

Cheney's Ploy To Grab Central Asian Energy

by Ramtanu Maitra

Speaking before the U.S. House of Representatives International Relations Committee on April 26, Assistant Secretary of State for South and Central Asian Affairs Richard Boucher unravelled a dubious plan for Washington to gain control over Central Asian energy distribution. The plan called for the United States to develop an energy grid to integrate energy-rich Central Asia with energy-starved South Asia.

It is certain that if any attempt is made to implement it, however, the plan is destined to fail, just as the plan led by Vice President Dick Cheney and the neo-conservatives had earlier failed in Iraq. It is well established now that Americans were made to believe that gaining control over Iraq was a “cakewalk,” that it would be a matter of months before Saddam Hussein would be gone, and Iraq’s oil would be feeding American automobiles; it was only later that Americans came to understand the truth. The newfangled plan touted by Assistant Secretary Boucher will fail from the beginning, because the South Asian nations—both India and Pakistan—have no intention of making their future economic development dependent on energy resources supplied by the United States.

To begin with, both India and Pakistan have developed a capability for commercial nuclear power generation and would like to depend more and more on nuclear power in the future. India has already developed the full nuclear fuel cycle, and it manufactures its own reactors. It is now in the market to import reactors from Russia, France, and the United States. Pakistan, on the other hand, is in the process of ordering new reactors from China. In addition, it has been proven many times over to the South Asian nations that the United States is not a reliable partner, and there are many other nations in the region that are considered by both India and Pakistan as reliable suppliers of oil and gas.

Nonetheless, the grandiose plan laid out by Boucher, “to advance regional economic development and integration,” suggests that Washington have a strategic dialogue with the countries of the region, including the most unstable, Afghanistan. Boucher said: “In partnership with multilateral development banks and other donors—we want to help build new links among the countries of the broader region and connect them more closely to the rest of the world. One of our leading objectives is to fund a greatly expanded Afghan power grid, with connections to energy sources in Central



Vice President Dick Cheney and Kazakhstan President Nursultan Nazarbayev in Astana, Kazakhstan on May 5. The Cheneyacs are offering to use Central Asia energy sources to supply energy-poor South Asia, but India and Pakistan aren't buying the U.S. plan.

Asia. It's a winning solution for both sides, providing much-needed energy to Afghanistan and serving as a major source of future revenue for countries like Tajikistan and Kyrgyzstan."

Energy Integration or Geopolitics?

The Bush Administration's plan, as Boucher pointed out, includes new energy routes that will ensure that the next generation of South and Central Asian entrepreneurs have access to the resources they need to prosper.

"We want to give South Asians access to the vast and rapidly growing energy resources in Central Asia, whether they are oil and gas in Kazakhstan and Turkmenistan, thermal power in Uzbekistan, or hydropower in Tajikistan and Kyrgyzstan. This vision is within our grasp. Within the next few years, we expect to see private investment lead to the establishment of a 500-kilovolt power line transmitting much-needed electricity from Central Asia across Afghanistan to Pakistan and India."

Prior to Boucher's testimony, a number of U.S. officials and policy makers had laid out an almost identical plan. For instance, Daniel Fried, Assistant Secretary for European and Eurasian Affairs, pointed out that the trade links of the ancient Silk Road need to be revitalized to provide Central Asia with greater access to the global economy, through both South Asia and Europe. In his statement before the Subcommittee on the Middle East and Central Asia of the House International Relations Committee on Oct. 27, 2005, Fried said that to advance these goals, the United States is "hard at work with our partners in Afghanistan and Tajikistan to build the roads and bridges essential to revitalizing regional and global trade.

... In addition, we are exploring hydropower as a potential major source of revenue for Kyrgyzstan and Tajikistan, and a possible catalyst for economic growth in Afghanistan."

The recently issued "National Security Strategy—2006" expressed as much interest about the U.S. presence in Central Asia, but had somewhat of a slightly different formulation. It said: "Central Asia is an enduring priority for our foreign policy. The five countries of Central Asia are distinct from one another and our relations with each, while important, will differ. In the region as a whole, the elements of our larger strategy meet, and we must pursue those elements simultaneously: promoting effective democracies and the expansion of free-market reforms, diversifying global sources of energy, and enhancing security and winning the War on Terror."

U.S. Energy Secretary Sam Bodman was recently in Astana, Kazakhstan, where he said Kazakhstan should lead the effort to develop the energy sector infrastructure and set up additional transit routes for energy resources. Although he talked exclusively on that occasion about energy resources, it is worth noting that high-level U.S. officials have begun to give an impression that Washington has embarked on a new policy in Central Asia.

Challenging Russia and China

Addressing the U.S. House International Relations Committee on April 26, the same committee that Assistant Secretary Boucher addressed, Drew W. Luten III, Acting Assistant Administrator for Europe and Eurasia, U.S. Agency for International Development, pointed out, in no uncertain terms, that Central Asia is where the Russian, Chinese, Iranian, and South Asian nations' energy interests meet. He said that Kazakhstan, Turkmenistan, and Uzbekistan all boast substantial petroleum reserves. Turkmenistan is the second-largest natural gas producing country in the former Soviet Union. Kazakhstan has large oil and gas reserves. Its giant, offshore Caspian Kashgan field is one of the most important petroleum finds in 30 years.

