

and thus cut the price.”

The writer conceded the substantial political benefit the Soviet Union would gain from such an unpopular military intervention by the United States, but dismissed it by saying: “Let the Russians have the influence, and let us have the oil.”

The report to the House of Representatives, too, addresses the potential “strangulation” of the West and the need to “break” OPEC.

“Economic warfare, most notably oil embargoes, currently could threaten most modern societies just as surely as nuclear weapons,” it states. “Degrees of vulnerability depend on relationships between each country’s requirements on one hand and its resources plus stockpiled resources on the other.”

It projected that sustained sanctions by oil exporting nations “would disrupt this country domestically and degrade U.S. security,” but stated that “not even a full-scale OPEC oil embargo would threaten U.S. survival.”

Effective sanctions by OPEC, however, would quickly compromise the economies of major European allies and Japan, it says. An extensive embargo would thus “involve vital interests at a very early stage, ‘strangling’ Nippon and NATO in every sense of that word,” according to the CRS memorandum. “Political, military, economic, and social interests in America would suffer accordingly,” it adds.

The question of whether the U.S. would have an obligation to defend these countries against what CRS called “economic warfare” by OPEC is only briefly addressed in the document. Treaty obligations toward NATO call for joint action only in the case of “armed attack,” the CRS study notes. But, on the other hand, there would be little support from the allies for a military excursion conducted only to assure U.S. oil supplies. In fact, “operations to supply the United States alone could be inimical to NATO’s interests,” it states.

### **Busting cartels through debt**

Cartel-busting was the dominant theme of a memorandum on the future of U.S. economic activities in OPEC countries which was prepared for the Development Coordination Committee by the State Department, the Agency for International Development, the Overseas Private Investment Corp., Eximbank, and the CIA. The report was written for the Development Coordination Committee in November of 1975 and declassified in early 1992.

The “dramatic change” in the fortunes of some low-income OPEC nations, along with their new-found “ability to affect economic conditions worldwide through oil policy decisions,” raises questions about the best form of economic engagement to pursue, it states.

“The primary U.S. objective in dealing with the cartel,” it continues, “is to minimize its adverse effects on our economy, either through price or quantity actions on their part. This

## **New light on Desert Storm**

Newly released documents from the Ford-Rockefeller administration give the background to *EIR*’s analysis that the 1990 Anglo-American occupation of the Persian Gulf and 1991 war against Iraq, had nothing to do with the Iraqi occupation of Kuwait. As the accompanying article analyzing these documents shows, a U.S. plan to seize the region’s oil fields, and also destroy the Organization of Petroleum Exporting Countries (OPEC) by other means, had been seriously considered 15 years ago. These plans were later implemented by the Bush administration under the pretext of protecting the region from “Iraqi aggression.” In many cases, the cast of characters in the Ford and Bush administrations was the same.

Although Iraq has now been crushed, the Anglo-Americans are not leaving. Under the cover of granting U.S. and British “basing rights,” Saudi Arabia, Kuwait, Oman, Bahrain, and other states in the region, have agreed that their military occupation will be permanent.

OPEC, meanwhile, has been all but destroyed. At a September 1991 OPEC meeting, Saudi Oil Minister Hisham Nazer proclaimed that Saudi Arabia would produce as much oil as it wanted, regardless of OPEC quotas, which are intended to fix a price. “Nobody has to approve what Saudi Arabia produces,” he claimed, provoking the Algerian representative to ask, “What then is the need for OPEC?” In October, Nazer told *Petrostrategies* that the Saudis might open up their oil fields to foreign ownership, reversing the policy of oil nationalization upon which OPEC, and even Arab sovereignty, has been based.

Iraq’s continuing refusal to allow the U.N. to determine its future oil production policy, on the other hand,

objective may be pursued by actions which would weaken the cartel and bring market forces to bear more heavily on oil prices or to negotiate and influence cartel members on their actions.”

The DCC memorandum provides no details about how the various “policy tools” of the U.S. foreign aid arsenal might be used to “weaken the cartel” or to “influence cartel members,” but it does contain a lengthy discussion of the economic needs of the three least-developed OPEC nations—Nigeria, Indonesia, and Ecuador—and of the available options for extending loans and other development assistance. The use of technical assistance programs and international financial institutions, it explains, would be a valuable mechanism for establishing political ties and main-

may yet be the reason cited for a new Anglo-American military assault.

