

THE SECRET HISTORY OF THE WAR OVER OIL IN IRAQ

Conspiracy nuts think George Bush, from the moment he took office, had a secret plan to control Iraq's oil. They're wrong. Bush had TWO plans. Here they are.



Greg Palast
BBC Newsnight

One crafted by neo-conservatives at the Pentagon, another by the State Department and Big Oil. This is the history of the secret cold war between these two power elites that drove the hot war on the Tigris.

Feb 2001 -- Plan A

BBC discovers that within a month of Bush Jr.'s first inaugural, National Security Council and State Department convene a confab in Walnut Creek, California, to plan the invasion of Iraq. **Group auditions replacements for Saddam.** Host Falah Aljibury, the top US oil industry advisor on Iraq, reveals the plan was for "an invasion that acted like a coup ... shut down for two or three days ... then everything is ... as is - especially the oil ministry which would retain the government oil monopoly."

Oct 2001 - Feb 2003 -- Plan B

Emboldened by the September 11th attacks, neo-conservatives draft a counter-plan: A year-long occupation to re-make Iraq into a free market miracle. The 101-page secret program becomes a Christmas tree for insider lobbyists, including Grover Norquist, who help load it with corporate goodies: copyright protection for Microsoft and Sony, and the CFP ("Comprehensive Privatization Program") to sell off "all" state assets, "especially the oil."



January 2003

State Department denies its "Future of Iraq" group discusses oil. But Bush team sends Robert Ebel, former CIA and industry oil specialist, to London to meet secretly with "Future of Iraq" leader Fadhil Chalabi to plan post-invasion oil set-up. Fadhil, like his fellow tribesmen Ahmad Chalabi, wannabe potentate of Iraq, joins forces with neo-cons in plan to sell off Iraq's oil fields, break up and sell its state oil company, increase production, quit OPEC. CIA Industry man Ebel, fearing Saudi response, tells Chalabi his numbers are "ridiculous."



March 17, 2003



President Bush broadcasts this message to the Iraqi people: **"Do not destroy oil wells."** So begins what White House spokesman Ari Fleischer terms, "Operation Iraqi Liberation" -- OIL. -- swiftly changed to OIF - Operation Iraqi Freedom.

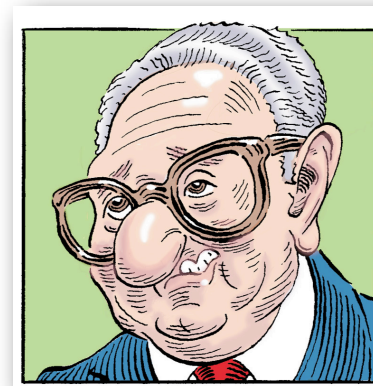
March 27, 2003

Deputy Secretary of Defense Wolfowitz testifies Iraq will be free - not "free" as in 'democratic,' but "free" as in this-won't-cost-us-a-penny. "There's a lot of money to pay for this that doesn't have to be U.S. taxpayer money," he tells Congress -- opposite the secret analysis he receives from the CIA and Department of Energy. Was it perjury?



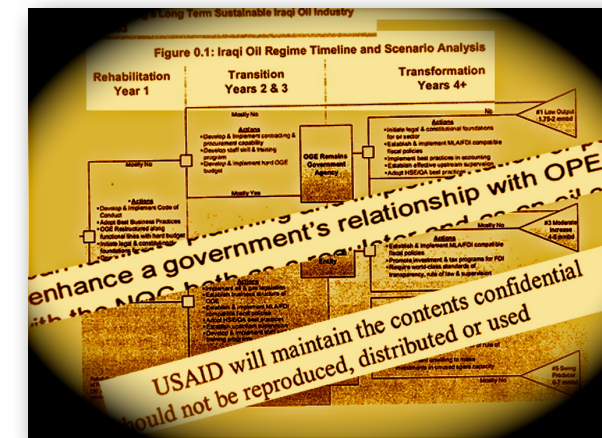
April 21, 2003

Three-star General Jay Garner, named occupation viceroy by President Bush, fired by Defense Secretary Donald Rumsfeld after setting quick elections in Iraq. Garner tells BBC he refused to sell off Iraq's oil fields and resisted long US occupation under the neo-cons' Plan B. General is replaced by Henry Kissinger business partner Paul Bremer--who cancels elections and appoints a new government under the control of neo-con favorite, convicted bank swindler Ahmad Chalabi.