"The United States, as a significant energy importer, has a vital interest in ensuring that efficient export outlets are developed and that Central Asia emerges as an important source of energy in the years ahead, not just for the United States but for the world market," said Luten.

There is a saying that when something sounds too good to be true, it usually is. Washington's expressed concern about Central Asian energy development for the integration of Cen-

tral Asia is such a case. In reality, what Luten conveyed to the U.S. lawmakers is that the resource-grabbing Bush Administration wants to ensure that the Central Asian energy sources come under Washington's control for a "good cause."

Two years ago, in April 2004, Winston Lord, the co-chairman of the International Rescue Committee and a former U.S. Ambassador to China, said China, especially, is emerging as a strong actor in Central Asia. Speaking at the New York-based Asia Society, he said: "There's no question that both India and China have strong energy needs, and as their economies grow they are consuming more and more energy. And Central Asia being where it is, physically, is obviously an attractive area for both countries. So it's a potential source. I know that China's working very hard in this, but I'm not familiar with what India is doing in that region, to be honest. It is a potential source of [possible] cooperation, a multinational project, or could be a competition, but I just don't know about what India is up to."

Bones of Contention

Similar views were expressed also by Commander Alan Lee Boyer, U.S. Navy, in an article in the *Naval War College Review*, Winter 2006. He said Central Asia's strategic importance is based on three factors: location, human rights, and energy. "The first factor, location, is important because of who lies upon the borders. The second factor, human rights, is a major U.S. national interest and an objective of the George W. Bush administration's foreign policy. The last factor, energy, is important not because Central Asian oil will free the West from dependence on OPEC oil but because of its impact on corruption and other indicators of state failure."

By putting forward the plan before the U.S. lawmakers, the Bush Administration has made clear that it would like to muscle into Central Asia. But Washington tends to ignore the fact that the nations in that region have become increasingly wary of Washington's interests. There are many bones of contention with Washington. At this point, the thorniest relationship is with the Shanghai Cooperation Organization (SCO), a regional security body whose members include China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan. The SCO was formed in the mid-1990s, largely to resolve border and disarmament disputes between China and Russia. The group has since gained in prominence, tackling issues of trade, counterterrorism, and drug trafficking. Some experts cite a convergence of interests among members in recent years, including the perceived threat posed by U.S. forces in the region. Increasingly, the SCO is being used by Russia and China as a vehicle to assert their influence in the region, says Gen. William E. Odom, a senior fellow at the Hudson Institute.

Last year, the SCO had stated that the U.S. bases in Uzbekistan and Kyrgyzstan were not meant to be permanent and were only installed to assist the U.S.-led war in Afghanistan, which SCO members say has ended. Washington was not

only miffed, but flummoxed. Although a Pentagon spokesman hinted on July 15, 2005 that the bases were not "critical" to the U.S. mission in Afghanistan, the United States has generally said it will pull its forces from the region only after Afghanistan is "stabilized," and has not set a specific timeline.

The Bush Administration has come to realize that Russia views the U.S. presence in the post-Soviet region, including the eastward expansion of the North Atlantic Treaty Organization, with increasing suspicion, after uprisings in Ukraine, Georgia, and Kyrgyzstan unseated leaders loyal to the Kremlin. Many in Moscow argue that these so-called "color revolutions" were the work of U.S.-funded non-governmental organizations.

Experts also say that Beijing sees the U.S. military presence along its western border as part of Washington's strategy to contain China. Energy is another major Chinese concern, especially securing access to oil and natural gas from the Caspian basin, located roughly 1,500 miles to the west.

Economic Isolation of Iran

In essence, beyond throwing a challenge to the SCO, the Boucher statement has other intents. For instance, U.S. relations with Iran have deteriorated to the verge of ensuing an armed conflict. For years, both Pakistan and India were getting closer to Iran, to get its energy resources in large quantities. Reports indicate that China is getting ready to sign a \$100 billion energy contract with Iran. If that happens, the Bush Administration will find itself in a very difficult situation vis-à-vis Iran. One of the reasons that Cheney and company have floated the grandiose Central Asian energy plan to integrate Central Asia with South Asia, is to isolate Iran and prevent it from supplying its oil and gas to the Indian subcontinent.

Washington hopes that this proposal will meet with some support in New Delhi and Islamabad. Both India and Pakistan are energy-starved, and they find the Iran-U.S. conflict could be a major roadblock to their securing oil and gas from Iran. On the other hand, Washington hopes that if the United States could come up with a plan to ensure both India and Pakistan a supply of oil, gas, and electricity from Tajikistan and Kyrgyzstan, such a plan would be widely welcomed in the Indian subcontinent. However, none of that hoped for support has surfaced.

At this point, some in Washington are upbeat on its friendly relations with India and gloat that the United States has improved its relations with India, while simultaneously strengthening its strategic relationship with Pakistan. The Cheneyacs have come to believe that the South Asian reliance on the United States for energy will be an effective counterpoint to the increasing influence of China and Russia in the region. And what Dick Cheney denies in this context, is that both China and Russia are world powers located in the region. Neither India, nor Pakistan, under any foreseeable circumstances, would do anything to allow the United States to undermine Russia or China in the region.