EXECONOMICS

Arabs Turn to LaRouche for Strategic Vision for Mideast

by Muriel Mirak-Weissbach

The keynote of the June 2-3 conference in the United Arab Emirates on "The Role of Oil and Gas in World Politics" was given, not by an Arab, but by Lyndon LaRouche, candidate for the 2004 Democratic nomination for U.S. President. In the U.A.E.'s capital, Abu Dhabi, leading personalities from Arab oil-producing nations gathered at the Zayed Centre for Coordination and Follow-Up of the Arab League; they heard LaRouche speak on "The Mideast as a Strategic Crossroad." His participation underscored the growing influence of his ideas in the Arab and Islamic world, especially since the dramatic events of Sept. 11.

Where official Washington is viewed with circumspection, and the policies of the "war against terrorism" have generated fear and mistrust, LaRouche has become known as a trusted interlocutor, whose policy alternatives represent the true interests not only of the Arab and Islamic world, but of the United States itself.

The Zayed Centre emphasized in pre-conference releases issued to all the major Arabic press, that it "does not want this dialogue to be an Arab-to-Arab dialogue, but . . . an Arab dialogue with all parties in the world that are interested in the issues and future of the Arab world." The release added that "the major American politician and Presidential candidate" was invited "as an appreciation of the positive stances expressed by LaRouche toward the causes of the Arab nation and just causes in all parts of the world in general."

Seeking Alternative to War, Destabilization

In the targetting of Arabs and Muslims worldwide as supporters of terrorism since Sept. 11, oil giant Saudi Arabia, Iran, and Iraq have been singled out for special attention. At the same time, the forces behind the Sept. 11 attempted coup d'état pushed the Bush Administration into backing Israel's

war on the Palestinians, opening a Clash of Civilizations war against Islam, which they intended to unleash with the World Trade Center and Pentagon attacks. Under the same banner, an Anglo-American force has extended its military presence into the resource-rich areas of Central Asia and the Caucasus. Scenarios spun by leading British and U.S. think-tanks have openly proposed to knock out Iraqi and/or Iranian oil production by pre-emptive strikes, and then, to secure a oil supply by taking over Saudi oil fields by military force. Or, in alternative versions, that the United States could simply abandon the area to war, and draw for its energy needs on the alternative sources in the nations of the former Soviet Union—the energy agreement signed at the recent summit between U.S. President George Bush and Russian President Vladimir Putin is so described

Thus, the Mideast oil-producing nations' fears of destabilization are well-founded and real. It is in this context that the Abu Dhabi conference took its special character. The organization which arranged it, the Zayed Centre, is recognized by leading Arab powers, as a crucial intellectual and political institution forum for both Arab-Arab and Arab-international discussion. Founded in 1997 at the initiative of the U.A.E. President, it has a dense program of activities, sponsoring single lectures on a regular basis, and international conferences several times a year. Saudi Foreign Minister Prince Saud Al-Faisal, recently praised it for "tackling issues of the Arab world . . . [and] developing a concept of integration and unity in the Arab and Islamic countries."

The center is under the high patronage of H.H. Sheikh Sultan Bin Zayed Al-Nahyan, Chairman of the center and Deputy Prime Minister, who presided over the opening session which LaRouche keynoted.

LaRouche was introduced by Mohammed Khalifa Al

4 Economics EIR June 14, 2002



Lyndon LaRouche with Dr. Ubaid bin Masood al-Jahni between sessions of the widely followed conference on "The Role of Oil and Gas in World Politics" at the Zayed Centre in Abu Dhabi. The conference was held June 2-3; LaRouche's address was given on the first day.

Murar, executive director of the ZCCF, who emphasized LaRouche's "critical vision, inside the U.S. and worldwide," adding that the candidate lived "politics as human thought," preserving his "integrity and honesty." LaRouche's keynote (printed below) defined the Middle East, which historically has been a crossroads of civilization between Asia and Africa, as a strategic crossroads today. His approach was much appreciated for bringing a much-needed view of optimism into an otherwise gloomy picture.