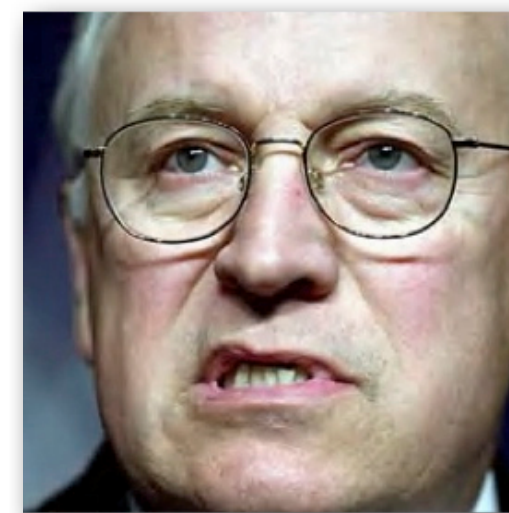
May 2003 - Jan 2004

Dick Cheney sides with Big Oil over the neo-cons: Snuffs neo-con plan to privatize Iraq's oil and raise output to cut oil prices and weaken OPEC and Saudi Arabia. **Phil Carroll, ex-CEO of Shell Oil USA,** dispatched to take charge of Iraq's oil ministry. quietly gives Bremer this order: There will be "no privatization of Iraqi oil ... end of statement."



In September, Carroll passes control to Houston crony **Bob McKee, Chairman of Halliburton** and former SVP of Conoco Oil.

McKee orders a "contents confidential" write-up of Plan A re-establishing a state oil monopoly, keeping Iraq in OPEC and oil prices high. James Baker Institute in Houston drafts secret 323-page *Options for Iraqi Oil* with only one option: a state oil company which would "enhance {Iraq's} relationship with OPEC."



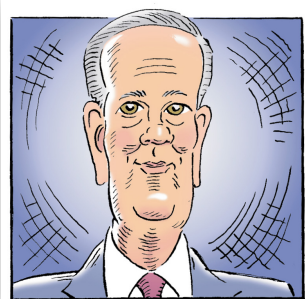
In a sting operation, Palast team obtains a copy.

May 2004 - and beyond

Neo-cons hunted & eliminated. May 20th: Ahmad Chalabi sought for arrest. Neo-con fave Bremer is booted from Baghdad, Wolfowitz removed from Pentagon. Council on Foreign Relations rejoices, "The realists have defeated the fantasists!" US oil chiefs restore state oil monopoly. OPEC saved. Oil prices bust over \$50 a barrel on way to \$100--and reserves of top five oil companies increase in value by over \$3 trillion.

July 25, 1990

James Baker III, Secretary of State to George Bush Sr., sends Saddam a diplomatic message the US would wink at his invasion of Kuwait: "We have no opinion on your ... dispute with Kuwait. ...The Kuwait issue is not associated with America."



Dec 2000 - Mar 2001

James Baker III Institute and Council on Foreign Relations group, sponsored by Saudi Arabia, map global energy plan. The bug in the soup: Saddam Hussein, who's jerking the oil markets, "posing a difficult situation for the U.S. ... requiring an immediate policy review - military, energy, economic, diplomatic." In March, Baker-CFR group member Ken Lay and other industry chiefs meet secretly with Vice-President Dick Cheney. They review this map of Iraq's oil fields.

