

# Oil grab seeks to wipe out OPEC

by Joseph Brewda

Among the motives for Margaret Thatcher and George Bush's planned bloody adventure against Iraq, is a long-standing Anglo-American plan to control the oil production of the Persian Gulf, and to completely destroy the Organization of Petroleum Exporting Countries (OPEC). The Anglo-Americans reason that through their planned military occupation of the Gulf, and, consequently, their control of most of the world's oil, they are well situated to dictate terms to an otherwise independent Western Europe and Japan. CIA director William Webster publicly defined the economically competitive Western Europe and Japan as the United States' main enemy, as far back as September 1989. The supposed "end of the Cold War" negotiated at the December 1989 Malta Bush-Gorbachov summit, accelerated the U.S. assault against its traditional allies.

According to unconfirmed reports, King Hussein of Jordan bluntly told key editors of Jordan's press upon his return to Amman after meeting with Bush in Washington, D.C. on Aug. 15, that America's "main targets" are oil-dependent Japan and Europe, as well as the destruction of the Arab states.

## U.S. occupation policy

The U.S. administration has the following policy toward oil production, well-placed sources in the Middle East and Washington say:

First, Saudi Arabia will immediately make up for most of the 4-5 million barrels of oil a day previously produced by Iraq and Kuwait. At first, the Saudi monarchy had proposed that other members of OPEC also increase production to fill the gap. But when other member states balked at this demand, the Saudis announced that they would do the job themselves, at least at the level of 2-3 million barrels a day. That unilateral decision makes a mockery of what remains of OPEC.

Second, the profits from this increased production will go to prop up the U.S. economy. The 2-3 million extra barrels per day that the Saudis are expected to produce, will give Saudi Arabia an additional \$70 million or so in profits a day. These profits will be delivered to the United States, in part as "payment" for the "protection" provided by U.S. forces now occupying their country. Saudi Arabia will also provide

all refined petroleum products needed by U.S. forces, such as jet fuel and gasoline, free of charge.

Moreover, Saudi Arabia has already secretly agreed to pay for the U.S. deployment, which costs some \$500 million a month. The agreement was struck during U.S. Defense Secretary Richard Cheney's first visit to Saudi Arabia shortly following the Iraqi invasion of Kuwait. At the same time, the Bush administration is demanding that the Japanese and Europeans also fork over the cash for the occupation. The Saudis have also agreed to pay compensation to the U.S. troops that are expected to die or be maimed in Bush's mad adventure.

There are also unconfirmed reports, coming out of Jordan, that the Saudis and other Gulf states have additionally agreed to provide the United States some 20% of the entire region's oil output at long-term preferential prices. Europe and Japan, meanwhile, will be forced to buy petroleum at the ever-increasing "free-market" price. Before the crisis broke, oil was \$14 a barrel. As of Aug. 24, the price had zoomed to \$31. If the U.S. bombs Iraq, which seems likely, and if Kuwaiti and Saudi oil fields are hit in response, the price of oil could go as high as \$50-60 a barrel.

According to another scheme that the Bush administration is proposing, the oil reserves of the Gulf, being so vital to the world's economy, should fall under "international trusteeship" protected by U.S. forces, or possibly some United Nations force.

U.S. forces are never intended to leave Saudi Arabia, whatever the outcome of the current crisis. Cheney stated on Aug. 17 that U.S. forces might be in the Saudi kingdom for two years. In reality, as many Arabs sadly note, Saudi Arabia is now a mere colony of the United States, with less status and control over its own affairs than even the Philippines.

To further enforce the destruction of OPEC, which had defended its member states at least to some degree, the Bush administration is applying massive pressure on Mexico and Venezuela to produce vastly more oil than their OPEC quotas allow. In effect, the oil reserves of these states, now defined as of strategic importance to the U.S., will fall under U.S. control.

Simultaneous with these maneuvers, Bechtel, Texaco, and Chevron corporations have all struck new agreements with the Soviet Union to greatly expand its oil and natural gas exports. The U.S.S.R. Union is potentially one of the world's largest petroleum exporters, and petroleum is already one of the Soviets' major sources of foreign exchange.

Yet another feature of the Anglo-Americans' looting scheme is its seizure of Kuwaiti assets abroad, purportedly to defend these assets from Iraq. Kuwait has some \$100-150 billion in foreign assets, primarily in Britain and the United States, including large blocks of stock in British Petroleum and other oil firms. No one expects that either the Kuwaiti royal family, or whatever government ultimately controls that oil-rich state, will ever get its money back.