

INTRODUCTION

U.S. Imperial Strategy in the Middle East

In the beginning was the “open door” to oil: this is how any history of the steadily tightening U.S. hold on the Middle East ought to begin.

It was indeed oil that aroused Washington’s intense interest in this region in the aftermath of its late entry into the First World War. The oil-producing areas of the Ottoman imperial domain had been major stakes in the first conflagration that pitted the older British and French imperialist powers against imperialist latecomer Germany. The Ottoman Sublime Porte had allied itself in this war with Germany.¹

THE SPOILS OF THE OTTOMAN EMPIRE

The United States, the youngest imperialist power, had already become the most powerful thanks to the world war. But the agreement reached by the European allies at the 1920 San Remo conference, preparing the signature of the Treaty of Sèvres with post-Ottoman Turkey, was a slap in its face. The British and French had agreed earlier on partitioning the territorial spoils of the Ottoman Empire in the 1916 Sykes-Picot agreement. Then at San Remo, hosted by their Italian ally, they reached agreement on exploiting any oil discovered in “Mesopotamia,” that is, the new state of Iraq, which the League of Nations had put under a British colonial “mandate.”

The San Remo agreement gave the Turkish Petroleum Company (TPC, later to become the Iraq Petroleum Company, IPC) a monopoly on Iraqi oil production. London had managed to secure predominance for British interests in this company, the beneficiary of an Ottoman concession, just before the war. Anglo-Persian Oil (later British Petroleum, BP) held a 50 percent interest in the TPC—Winston Churchill had in turn gotten a

majority interest in Anglo-Persian Oil for the British government—Royal Dutch/Shell a 25 percent interest, and the Deutsche Bank the remaining 25 percent.² After the war the British government confiscated the Deutsche Bank’s share and turned it over to the Compagnie Française des Pétroles (CFP, French Oil Company, later to become Total).

Under pressure from U.S. oil companies, the “internationalist” Wilson administration protested vigorously against this violation of the Open Door principle. This high-sounding name denoted a policy that openly expressed the will of the young U.S. imperialist power to take its own place in the sun in the imperialist partition of the world, by opposing exclusive control of markets by the traditional colonial empires that already had virtually the whole planet under their thumbs. Formulated at the end of the nineteenth century by the McKinley administration, which ushered the U.S. a bit late into the imperialist era, the Open Door policy was originally a challenge to the exclusive sharing of China among the Europeans and Japanese.

By 1920 U.S. imperialism had a great economic advantage, thanks to a shift in its status that the First World War had helped bring about. From now on it would therefore use the Open Door and “free trade” as the slogans of its own imperial policy. A newcomer, richer than the others thanks to the war, the United States had every interest in seeing that every market was open to it and that it received equal treatment with other, much longer-established powers. “Freedom,” which the United States has championed on the world scene, has thus always meant free trade and free enterprise first and foremost. Political freedom has been a much more variable element of U.S. policy, used opportunistically on a case-by-case basis depending on whether it suits the local requirements of U.S. hegemony.

As Raymond Aron has written, “The economic and political aspects of the general purpose of American diplomacy are inseparable because this purpose is by definition freedom of access, a notion which encompasses the exchange of ideas, investments and goods.”³ We can accept this formulation to the extent that “freedom of access” means in reality making sure that other countries have “access” to the “ideas, investments and goods” of the United States and that the United States has “access” to their markets and resources as well as their political and cultural space. This is what the Open Door policy means. The U.S. conception of free access does *not* mean setting up some kind of egalitarian “free trade” suitable to a capitalist utopia.

In any event, the pressure that Washington exerted on London and Paris was irresistible. In 1928 a new agreement was signed, redistributing four

equal shares in the TPC to Anglo-Persian, Royal Dutch/Shell, the French CFP, and a holding company representing a consortium of U.S. oil companies. At the same time the signatories agreed to reserve for joint exploitation under the aegis of the TPC any oil that any of them might discover in the vast ex-Ottoman regime including Turkey, the Arab lands east of Suez, and the whole Arabian Peninsula except Kuwait (which Britain had already wrested from Ottoman control at the end of the nineteenth century). The U.S. oil companies not included in the TPC/IPC—particularly Standard Oil of California (Socal, later to become Chevron) and Texaco—benefited from having their hands free and went on to penetrate the region on their own. Gulf Oil (subsequently acquired by Chevron), Standard Oil of New Jersey (later Exxon), and Standard Oil of New York (Socony, later Mobil) only managed to cast off the chains of the IPC after the Second World War.⁴

In this way Socal became in 1933 the first company to obtain a concession from the new Saudi kingdom. Ibn Saud had proclaimed his kingdom the year before and was ill-disposed toward British interests and thus to the IPC because of his rivalry with the thoroughly British-backed Hashemite dynasty. Socal, which paid a big advance on royalties under the 1933 contract, was making a big gamble: the first commercially workable oil field in the kingdom was only discovered in 1938. In the meantime Socal and Texaco fused their interests east of Suez, on a basis of equality, in the joint venture Caltex.

