
U.S. Eyes Caspian Oil in "War on Terror"

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The arrival of US military advisors in Georgia 29 April raised as many glasses in Ankara and Baku as it did jitters in Moscow. Touted as a new front in the "war on terror," the US is in reality scrambling for Caspian oil in a bid to oust Russia from its traditional backyard.

Washington insists its 'train and equip force' of 10 combat helicopters and 150 military instructors is solely intended to help Georgia combat Islamic radicals in the lawless Pankisi Gorge, allegedly a safe haven for Al-Qaeda militants and their Chechen allies.

But other motives became apparent, although largely unnoticed by the Western press when Georgian Defense Ministry official Mirian Kiknadze told Radio Free Europe on 27 February: "The US military will train our rapid reaction force, which is guarding strategic sites in Georgia --- particularly oil pipelines." He was referring to the embryonic Baku-Tbilisi-Ceyhan (BTC) project, set to reduce Georgia's and Azerbaijan's energy reliance on Russia and bring the southern Caucasus into the US fold.

Russia's military establishment and domestic opinion are clearly furious, although President Putin has played soft on the issue, delighted to see his Chechen campaign rebranded as a "war on terror" in return for supporting the US bombing of Afghanistan.

"It is hard to see why Russia should react so angrily to a US operation promising to neutralise not just Al-Qaeda fighters but also Putin's longtime Chechen bogeys," said Hovann Simonian, author of the acclaimed 'Troubled Waters: the geopolitics of Caspian oil.'

"The US training force is unlikely to make much difference given the parlous state of the Georgian military. Clearly this is not simply about fighting terror," Simonian added.

Washington has recently injected fresh momentum into its Caspian designs, home to the world's third largest oil and gas deposits. Deputy Secretary of State Richard Armitage emphatically re-affirmed US support for BTC on March 8 during the visit of Turkish premier Bulent Ecevit. Four days later US Caspian envoy Stephen Mann told Kazakh authorities he wanted to promote pipelines bypassing Iran.

The plot thickened on March 28 when US Deputy Assistant Secretary of Defence, Mira Ricardel announced the US would provide military assistance to Azerbaijan's navy as part of a 4.4 million-dollar aid package this year. Western energy companies have been intensively exploring a sector of the Caspian angrily disputed by Iran and Azerbaijan.

With Turkish airbases due in Azerbaijan later this year, the US is clearly promoting a NATO-friendly axis to safeguard the Baku-Ceyhan route and counter the Russia-Armenia-Iran alliance. "Some energy analysts say the Turkish economy is in no position to support the 2.9-billion-dollar project, while US taxpayers might be sceptical after the Enron scandal, but BTC is being pushed for political reasons," Simonian said.

The Bush administration has particularly compelling reasons to back BTC. Vice-President Dick Cheney was until 2000 chief executive of Halliburton Co., an oil services company named a

finalist last year to bid on engineering work in the Turkish sector of the route. National Security Advisor Condoleezza Rice was a board director of Chevron Corp, lynchpin of the BTC consortium with extensive operations in Azerbaijan. Richard Armitage is a former co-chairman of the US-Azerbaijan Chamber of Commerce.

Bush family advisor James A. Baker III has especially thick oil ties to the region. Baker, who spearheaded Dubbya's victory in the Florida election dispute, heads US law firm Baker Botts which represents a consortium of companies drilling and exploring the Caspian, including Exxon-Mobil, Pennzoil, BP and Unocal. Baker sits on the U.S-Azerbaijan Chamber of Commerce advisory council, as did Cheney.

While America has successfully used the "war on terror" to wrestle the oil- and gas-rich central Asian region from Moscow, the south Caucasus could prove a much tougher nut to crack. Pankisi is not the only unruly enclave beyond Tbilisi's writ. The breakaway leaderships of Abkhazia and South Ossetia, fearful the US deployment could also be used against them, have already appealed to Moscow for associate status within the Russian Federation . Such a move, which would seriously undermine the pro-Western Georgian President Eduard Shervardnaze, is widely supported by the Russian parliament and public opinion.

In addition, Moscow could foment separatism in Adzharia and Dzhavakhetia, where ethnic Armenians might seek to disrupt the oil earnings of arch-foes Turkey and Azerbaijan.

"There is a danger that Shervardnadze will lose control of Georgia. Russia will fight more actively for influence in the region," said political analyst Otar Kharabadze.

In early March a top Russian general ominously remarked: "Georgia had better be aware it cannot exist without Russia." If this veiled threat is carried out, Washington's Great Game in the south Caucasus could end up as little more than a pipe-dream.