
Book Review

Was Iraq War Caused By Politics of Oil?

by Paolo Raimondi

La guerre del petrolio. Strategie, potere, nuovo ordine (The Oil Wars. Strategies, Power, New World Order)

by Benito Li Vigni

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Italian oil expert and historian Benito Li Vigni, a former collaborator of the national oil company ENI and its late founder Enrico Mattei, has published a revealing book, examining the question of whether the imperial actions of the Bush-Cheney Administration can be explained by the politics of oil.¹ He reconstructs the strategy that the U.S. neo-conservatives and their financial oligarchical controllers developed over the years, and forcefully projected into a fanatical realization after the terrorist attacks of Sept. 11, 2001. Admitting that the ongoing wars and conflicts cannot be explained simply from the standpoint of oil and raw materials control, Li Vigni nevertheless tries to present crucial historical and current developments from this “oil wars” point of view.

The strategic question was posed in an interview conducted by Li Vigni on Aug. 7, 2003 with Lyndon LaRouche, major excerpts of which are printed in the book. Li Vigni introduces LaRouche to his Italian audience: “On the American imperial strategy, we have posed some questions to the U.S. economist Lyndon LaRouche who was among the first personalities to propose a debt moratorium for the developing countries in the middle of the seventies, in polemics against the International Monetary Fund and other supranational institutions, promoters of a neocolonialist system based on

1. The author has written several books on Mattei’s strategy for Italian energy independence from the “Seven Sisters” oil companies after World War II. The most recent was *La Grande Sfida (The Great Challenge)*; see *EIR*, May 9, 1997), on the Seven Sisters’ war against Mattei, who was assassinated in an airplane crash in 1962. Several pages of that book were dedicated to the role of Lyndon LaRouche, who like Mattei, is promoting a strategy of great infrastructure projects.

usury. LaRouche, one of the most controversial personalities on the international scene, since 1994 has underlined that the present financial system is practically bankrupted and that it must be replaced by a system based on a radically new concept. His economic forecasts, particularly of the financial crashes of 1987 and of 1998, have proven to an ever-larger public his qualities as an economist. LaRouche sees American history as the primary battleground of a clash between those who intend to continue the anticolonial tradition, particularly Franklin Delano Roosevelt and John F. Kennedy, responsible for the creation of nation-states—whose roots have to be found in European and Renaissance history—and those forces behind the *Pax Americana* which de facto corresponds to the supranational oligarchical interests, historically centered in England.

“This clash, LaRouche underlines, touches upon and involves all the other political ‘conflicts,’ both on the national and international level. LaRouche has several times been a candidate for the White House in the U.S. Democratic Party, appealing to the same social strata which in the thirties and in the forties brought Roosevelt to the Presidency of the United States.”

Asked about the fight over control of oil resources, LaRouche replies, “The petroleum policy of the Cheney-centered imperialist faction is an auxiliary, not a determining feature of the ‘preventive’ nuclear-war policy of the so-called ‘neo-conservative’ faction behind the current global war-drive. It would be a potentially fatal mistake of underestimation by governments, to attempt to interpret the primary motive for those war-making impulses from the petroleum-equation as such.

“A more fruitful view of the problem of oil-field seizures, would be to see the way in which nuclear-energy development was aborted, beginning under U.S. National Security Advisor and leading war-hawk Zbigniew Brzezinski and his associated war-hawk James Rodney Schlesinger, during the period of the U.S. Carter Administration. A rational energy policy would shift use of petroleum toward its natural economic role as a chemical feed-stock, relying increasingly on the inherently superior and more efficient nuclear-fission and thermo-nuclear-fusion modes. One must see the mere fact of control of an artificially restricted source, petroleum, as a strategic weapon, which has been used by *fondi*-type financier interests, since that time, for controlling the world’s economy, population-size, and political life.”

LaRouche underlines that the source of the war danger today “is analogous to that of 1928-1939. An onrushing systemic collapse of the existing world monetary-financial system, the Versailles system then, and the ‘floating-exchange-rate’ IMF system, now, confronts the same type of *fondi* interests behind Mussolini, Hitler, Franco, Britain’s Lord Halifax, et al. with the fear that elected governments would react by a financial crash by defense of the common good, rather than the claims of the financier-creditors. . . . The goal is a continu-

ation of Bertrand Russell's doctrine of world government through 'preventive' nuclear warfare."

Asked whether the United States wants to achieve global dominion by grabbing control of resources, LaRouche stresses again that this would be a "dangerously misleading assumption." "Do not anticipate a mere thief," he states, "where the source of the threat is the threatened world tyranny of an imitation of Genghis Khan, essentially a devoutly satanic Nietzschean beast-man."