OIL AND COLD WAR

The Second World War, even more than the first, definitively raised oil to the status of the world's main strategic mineral resource. At about the same time the gigantic extent of the oil wealth held by the Saudi dynasty was discovered. The bipolar U.S.-Soviet rivalry that took shape during the war brought the two powers into conflict after the war. These developments made the Arab-Persian Gulf region in general and the Saudi kingdom in particular the area with the highest strategic priority for the United States—after the industrialized regions of Europe and Japan—in the framework of this conflict.⁵

As early as 1943 Washington decided to set up a military base at Dhahran, in the heart of the Saudi oil fields, and signed an agreement to this effect with Ibn Saud.⁶ Built between 1944 and 1946, this U.S. Air Force base, the biggest one outside Europe and Japan, was meant to protect and foster U.S. interests in the Gulf region in the context of both Washington's strategic competition with Moscow and U.S. economic competition with the British.

Imposing, consolidating, and extending its hegemony in the Middle East clearly became one of Washington's chief postwar objectives. To paraphrase the famous summary of NATO's goals by Lord Ismay, the organization's first secretary general—NATO was meant “to keep the Americans in, the Russians out, and the Germans down”—one could say that the U.S. aimed in the Middle East to keep the Americans in, the Russians out, and the British (and the French along with them) down.

The Middle East and its oil became one of the central issues around which the Cold War would take shape. Iran, as early as 1946 one of the first theaters in which Washington and Moscow faced off, illustrated Washington's three above-mentioned concerns perfectly. The Shah's government itself shared the three concerns and pushed the United States in this direction. The Shah sought at one and the same time to get rid of the Soviet troops on his territory and the British, and in part Soviet, tutelage over his oil, by calling in the United States to replace them as a protecting power and an oil partner.⁷

On March 12, 1947, President Harry Truman, the main initiator of the Cold War, made his famous speech, baptized the Truman Doctrine, in which he offered U.S. assistance to Greece and Turkey, considered the two big ramparts blocking the spread of Soviet influence on Europe and the Middle East. This was the first public formulation of the policy of “containment” of communism. As Daniel Yergin points out in his monumental history of the oil industry, an agreement was signed that very same day integrating Standard Oil of New Jersey and Socony into the Arabian-American Oil Company (Aramco) formed by Socal and Texaco.⁸ This agreement created the consortium of four U.S. oil companies that would share the exploitation of Saudi oil among themselves.

In this first phase of the postwar period, U.S. imperial strategy in the Middle East was aimed at both countering Moscow's interests and undermining London's. The intensity and modalities of these two prongs were of course quite different: Britain remained a key U.S. ally in the Cold War, as it had been in the Second World War. U.S. strategy revolved around Washington's relations with an important new actor on the regional scene: the nationalism of the “middle classes,” essentially bourgeois or petit bourgeois, opposed to Western domination and to the social classes and categories that Western domination leaned on in its socially conservative enterprise: the big landowners, “comprador” bourgeoisie, and tribal chiefdoms.

Conscious of Britain's considerable unpopularity in the Middle East, the United States had all the more reason to try to dissociate itself from the

British, so as to encroach on the British interests that had pretty much dominated the area between the wars. But U.S. efforts to co-opt the nationalist movement, seen as an effective bulwark against the Communists, did not get very far. The United States quickly came into conflict with the nationalists, and the conflict grew steadily more acute as Washington took London's place as the main Western power in the region. For Washington as for London, the question of Israel was a major source of hostility toward Western domination. The state of Israel was seen as a beachhead of Western domination in the Arab East. Its creation in 1948 and the ensuing Israeli-Arab war were in themselves powerful catalysts in the rise of nationalism in the region.

Iran was once more the scene of the first confrontation in the complex game among the United States, Britain, USSR, nationalists, and Communists. Mussadiq's rise to power in 1951, with the nationalization of the Iranian oil industry at the cost of the Anglo-Iranian Oil Company (AIOC-BP), was the first major challenge from within the Middle East to Western control of its oil. The prominent role that Iranian Communists played in the political crisis, and Moscow's overtures to the new government, made the threat even worse.

