

# From the horse's mouth: Greenspan says Iraq war was for oil

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19 September 2007

In a newly released memoir, former US Federal Reserve Chairman Alan Greenspan has written that the US invasion of Iraq was “largely about oil” and dismissed the official explanations the Bush administration used as a pretext for launching the war.

In a widely cited excerpt from his book—*The Age of Turbulence: Adventures in a New World*—Greenspan writes, “Whatever their publicized angst over Saddam Hussein’s ‘weapons of mass destruction,’ American and British authorities were also concerned about violence in an area that harbors a resource indispensable for the functioning of the world economy.

“I am saddened that it is politically inconvenient to acknowledge what everyone knows: the Iraq war is largely about oil.”

Greenspan’s acknowledgement of the predatory character of the war provoked an immediate response from the White House and the Pentagon. White House spokesman Dana Perino said the president was “a bit surprised” by the memoir and claimed that Greenspan had “clarified” his remarks in a subsequent interview with the *Washington Post*.

Defense Secretary Robert Gates, appearing on ABC’s “This Week” program Sunday, denied that oil was the central issue in the war, saying, “I think that it’s really about stability in the Gulf. It’s about rogue regimes trying to develop weapons of mass destruction. It’s about aggressive dictators.”

Gates added that he heard “the same allegation about the Gulf War in 1991, and I just don’t believe it’s true.”

In fact, Greenspan, who led the US central bank for 18 years before retiring in January 2006, was deeply involved in the discussions before the war and knows exactly of what he speaks. According to his interview

with *Washington Post* reporter Bob Woodward, he attended several private meetings with Bush and Cheney where he made the point that Saddam Hussein’s removal was essential for the US and global economy.

Greenspan acknowledged that he was in full agreement with the plan to overthrow the Hussein regime, either through war or covert action. “I wasn’t arguing for war per se,” he claimed. But to “take [Hussein] out, in my judgment, it was something important for the West to do and essential, but I never saw a Plan B”—i.e., an alternative to military action.

Referring to Bush and Cheney, Greenspan said, “I have never heard them basically say, ‘We’ve got to protect the oil supplies of the world,’” but “that would have been my motive.” Greenspan told the *Post* that he made this argument to White House officials and that one lower-level official, whom he declined to identify, told him, “Well, unfortunately, we can’t talk about oil.”

In other words, the administration realized it could not sell the war to the American people by explaining its real aims. Instead, with the full support of the media and the Democratic Party, the White House concocted its lies about weapons of mass destruction and terrorist ties. On this basis it launched a criminal war, which has destroyed Iraqi society, claiming the lives of more than one million Iraqis and nearly 4,000 US soldiers.

After Greenspan’s admission was widely publicized he sought to deflect responsibility from the White House. “I was not saying that that’s the administration’s motive,” Greenspan lamely claimed, “I’m just saying that if somebody asked me, ‘Are we fortunate in taking out Saddam?’ I would say it was essential,” he told Woodward.

Greenspan continued, “If Saddam Hussein had been

head of Iraq and there was not oil under those sands, our response to him would not have been as strong as it was in the first Gulf war. And the second war is an extension of the first.

“My view is that Saddam, looking over his 30-year history, very clearly was giving evidence of moving towards controlling the Straits of Hormuz, where there are 17, 18, 19 million barrels a day passing through.” Even a small disruption of the flow of oil would drive prices as high as \$120 a barrel and would mean “chaos” to the global economy, Greenspan told the *Post*.

“Given that, ‘I’m saying taking Saddam out was essential,’ he said.” Nevertheless, Greenspan told the newspaper he wasn’t implying that the war had been an “oil grab.”

The oil interests behind the war are well documented. During the 2001 meetings of Cheney’s Energy Task Force, administration officials and executives from America’s top energy giants pored over maps of Iraq’s oilfields, pipelines and refineries, with a supporting list of “Foreign Suitors for Iraqi Oilfield Contracts,” which noted more than 30 countries, with the exception of the US and England, that had projects either agreed upon or under discussion with Baghdad.

With US-led sanctions against the war-torn country breaking down and Iraq’s oil wealth being opened up to some of America’s chief economic rivals, including Russia, China and France, the Bush administration decided to launch the war to seize control of Iraq’s immense resources in order to assert US hegemony over the world economy.

Greenspan’s reference to the importance of the Straits of Hormuz is particularly noteworthy. It is not Iraq that faces this strategic waterway, but Iran. Administration officials, once again backed up by the media and the Democrats, are arguing that Iran’s alleged nuclear weapons program may require a military confrontation and the overthrow of the Tehran regime. Preparations for a bombing campaign are already under way.

Speaking for the most rapacious sections of corporate America and freed from the political restraints of his former position, Greenspan now appears to have fewer qualms about letting the cat out of the bag and stating the real aims of the war.



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