Many speakers displayed a preoccupation with instability in oil prices and markets, and with political trends in the United States in particular shifting away from the Gulf region. H.E. Obeid bin Saif Al-Nasiri, Minister of Petroleum and Mineral Resources of the U.A.E., emphasized that the region's oil and gas reserves are the highest in the world, and should continue to provide energy worldwide for decades to come. However, he said, various factors, including the Arab-Israeli conflict, were discouraging investments in the region, and adding to instability. The minister cited Russia's having broken its agreement with the Organization of Petroleum Exporting Countries on production, and hoped that Russia would cooperate with OPEC and others to stabilize the market.

Several speeches dealt with the fraud of the Caspian Sea "bonanza." The Chairman of the Arabian Gulf Center for Energy and Strategic Studies in Saudi Arabia, Dr. Ubaid bin Masood al-Jahni, showed in his presentation that the proven reserves of OPEC, or those of the Persian Gulf producers alone, dwarf those of the Caspian. The Gulf region possesses more than 60% of the world oil reserves. Some 40% of world oil imports, and 59.1% of America's, are supplied by the Gulf region. He added that the world, including China, is slated

to increase oil dependence on the Gulf through the year 2008. Citing the International Energy Agency 1999 report, he indicated that total world demand in the first quarter of 1999 reached 74.9 million barrels per day (bpd); reports by the U.S. Department of Energy in 1999 and 2000 showed it increasing to 117.4 million bpd in 2020.

Dr. Al-Jahni said that the world demand on oil during 1997-2020 will increase at 1.3% annually; that OPEC oil will remain in first place for world energy consumption during 1998-2020; and that Saudi Arabia, the U.A.E., Kuwait, Iraq, Iran, and Venezuela will secure about 42% of world demand in 2020. The Arabian Gulf provides 88% of OPEC production, and half of OPEC reserves, which in turn, are three-quarters of world reserves.

Dr. Al-Jahni liquidated the myth of Caspian Sea oil in answer to a question.

Caspian Sea oil reserves do not exceed 40 to 50 billion barrels, he said, which is not even equivalent to the oil reserve in the Zakum oil field in the U.A.E., or half of the reserves of the Gawar oil field in Saudi Arabia. If the Caspian were proven to have such oil resources as the United States is claiming, there are other factors—political, geographical, economic, and others—which would render it prohibitively expensive.

Oil as Perceived by Sheikh Zayed

The U.A.E. is seen as a model by many resource-rich developing nations, for allocating export earnings to spur national development. In a paper submitted by the Zayed Centre, "Oil as Perceived by Sheikh Zayed," the early vision of U.A.E. President Sheikh Zayed bin Sultan Al-Nahyan, was summarized. Sheikh Zayed, the founder of the modern U.A.E., and its President since 1966, sees petroleum as "a Divine endowment" with which a nation's real wealth—its people—should be developed. "Therefore, we have to invest oil revenues in the public services projects"—in transportation, energy, health, and education infrastructure—first, followed by encouragement of agriculture and industry, the postoil stage. At the same time, such wealth is to be shared, by investing in the development of other countries.

Sheikh Zayed is known for an idea of wealth diametrically opposed to monetarist, free-trade doctrine. "Money is meaningless if not mobilized for the good of man"; the "priority is for man. Money is valueless without national human resources qualified for and capable of building up the country." Thus, "we should build our country with knowledge and culture, and should educate the new generation, as education is

EIR June 14, 2002 Economics 5

a wealth in itself.... Oil wealth is utilized in yielding various sources of wealth. The first is culture and science, the second is agriculture... the third is industry, which will start small, then will be expanded by the help of God until we get factories of various sizes. The production of our agricultural and industrial projects will be equal to the amount of knowledge and learning that our sons and daughters acquire, because it is they, not expatriates, who should work out such agriculture and industry. To me, this is the most sustainable source of wealth."