After some initial hesitation in deciding on its attitude toward Mussadiq, Washington ended up orchestrating his military overthrow and the restoration of the Shah's power in 1953.⁹ The coup also provided an opportunity to redivide the shares in Iranian oil production. A consortium was formed in which the share of AIOC-BP was cut back to 40 percent, with another 40 percent for five U.S. companies (the four partners in Aramco plus Gulf Oil, each with an 8 percent share) and the remaining 20 percent divided between Royal Dutch/Shell (14 percent) and the French CFP (6 percent).

Meanwhile in July 1952, in the midst of the Iranian crisis, a republican coup d'état organized by nationalist army officers overthrew the main Arab monarchy in Egypt, which had been under British domination. At the beginning the "moderate" General Neguib headed the junta, leading Washington to believe that it could strengthen its ties with them. But once Colonel Nasser took power in 1954, the prospects for Washington became considerably less rosy. Nasser's nationalism, with its dual perspective of defending Egyptian sovereignty and promoting Pan-Arab unity, proved inherently irreconcilable with the U.S. drive for hegemony. Nasser rejected Washington's offers of economic and military aid because of U.S. conditions that would have infringed on Egypt's independence.

Goaded by the Israeli threat, revealed among other incidents by the Israeli raid on the Egyptian-administered Gaza Strip that took the lives of

thirty-eight Egyptian soldiers in February 1955,¹⁰ Nasser made the first arms deal the following September that any Arab country had ever made with the Soviet Union.¹¹ The Egyptian leader joined in shaping Third World nationalism in the era of decolonization at the April 1955 Bandung conference, a conference that made him one of the movement's stars. He tried to assert and promote his country's sovereignty and counterbalance Western influence by calling on the Soviets. In a world much dominated to begin with by the Western powers, nonalignment worked in Moscow's favor, so that Moscow saw many more positive aspects to it than Washington did. Nasser's opposition to the Baghdad Pact, which linked the British-sponsored Iraqi monarchy to Iran, Pakistan, Turkey, and Britain with the U.S. "big brother" as godfather, was only logical in light of his strategy.

Washington reacted in a niggardly way, withdrawing its offer of funds for the Aswan High Dam, one of Nasser's most cherished projects. The move accelerated Nasser's radicalization. In July 1956 he nationalized the Suez Canal. In response Israel, Britain, and France attacked Egypt in October. Washington—still playing a complicated game in which it sought to take its distance from traditional colonialism, supplant London in the Middle East, and at the same time "contain" Communism and compete with Moscow—opposed the tripartite aggression. Moscow responded by trying to outbid the United States in order to strengthen its image as the great ally of Third World liberation struggles.¹²

ARAB NATIONALISM GROWS MORE RADICAL

The years 1957–61 were a watershed for U.S. regional strategy. Britain, its prestige much weakened by its Egyptian misadventure and with many of its clients and protégés going over to the United States, was less and less a competitor for Washington, more and more an ally in the fight against the growing strength of Communism and anti-Western nationalism. During the same years the ambiguity in Washington's attitude toward Arab nationalism, seen as a hostile force and yet at the same time as at least a potential, objective ally against the Communists, faded away. As the Communists were crushed and the nationalists steadily radicalized, Washington's ambivalence gave way to pure and simple antagonism.

In January 1957, President Eisenhower proclaimed his doctrine of supporting Middle Eastern governments opposed to communism. Nasser's Egypt rejected the Eisenhower Doctrine immediately. For the Egyptians

Israel was the main enemy, not the Communists and still less the USSR. Nonetheless Washington continued in 1957 to count on Nasser to ward off the danger posed by the strong Communist influence in Syria.¹³

The shock wave of 1958 showed the full ambiguity of the situation. Anti-Western Arab nationalism reached new post-Suez heights, galvanized by the proclamation in February that Egypt and Syria were uniting to form the United Arab Republic (UAR). Unrest shook two pro-Western governments that had already fallen under U.S. tutelage, in Jordan and Lebanon. A nationalist, republican coup d'état on July 14 overthrew a third pro-Western government, the Hashemite monarchy in Iraq, centerpiece of the Baghdad Pact (rebaptized CENTO, Central Treaty Organization, after Iraq's defection). The very next day Washington sent troops into Lebanon, while at the same time negotiating a compromise settlement with Cairo rather than supporting pro-Western Lebanese President Camille Chamoun.¹⁴ Meanwhile British troops based in Cyprus intervened in Jordan.