### **Bush and the Ford administration**

One striking feature of the Ford era plans now made public is that the same figures active in plotting against OPEC then, were later key figures in planning and executing the Bush administration's Operation Desert Storm.

As the documents show, the Ford administration's little known Development Coordination Committee was then involved in plans to bust OPEC. There were 10 members of the shadowy inter-agency committee. One was James Baker III, then undersecretary of commerce. Another was Brent Scowcroft, Ford's deputy national security adviser. Scowcroft would soon be Ford's national security adviser, a post he holds for Bush today. A third conspirator was future Reagan-Bush CIA director William Casey, then president of the Overseas Private Investment Corp. The committee was informally run by Secretary of State Henry Kissinger who remains a guiding influence on Bush to this day. Bush was himself CIA director for part of this period, and the CIA helped prepare the inter-agency committee's studies. Current Defense Secretary Richard Cheney was then the powerful Ford White House Chief of Staff.

This same group also authored a series of National Security Council memoranda in the Nixon and Ford years that called for reducing the population of several Third World states, in part to secure access to their raw materials. National Security Study Memorandum 200 (NSSM 200) and its sequels, prepared by Kissinger and Scowcroft, targeted Iran, Algeria, Nigeria, Indonesia, and other states for population reduction. These same states were then also potential targets of U.S. invasions to secure oil supplies.

### **Unsolved murders**

The documents also shed light on some important assassinations in the Ford years whose effects are still important today.

On March 25, 1975, King Faisal of Saudi Arabia was assassinated, shortly after a violent meeting with then Secretary of State Henry Kissinger over Saudi policy toward Israel and toward the price of oil. The assailant, a deranged nephew who had a strange circle of friends in Colorado and California, had gained access to the king. The Saudi interior minister at the time, Prince Fahd, is today the Saudi monarch.

On Feb. 13, 1976, Murtala Mohammed, the President of oil-rich Nigeria, was killed by another deranged assailant. Murtala Mohammed was an open opponent of Henry Kissinger. His successor, Olusegun Obasanjo, is now in retirement at the Washington-based Center for Strategic and International Studies, where he is a close associate of former World Bank president and U.S. Defense Secretary Robert McNamara. The assassination took place a few weeks after George Bush replaced William Colby as CIA director.

Within hours of the Aug. 2, 1990 Iraqi invasion of Kuwait, Saudi ambassador to the U.S. Prince Bandar met with George Bush. Following the meeting, Bandar sent a memo to King Fahd calling upon him to accept hundreds of thousands of U.S. troops on Saudi soil even though an Arab diplomatic solution to the crisis was then still attainable and even likely. Accept the troops, Bandar said, "because I have been informed by the U.S. administration that its decision in this regard is final, whether or not Riyadh agrees to ask in U.S. troops. Therefore, I suggest that an invitation be extended so that it would not look like an occupation by force." Bandar is now Bush's favorite to replace Fahd as King.—*Joseph Brewda*

taining a U.S. presence in nations that might otherwise use oil exports as a political weapon against the United States.

It was more than 15 years after the Congressional Research Service completed its feasibility study that the United States finally staged a full-scale military offensive in the Persian Gulf. But questions remain as to whether the Ford-era plan was ever really abandoned at all. Reports about an alleged meeting between high-level Kuwaiti officials and former CIA chief William Webster less than a year before Iraq's invasion of Kuwait suggest that the U.S. may simply have waited for a thaw in the Cold War to make its move.

Kuwait's former Security Chief, Brig. Gen. Fahad Ahmed Al-Fahd, is quoted in one such report, taken from Kuwaiti files and released by the Iraqi government, as saying:

"We agreed with the American side that it was important to take advantage of the deteriorating economic situation in Iraq in order to put pressure on that country's government to delineate our common border. The CIA gave us its view of appropriate means of pressure, saying that broad cooperation should be initiated between us on condition that such activities are coordinated at a high level."

The OPEC oil embargo, of course, was never repeated. But clearly the rationale for military dominance by the West still exists. As Professor Tucker of Johns Hopkins wrote in 1975, "the essential meaning of the oil crisis is that the developed and capitalist states are at the end of a long period of rapid economic growth made possible in large measure by the cheap raw materials of the undeveloped world."