The similarities in outlook between Sheikh Zayed's vision, and that presented by LaRouche, are striking.

The Middle East as A Strategic Crossroad

by Lyndon H. LaRouche, Jr.

May 26, 2002

The world has come to a crossroads in modern history. If the world were to continue along the pathway currently chosen by my government and some others, civilization will be plunged, for as long as a generation or more, into a global dark age comparable to that which struck Europe about seven-hundred-fifty years ago. We must not pretend that danger does not exist; but, also, we must commit ourselves to the hopeful alternative which wise governments will prefer. Therefore, I shall speak frankly, but also optimistically, of a second crossroads: the Middle East.

The history of oil in this region, began with the British Navy's plans for what became known as the Great War of 1914-1918. That Empire intended to use petroleum extracted from this region, to provide its navy the crucial strategic advantage of a change to oil-burning, from coal-burning warships. Since that time, as all nations represented here know, this region has been dominated by the great powers' struggles over control of the special, strategically significant economic advantages of oil extracted from this region. But, it was never oil alone which shaped the fate of the Middle East; for as far back as known history of civilization reaches, long, long before the discovery of oil, the Middle East has been the strategic crossroads of Eurasia and Africa combined, as it is today. With or without petroleum, the historic strategic significance of the Middle East would remain.

Now, there are ill-conceived plans, including those which have been the subject of some discussions between my government and Russia's, to attempt to by-pass present world strategic dependency on Middle East oil. Such a policy could only bring an added factor of chaos to an already explosive world monetary-financial and economic situation as a whole. I would hope that I could persuade the powers to abandon recklessly incompetent economic and geopolitical impulses such as those.

In any sane ordering of the world's strategic economic affairs, Middle East oil will continue to be an outstanding factor in the petroleum supplies of the world economy for at least a generation or more yet to come. This would be so, for what should be the implicitly obvious economic reasons. However, as in all matters of current world affairs, given the desperate situation of the world today, we can not be so naive as to presume that powers which may be great, or even simply powerful, will, therefore, react sanely to the relevant strategic facts of the situation.

I focus on the subject of oil, but do that within the context of the historically determined strategic options for a Middle East defined in its ancient and continuing role as a crucial strategic crossroads of Eurasia. After defining that context, I shall return our attention to petroleum as such, situating the production and marketing of petroleum as a presently crucial factor of vital strategic importance for the Middle East as a region with special ecological and implicit cultural qualities.

I concentrate on three distinct, interacting factors to be considered in the attempt to forecast the prospects of the region, and also its petroleum: the ecological, the economic, and the political-strategic factors.

To begin, zoom in, as if from an orbitting space-station, upon the past and present ecology of this region of the world's biosphere. In our imagination, let us watch the long-range historical process, of melting of the great Eurasian glacier, over the interval from about 19,000 years ago, when ocean levels were approximately 400 feet below those today. Watch the evolution of the Mediterranean region over the following millennia. Watch the later phase of great dessication of the once-rich, desert regions of the Sahara, Gulf, and Central Asia. From the standpoint of that lapsed-time panorama, we are reminded in the most useful way of a fact we already know: that the most critical of the strategic economic factors inside the Middle East region as a whole today, is not petroleum, but fresh water. The characteristic of that portion of a predominantly Islamic civilization, which extends from Asia's "roof of the world," westward, through the Middle East, and across northern Africa, is the continuing struggle against the aridization which has continued during approximately the past six to eight thousand years.

Today, we have the scientific potential to begin to control, if not entirely reverse some of the effects of that post-glacier process. That is the principal strategic ecological challenge which obstructs the realization of an otherwise great potential, a potential which has existed for the greater part of two millennia, in Arab civilization. It is to the degree that we make significant steps toward applying and improving the methods for production and distribution of fresh water, that other crucial factors of development can be brought into play. In that

6 Economics EIR June 14, 2002