This confrontation did not stop Washington from observing with relief how nationalists brutally crushed the Communists in Syria beginning in 1958–59 and in Iraq from 1959 to 1963. Washington's relief was all the greater because the Communist parties in both Syria and Iraq had grown to the point that they could aim at seizing power. (The Egyptian Communists were also harshly repressed, but had never been as strong.)

At the same time the United States rejoiced at the rise of dissension among nationalists. First there were tensions between, on the one hand, Iraq's pro-UAR Nasserites and Ba'athists, and on the other hand Iraqi General Qasim, who pushed them out of government shortly after the republican coup in Baghdad. Then there were tensions between Nasser's Egypt and its Syrian partners, which led to the breakup of the Egyptian-Syrian union in September 1961 following a coup in Damascus. These dissensions were a serious blow to Nasser's grand design of realizing Arab national unity under his leadership. But he still did not give up this ambition, which was as much of a nightmare for Washington as the idea of a Communist takeover of the Arab region.

Nasser's regime continued to grow more radical. This was the result partly of the Egyptian social dynamic, partly of the logic of his political project for national sovereignty. But it also expressed his desire to weaken the Egyptian commercial bourgeoisie, which in Egypt as in Syria was putting spokes in the wheels of his nationalist ambitions. The backdrop was a red wind blowing for radical Third World nationalism—particularly from

Cuba, where nationalizations began and the First Declaration of Havana was issued in 1960. Washington had seen Arab nationalism as a bulwark against "communism"; now Arab nationalism began to look in Washington's eyes more and more like communism. In July 1961, Nasser promulgated an impressive series of measures bringing the economy under state control, restricting private fortunes and heavily taxing high incomes, as well as measures favoring waged workers. Egypt's radical left turn horrified the Syrian bourgeoisie, thus precipitating Syria's secession from the UAR.

The following year Nasser issued a national charter that defined the regime as "socialist," using a vocabulary borrowed in part from the communist movement. The new "socialist" dimension bore witness to how far Nasser's anti-imperialism was going. His opposition to U.S. interests in the Arab region became still more vehement, while he carried out a spectacular rapprochement with Moscow. His offensive against Arab regimes under Washington's sway, particularly the Saudi, Jordanian, and Libyan monarchies, reached its apogee. Nasser's attacks discomfited the Saudi dynasty—caught as it was in a glaring contradiction between its fanatical Islamic puritanism (Wahhabism) and the presence of non-Muslim troops on its "holy" soil—to the point that it felt compelled to ask the United States in 1961 to evacuate the base at Dhahran. The United States in fact did so the following year.

Having thus succeeded in getting U.S. troops kicked out of the Saudi kingdom, Nasser did not hesitate to send in his troops when there was a republican coup d'état next door to the Saudis in Yemen in September 1962. Egyptian troops arrived in October to give Yemeni republicans a helping hand in the civil war pitting them against the royalists. At the same time Nasser stepped up the pressure for dismantling the other U.S. base in the region, the Wheelus base in Libya.

The increasing radicalism of Nasserism had a powerful impact on nationalist forces throughout the region, from newly independent Algeria to Iraq and Syria, where Ba'athists and other Arab nationalists took power in 1963. Nasser's model of "socialism"—a state-controlled economy, Soviet-style planning and privileged ties with Moscow—caught on in these three countries, in Iraq in 1964, Syria in 1965, and Algeria in 1970. In February 1966 the left wing of the Ba'athist party took power in Damascus, launching Syria on a course that made Washington see it as a second Cuba, even further to the left than Soviet-inspired Nasserism.

Washington was in addition getting bogged down in Vietnam, facing the rise of revolutionary guerilla movements in the Third World, and no

longer able to count on its British ally, which was in the process of disengaging from the remnants of its old empire east of Suez. The United States thus felt obliged to revise its strategy for defending its interests in the Middle East, more threatened than they had ever been before. Engaged in a counterinsurgent counteroffensive in Southeast Asia and Latin America, the United States could not do the same in the Arab region. There it would have had to attack governments backed by Moscow in an area where people were fiercely hostile to any form of Western domination.

THE U.S.-ISRAELI "SPECIAL RELATIONSHIP"

The United States was up against a wall in the Middle East. The strategy it had followed in the postwar years had failed: the Russians were more and more "in," while the Americans themselves were being pushed out. Recognition of this state of affairs was the factor that transformed the state of Israel, long seen as a liability for Washington's Middle East policy, into a strategic trump card of the first order.

