

Oil company adviser named US representative to Afghanistan

Patrick Martin
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President Bush has appointed a former aide to the American oil company Unocal, Afghan-born Zalmay Khalilzad, as special envoy to Afghanistan. The nomination was announced December 31, nine days after the US-backed interim government of Hamid Karzai took office in Kabul.

The nomination underscores the real economic and financial interests at stake in the US military intervention in Central Asia. Khalilzad is intimately involved in the long-running US efforts to obtain direct access to the oil and gas resources of the region, largely unexploited but believed to be the second largest in the world after the Persian Gulf.

As an adviser for Unocal, Khalilzad drew up a risk analysis of a proposed gas pipeline from the former Soviet republic of Turkmenistan across Afghanistan and Pakistan to the Indian Ocean. He participated in talks between the oil company and Taliban officials in 1997, which were aimed at implementing a 1995 agreement to build the pipeline across western Afghanistan.

Unocal was the lead company in the formation of the Centgas consortium, whose purpose was to bring to market natural gas from the Dauletabad Field in southeastern Turkmenistan, one of the world's largest. The \$2 billion project involved a 48-inch diameter pipeline from the Afghanistan-Turkmenistan border, passing near the cities of Herat and Kandahar, crossing into Pakistan near Quetta and linking with existing pipelines at Multan. An additional \$600 million extension to India was also under consideration.

Khalilzad also lobbied publicly for a more sympathetic US government policy towards the Taliban. Four years ago, in an op-ed article in the *Washington Post*, he defended the Taliban regime against accusations that it was a sponsor of terrorism, writing, "The Taliban does not practice the anti-U.S. style of fundamentalism practiced by Iran."

"We should ... be willing to offer recognition and humanitarian assistance and to promote international economic reconstruction," he declared. "It is time for the United States to reengage" the Afghan regime. This "reengagement" would, of course, have been enormously profitable to Unocal, which was otherwise unable to bring

gas and oil to market from landlocked Turkmenistan.

Khalilzad only shifted his position on the Taliban after the Clinton administration fired cruise missiles at targets in Afghanistan in August 1998, claiming that terrorists under the direction of Afghan-based Osama bin Laden were responsible for bombing US embassies in Kenya and Tanzania. One day after the attack, Unocal put Centgas on hold. Two months later it abandoned all plans for a trans-Afghan pipeline. The oil interests began to look towards a post-Taliban Afghanistan, and so did their representatives in the US national security establishment.

Born in Mazar-e Sharif in 1951, Khalilzad hails from the old ruling elite of Afghanistan. His father was an aide to King Zahir Shah, who ruled the country until 1973. Khalilzad was a graduate student at the University of Chicago, an intellectual center for the American right-wing, when the Soviet Union invaded Afghanistan in 1979.

Khalilzad became an American citizen, while serving as a key link between US imperialism and the Islamic fundamentalist mujahedin fighting the Soviet-backed regime in Kabul—the milieu out of which both the Taliban and bin Laden's Al Qaeda group arose. He was a special adviser to the State Department during the Reagan administration, lobbying successfully for accelerated US military aid to the mujahedin, including hand-held Stinger anti-aircraft missiles which played a key role in the war. He later became undersecretary of defense in the administration of Bush's father, during the US war against Iraq, then went to the Rand Corporation, a top US military think tank.

After Bush was installed as president by a 5-4 vote of the US Supreme Court, Khalilzad headed the Bush-Cheney transition team for the Defense Department and advised incoming Defense Secretary Donald Rumsfeld. Significantly, however, he was not named to a subcabinet position, which would have required Senate confirmation and might have provoked uncomfortable questions about his role as an oil company adviser in Central Asia and intermediary with the Taliban. Instead, he was named to the National Security Council, where no confirmation vote was

needed.

At the NSC Khalilzad reports to Condoleeza Rice, the national security adviser, who also served as an oil company consultant on Central Asia. After serving in the first Bush administration from 1989 to 1992, Rice was placed on the board of directors of Chevron Corporation and served as its principal expert on Kazakhstan, where Chevron holds the largest concession of any of the international oil companies. The oil industry connections of Bush and Cheney are well known, but little has been said in the media about the prominent role being played in Afghan policy by officials who advised the oil industry on Central Asia.

One of the few commentaries in the America media about this aspect of the US military campaign appeared in the *San Francisco Chronicle* last September 26. Staff writer Frank Viviano observed: “The hidden stakes in the war against terrorism can be summed up in a single word: oil. The map of terrorist sanctuaries and targets in the Middle East and Central Asia is also, to an extraordinary degree, a map of the world’s principal energy sources in the 21st century.... It is inevitable that the war against terrorism will be seen by many as a war on behalf of America’s Chevron, Exxon, and Arco; France’s TotalFinaElf; British Petroleum; Royal Dutch Shell and other multinational giants, which have hundreds of billions of dollars of investment in the region.”

This reality is well understood in official Washington, but the most important corporate-controlled media outlets—the television networks and major national daily newspapers—have maintained silence that amounts to deliberate, politically motivated self-censorship.

The sole recent exception is an article which appeared December 15 in the *New York Times* business section, headlined, “As the War Shifts Alliances, Oil Deals Follow.” The *Times* reported, “The State Department is exploring the potential for post-Taliban energy projects in the region, which has more than 6 percent of the world’s proven oil reserves and almost 40 percent of its gas reserves.”

The *Times* noted that during a visit in early December to Kazakhstan, “Secretary of State Colin L. Powell said he was ‘particularly impressed’ with the money that American oil companies were investing there. He estimated that \$200 billion could flow into Kazakhstan during the next 5 to 10 years.”

Secretary of Energy Spencer Abraham also pushed US oil investments in the region during a November visit to Russia, on which he was accompanied by David J. O’Reilly, chairman of ChevronTexaco.

Defense Secretary Rumsfeld has also played a role in the ongoing oil pipeline maneuvers. During a December 14 visit to Baku, capital of Azerbaijan, he assured officials of the oil-rich Caspian state that the administration would lift

sanctions imposed in 1992 in the wake of the conflict with Armenia over the enclave of Nagorno-Karabakh.

Both Azerbaijan and Armenia have aligned themselves with the US military thrust into Central Asia, offering the Pentagon transit rights and use of airfields. Rumsfeld’s visit and his conciliatory remarks were the reward. Rumsfeld told President Haydar Aliyev that the administration had reached agreement with congressional leaders to waive the sanctions.

On November 28 the White House released a statement hailing the official opening of the first new pipeline by the Caspian Pipeline Consortium, a joint venture of Russia, Kazakhstan, Oman, ChevronTexaco, ExxonMobil and several other oil companies. The pipeline connects the huge Tengiz oilfield in northwestern Kazakhstan to the Russian Black Sea port of Novorossiysk, where tankers are loaded for the world market. US companies put up \$1 billion of the \$2.65 billion construction cost.

The Bush statement declared, “The CPC project also advances my Administration’s National Energy Policy by developing a network of multiple Caspian pipelines that also includes the Baku-Tbilisi-Ceyhan, Baku-Supsa, and Baku-Novorossiysk oil pipelines and the Baku-Tbilisi-Erzurum gas pipeline.”

There was little US press coverage of this announcement. Nor did the media refer to the fact that the pipeline consortium involved in the Baku-Ceyhan plan, led by the British oil company BP, is represented by the law firm of Baker & Botts. The principal attorney at this firm is James Baker III, secretary of state under Bush’s father and chief spokesman for the 2000 Bush campaign during its successful effort to shut down the Florida vote recount.



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