Li Vigni analyzes the 9/11 terrorist assault from this standpoint, raising doubts about the explanations given by the Bush-Cheney Administration, and concludes that the tragic event created "a valid pretext to unleash a series of wars, long programmed, to consolidate American positions of political and economic power inside the country and in strategically important regions of the world, to establish its imperial aims." He quotes Eckart Wertheback, former chief of the German secret services, who told the American Free Press on Dec. 4, 2001 that the assault "required years of planning and an organization on a state level." On the question of which "state," Li Vigni cites LaRouche, "who underlined in an interview that 'the attack must have had been necessarily planned, organized, and realized in the U.S.A by rogue elements of the secret services and the armed forces.'"

Oil and Geopolitics

The book analyzes the imperial strategy of preventing Eurasian coordination, particularly among China, Europe, and Russia. Particularly China is a target, since it is involved in major investment projects for a system of transport infrastructure, railways, roads, and pipelines, known as the "New Silk Road."

From his own personal knowledge and experience, Li Vigni reports on the tension between the Anglo-Dutch-American oil companies and some European ones, particularly ENI, over contracts with the producer countries, and new pipeline routes. The Seven Sisters "went ballistic" when Mattei and ENI challenged the established system, offering 75/25 instead of the 50/50 share of the profit, to the benefit of the producer countries, and signing a direct deal with the Soviet Union for oil and gas delivery to Europe. The multinationals wanted to maintain highly advantageous contracts with the producers, called Production Sharing Agreements, which allowed them to consider a certain quota of anticipated production as their own reserves, and to inscribe it on the books as if it were a real asset, not just a right to exploitation. The profit is divided in two parts: "Cost-Oil," which is taken out right away, pays the expenses of the multies; and "Profit-Oil," which is divided with the oil-producing country. ENI, followed by the French Total, developed instead a contract called Buy-Back, according to which the oil company declares how much it intends to invest; an agreed-upon part is used to cover costs, and the profit is divided according to a clear, signed agreement. With the

second type, the costs are fixed, while with the first, costs could increase dramatically.

Conflicts concerning oil routes have been very violent: The Anglo-American oil companies have worked to prevent pipelines from crossing Russian territory, while ENI's Blue Stream project is considering a new pipeline from the Caspian Sea, via Russia to Turkey and then into Europe. According to Li Vigni, these different approaches provoked an hysterical intervention from then-Secretary of State Madeleine Albright, who lodged a strongly worded protest with the Italian Foreign Ministry.

Clearly relying also on information taken from *EIR* and the LaRouche movement, the author writes that "according to qualified American study centers, the alarms on terrorism, the actions of preventive war against Iraq and its military extension to the rest of the Middle East and elsewhere, appear more and more to be motivated by the American desperation vis-à-vis the perspectives of the economic and financial crisis." Li Vigni identifies the dirty deals of Cheney and his Halliburton, of George Shultz's Bechtel, and of the Carlyle Group, in the so-called reconstruction of Iraq.

The book attempts to provide an historical reconstruction of the "oil wars" in the past two centuries, from Britain's "Great Game" to World War II—all from the standpoint of the fight to gain strategic control of oil and other raw materials. Li Vigni shows how the oil interests have always been on the front line of the anti-republican and anti-development strategies of the oligarchies, including the financial oligarchies.

An interesting section deals with the little-known relation between the American company Sinclair Oil and Fascist leader Benito Mussolini. This connection reveals very well what LaRouche means, when he speaks of the role of synarchism. Li Vigni documents that immediately after Mussolini's "March on Rome" of 1922, representatives of the Sinclair interests approached people around him to mediate contacts for a deal involving the oil exploration and other economic operations in Italy. Behind Sinclair stood the Morgan, Mellon, Guggenheim, Chase Manhattan, and Standard Oil interests. In 1924, the SIAP, the Italian company controlled by Standard Oil, gave large amounts of financial support to people directly linked to Benito Mussolini and to his brother Arnaldo, part of which went also to finance one of the main Fascist papers, *Corriere Italiano*. Giacomo Matteotti, a Socialist member of the Parliament, denounced the dirty deals between Sinclair Oil and Mussolini, and shortly before he could present the evidence to the public, on June 10, 1924, he was kidnapped and killed.

The book is receiving relatively large circulation and press comment. Since Italian troops in Iraq have been deployed in the area of Nasseryia, where ENI had years ago signed oil exploitation rights agreements with the Iraqi state, several politicians have raised the issue in Parliament, asking the government to comment on this fact.