Contrary to a projection that portrays Israel in hindsight as a U.S. pseudopod from the moment of its creation—not to speak of the phantasmagoric vision of Israel having the United States in its back pocket!—the Zionist state was throughout the 1950s an even more inconvenient ally for the United States than Britain was. Despite President Truman's partiality toward Israel, the United States had respected the embargo on arms deliveries to all the belligerents that it had imposed in 1948.¹⁵ It had not supplied Israel with any weapons or given it any military aid anytime during the 1950s, out of fear of alienating Arab public opinion—the same logic that had led the United States to keep its distance from Britain and France. France was Israel's main arms supplier for more than two decades. Admittedly Washington's economic aid to Tel Aviv financed Israel's arms purchases from other suppliers. But the lack of direct military ties shows clearly the distance maintained between the two countries, under the Eisenhower administration in particular.

Noting the growing closeness between the two countries under Lyndon Johnson, some people believe that this development can be interpreted as a result of the relative weight of Jews, if not the "Jewish lobby," in the Democratic electorate as opposed to the Republican electorate.¹⁶ True, it is a well-known fact that the great majority of the "Jewish vote" in the United States, as with other ethnic minorities, goes to the Democratic Party. But the idea that the pro-Israeli lobby is in command of Washington's foreign policy—

particularly with regard to one of the regions of greatest strategic interest—attributes much more power to it than it really has.¹⁷ It even rates the Israel lobby higher than the oil lobby, which represents the country's weightiest capitalist interests. As Noam Chomsky has quite rightly commented:

Despite the remarkable level of U.S. support for Israel, it would be an error to assume that Israel represents the major U.S. interest in the Middle East. Rather, the major interest lies in the energy reserves of the region, primarily in the Arabian peninsula. A State Department analysis of 1945 described Saudi Arabia as "a stupendous source of strategic power, and one of the greatest material prizes in world history." The U.S. was committed to win and keep this prize.... A more recent variant of the same theme is that the flow of petrodollars should be largely funneled to the U.S. through military purchases, construction projects, bank deposits, investment in Treasury securities, etc....

Had it not been for Israel's perceived geopolitical role—primarily in the Middle East, but elsewhere as well—it is doubtful that the various pro-Israeli lobbies in the U.S. would have had much influence in policy formation.... Correspondingly, it will very likely erode if Israel comes to be seen as a threat rather than a support to the primary U.S. interest in the Middle East region, which is to maintain control over its energy reserves and the flow of petrodollars.¹⁸

Israel's geopolitical role became crucial to the United States at a time, beginning in the early 1960s, when the U.S. was facing an expanding, radicalizing Arab nationalism, to the point of being forced to end its direct presence in the heart of a region that it rated as the most strategic. It evacuated the Dhahran base, in the middle of the Saudi oil-producing area, fifteen years after the base was built, just as a gathering storm was threatening the very interests that the base was meant to protect. This gives a sense of what a perilous moment the United States was going through in its project to dominate the Middle East.

Any direct aggression on Washington's part at the time would have inevitably made Arab popular feeling hostile to U.S. interests flare up even more. Add to all this the defensive handicap due to the absence of U.S. troops on Saudi soil in the event of an attack on the kingdom from without (Yemen) or threats from within, and Israel emerged clearly as a priceless strategic asset.

Israel's value to the United States had two complementary aspects. On the one hand Israel played a military role as watchdog of imperialist interests in the region. On the other hand, Washington derived political benefits

in Arab countries' eyes by showing that it had a grip on the watchdog's leash. These two considerations combined to lead Washington to replace Paris as designated purveyor of weapons to the Zionist state. Israel's military dependence on the United States that was thus created came on top of its already existing economic dependence, given the amount of public and private aid to Israel coming from the United States.

The rise of U.S. military credits to Israel speaks volumes on this subject. Nonexistent from the creation of the Israeli state in 1948 until 1958, they were quite low in 1959 (\$400,000) and 1960 (\$500,000), then reached \$13.2 million in 1962, \$13.3 million in 1963, and \$12.9 million in 1965, before leaping up to \$90 million in 1966, the year before Israel launched its attack on Egypt, Syria, and Jordan.¹⁹ Cheryl Rubenberg has described this development well:

