as the Heritage Foundation, and in Congress, to equate "U.S. interests" in the region with various schemes to control and loot its valuable oil, gas, and mineral reserves. Senator Brownback's bill was one focus of their efforts, introduced first in 1997, and revived in March 1999.

A scheme for looting and control

In his remarks to the Senate in June, prior to introducing the Brownback Amendment (an abbreviated version of his bill), Brownback left no doubt that his intention was to assert control over the region—on behalf of the British-American-Commonwealth faction of the establishment and multinational corporations—in order to prevent, as he said, Russia, China, and Iran from dominating it. The area covered by his bill includes eight nations: Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.

Both S. 579, and the amended version which was ultimately passed by Congress, would lay the groundwork for U.S. interventions in the South Caucasus and Central Asia on the basis of "democracy building, free market policies, and human rights"—the same approach which led to the ill-starred intervention in the Balkans by the British-controlled NATO leadership. These circles are seeking confrontation with Russia, as they move to increase control over raw materials, in the Caucasus and Central Asia, among the wealthiest