When Kennedy assumed office in 1961, he initially took the position that peace in the Middle East was dependent on a balance of military power between Israel and the Arabs; however, he shortly began to perceive certain advantages in the idea of an Israeli Sparta acting as a U.S. surrogate. Kennedy thus initiated the concept of a "special relationship" with Israel and began the policy of providing the Jewish state with sophisticated American weapons. France had been supplying Israel with arms since the early 1950s under the terms of a secret Franco-Israeli arms arrangement (in violation of the Tripartite agreement, but with American support and encouragement). However, after Charles de Gaulle's ascension to power in 1958, the French reoriented their policy toward the Middle East and by the early 1960s the supply of French arms to Israel began to diminish. This decline, combined with the Soviet Union's provision to Egypt of MIG-21s and TU-16s (in the aftermath of Israel's 1956 invasion) and in the context of the emerging perception regarding Israel's potential usefulness to the United States, induced Kennedy to respond favorably to Israel's insistent demand for American arms. In September 1962 Washington agreed to sell Israel short-range Hawk missiles. That sale was followed by tanks in 1964 (under the Johnson administration) and Skyhawk planes in 1966. These sales marked the beginning of Washington's commitment to assure the absolute regional military superiority of Israel, which has continued to be a cornerstone of U.S.-Israeli relations and of American policy in the Middle East.²⁰

The different composition of the Republican and Democratic electorates—in other words, the Jewish vote—is not the factor that explains the "special relationship" between the United States and Israel. Although

this relationship grew up in the early 1960s under a Democratic administration, it was perpetuated and even became much tighter under the Republican administrations of Nixon (Kissinger), Reagan, and George W. Bush. This shows that the reasons for the relationship are the ones given here. The U.S. turn toward using Israel as an auxiliary force in the Middle East would prove itself an excellent investment when it culminated in 1967. The United States has maintained it at a very high level ever since.

The quantitative and qualitative increase of U.S. military supplies to the Zionist state in 1966 (adding planes to the package) is highly significant. The United States wanted its Israeli ally to inflict a decisive military defeat on the Egyptian and Syrian regimes, both of which it considered major threats to U.S. interests in the region. Rubenberg has summed up the reasons well:

The argument for "unleashing" the Israelis included the likelihood that it would serve to discredit Nasser and possibly bring about his downfall; it would end Egyptian participation in the civil war in Yemen, facilitating a Royalist victory; it would embarrass the Soviets by crushing the armies of states that they had been heavily arming; it would weaken and destabilize the Ba'ath regime in Syria; it would provide the United States with information about Soviet weapons systems; and it would leave Israel in such a powerful position that it could act as an instrument for the extension of American dominance in the region.²¹

THE JUNE 1967 WAR

The Israeli aggression of June 5, 1967, was the first war that Israel waged in collusion with the United States. It revealed both the new complicity that had been established between the two countries and the ongoing differences between their respective goals. While their immediate interests converged, their plans partially diverged. Strong in its awareness of Washington's guarantee and backing, the Zionist state struck a decisive blow to Egypt and Syria, the two bastions of radicalized Arab nationalism. At the same time Israel pursued a goal that was strictly its own: completing its conquest of the whole of Palestine west of the river Jordan and occupying the West Bank, in a war against the Jordanian kingdom that had no place at all in Washington's plans. The Six-Day War thus concealed two wars in one: one war in the interests of the United States as well as Israel's interest against Arab nationalism, their common enemy; and another war exclusively in Israel's interest against Jordan, in order to fulfill the Zionist project.

The June 1967 offensive was victorious far beyond Israeli and U.S. expectations. It confirmed in Washington's eyes the soundness of its new strategic orientation in the Middle East, and at the same time ensured its resolute, generous support to its new surrogate. U.S. public aid to Israel—by far the largest amount of aid that Washington gives to any other country—gives Washington a high return on its investment. The military value of the Israeli surrogate force is much greater than what the same expenditure could produce if it were added each year to the U.S. military budget. In other words, the “marginal utility” of this amount if added to U.S. direct military spending would be incomparably less than the utility of its investment in supporting the state of Israel's activities as a U.S. strategic ally. All the more so since the military yield of each dollar invested in the Israeli army is several times greater than the same dollar invested in the U.S. army, if one compares the relative efficiency of the two armies' budgets.

Nevertheless, despite the crushing Israeli victory in June 1967, its effects in speeding up popular radicalization in the region delayed any political benefit that might have been reaped. Nasser, the main target of the aggression, did submit his resignation on June 9, but a genuine outpouring of popular support in the streets of Cairo made him withdraw it. A strong wind of radicalization picked up in all the Arab countries, affecting young people in particular and flowing into the worldwide wave of radicalization that culminated in 1968. The most visible sign of this radicalization in the Middle East was the rapid growth of armed struggle organizations among Palestinian refugees, first of all in Trans-Jordan,²² and their success in taking over the PLO, which had originally been subordinated to the Arab governments.²³

The Syrian regime was able to stay in power, even increasing the radicalism of its rhetoric. Meanwhile there was yet another nationalist, republican coup d'état in the region in September 1969, in Libya. The junta led by Qaddafi obliged the United States to evacuate its Wheelus Air Force Base the following year. The success of the Israeli strike thus had the paradoxical result of still further decreasing U.S. direct military presence in the region, which by the same token raised the strategic importance of the Zionist state even more in Washington's eyes. In addition the Marxists of the South Yemen National Liberation Front took power in Aden in 1970, inaugurating the most radical revolutionary experience in Arab history to date, though with an impact limited by the country's extreme poverty.

Overall Israel's 1967 victory had contradictory short-term results. Nasser withdrew his troops from North Yemen shortly after his defeat in the

Sinai, foreshadowing the overthrow of his Yemeni emulator in November. In July 1968 a coup d'état by the right wing of Ba'athism overthrew the Nasserite-leaning government in Baghdad. It installed a climate of counter-revolutionary terror while crushing the Iraqi version of Middle Eastern radicalization—the most politically advanced version, originating as it did from the country's major communist tradition.

The year 1970 in any case saw Arab nationalism finished off politically, so that the 1967 attack attained its political objectives with a three-year lag. This required crushing the other most advanced, most spectacular spearhead of the radicalization of the popular movement, which had temporarily counter-balanced the military victory of the U.S.-Israeli alliance. In September 1970 (“Black September”) the Jordanian army drowned in blood the alternative, quasi-state power that the bloc of Palestinian armed organizations had built. On September 28 Nasser died, succeeded by Anwar al-Sadat. The very next month Hafez al-Assad ventured a trial of strength against the radical team in power in Syria, and succeeded in ousting it for good in November.

Thus 1970 was the year of the final rout of radical Arab nationalism. Sadat would distinguish himself as the gravedigger of Nasser's legacy in the name of *infitah* (“opening,” mainly in the sense of economic liberalization). The policy's name amounted symbolically to a way of accommodating U.S. demands for an “Open Door.” Assad did not delay in following Sadat's example in the name of the same *infitah*, though very cautiously. The last avatar of Arab military nationalism, the “Libyan revolution,” proved to be the farce that marked the all too real end of this tragic historical phenomenon. Similarly, the “federation” between Egypt, Syria, and Libya proclaimed in 1971 as well as the repeatedly announced union between Egypt and Libya beginning in 1972 were caricatures of the 1958 United Arab Republic and its aftermath.

Other than these grotesque remnants, nothing remained of radical Arab nationalism but a demagogic, sinister imitation, which the Iraqi Ba'athist regime incarnated in its foreign policy. Baghdad seized the opportunity provided by the defection of the traditional Egyptian and Syrian bastions of nationalism in order to spread itself in more-nationalist-than-thou rhetoric. Given its hypocrisy, Iraqi Ba'athist swaggering did not carry much conviction. It was a thousand leagues removed from the popularity that Nasser enjoyed from 1956 to 1967, or even until his death.

In 1971 Sadat gave his backing to Ga'afar an-Numeiry's military dictatorship as it crushed the Communists in Sudan, thus decimating the Arab

world's last big, independent Communist Party. In 1972 the same Sadat expelled his Soviet military advisers and seized the premises that they had on Egyptian soil. Thus the most populous Arab country and the one that had until then played the most important role in regional politics, left the Soviet orbit. Sadat's switch compensated the U.S. for its losses elsewhere in the region, as well as—in advance—for its withdrawal from Indochina the following year.

True, Baghdad wanted to occupy the space that Sadat vacated in this way as well, by improving its ties with Moscow. But the Iraqi regime always remained independent from the USSR politically. Iraq's role as a Soviet client state remained essentially commercial, as did, by the way, Moscow's relations with Libya. Since both countries were oil exporters, they were both independent and solvent. Their relations with the Soviet Union were thus very different than Egypt's and Syria's, two countries that cost the USSR a great deal in aid—until 1972 in Egypt's case, until the Soviet collapse in Syria's.

THE OCTOBER 1973 WAR

The October 1973 war, though launched against the United States' strategic partner, suited the U.S. well. By giving Sadat a nationalist exploit that he could boast of—having dared to take the initiative of an offensive against Israeli occupation troops—the war made him a much more useful ally for the United States than a discredited Egypt would have been. It also created the political conditions that would at last allow Washington to play the role of “honest broker” between the Arabs and Israelis, moving ahead toward a Pax Americana in the Middle East. By the next year, against the backdrop of the accelerating infitah, Nixon made a triumphal visit to Cairo.

The October 1973 war also provided the occasion for an Arab oil embargo that led to a spectacular hike in oil prices, which the deterioration of world terms of trade to the advantage of the industrialized countries had held down for too long. This spurt in oil prices—and thus in oil revenues—benefited the United States in more ways than one. It increased the income of its own oil companies as well as the petrodollar holdings of its protégés on the Arabian peninsula, from which it was able to draw great advantages. At the same time it diminished the competitiveness of the rival German and Japanese economies, which are much more dependent than the United States on oil imports; and it considerably strengthened the position of the Saudi kingdom, Washington's main client and ally in the Middle East.²⁴

The real military outcome of the 1973 war—a remarkable military recovery by Israel, thanks to an airlift of U.S. military supplies, after it had teetered on the brink of catastrophe—also confirmed that the Zionist state was invincible as long as it had active support from Washington. Israel's dependence on the United States for its security increased greatly thanks to this “Yom Kippur War,” while it demonstrated its formidable military efficiency to its Arab neighbors once more. Washington gained on both counts.

In addition, the jump in oil revenues enabled the shah of Iran to acquire sophisticated weaponry, supplying the U.S. military-industrial complex with big profits. He thus affirmed his role as Washington's Middle Eastern surrogate on the eastern flank of the Arabian Peninsula, complementing the other regional surrogates: Israel on the western flank—soon to be joined by Egypt—and Turkey on the northern flank. The “Nixon Doctrine” enunciated in 1969 thus pointed to a plethora of actors in the Middle East. A response to the U.S. quagmire in Vietnam and the general U.S. decline, the doctrine foresaw a greater role for U.S. allies—whether imperialist powers themselves or Washington's regional surrogates—in defending the world imperialist system.

U.S. fortunes in the Middle East thus revived spectacularly in the first half of the 1970s. Its regional recovery formed a stark contrast with the decline in its global imperial hegemony in the course of the same decade: the dollar crisis, withdrawal from Vietnam, an ideological and moral crisis with the Watergate scandal as its backdrop, the final Communist victory in Indochina, Soviet advances in Africa, etc. The Middle East became the privileged area for Washington's global counteroffensive; the other priority area was Latin America, where Pinochet struck a blow for the U.S. counteroffensive with his bloody 1973 coup in Chile.

The only major U.S. setback in the Middle East in 1970–75 resulted from the rise of Third World economic nationalism, a corollary to the decline of U.S. hegemony. Washington and its oil companies could not stop regional producers from nationalizing oil production. Saudi Oil Minister Ahmad Zaki Yamani floated the idea of “participation” as an alternative to nationalization, with the national share rising from 20 percent to 51 percent over the course of ten years, but to no avail.²⁵ In these difficult straits the oil companies fell back on pushing for the highest possible compensation from the most docile governments and for guarantees for their role downstream in refining and distribution.

ISLAMIC REVOLUTION IN IRAN

Washington's political priority in the Middle East during the 1970s was demonstrating its capacity to establish a regional Pax Americana. In other words, it wanted to show that it could extract enough concessions from Israel so that the countries ready to accept U.S. tutelage could escape from the ongoing state of war, which was eating up their resources, without losing face. The strategy that Henry Kissinger thought up consisted of working toward a series of separate settlements, beginning with an Egyptian-Israeli settlement. He hoped in this way to prevent Arab governments from outbidding each other in nationalist fervor in joint negotiations, as he had experienced in Geneva in the aftermath of the October 1973 war. The procedure had the added advantage of keeping Moscow out of the operation.

Washington quickly reached the conclusion that in order to achieve its objective it needed to crush the PLO, the main obstacle to a U.S.-sponsored settlement to the Arab-Israeli conflict. The PLO had fallen back on Lebanon, where it had established a new alternative quasi-state power to make up for the one it had lost in Jordan. Washington's Lebanese Christian allies attempted to provoke a situation in 1975 in which the Lebanese army would intervene Jordanian-style to checkmate the Palestinians. The attempt failed, leading to a fifteen-year civil war. In the war's first phase the Lebanese army fell apart, and the U.S. allies were defeated in 1976. The Syrian army then came to their rescue, with a green light from Washington and Israel.

In 1977 the Likud succeeded in winning the Israeli elections for the first time in the history of the Zionist state. The situation seemed to be a stalemate, until Sadat took the spectacular initiative of traveling to Israel, breaking the Arab boycott that had been in effect since Israel's creation. Sadat's initiative showed his readiness to gamble everything on loyalty to Washington and alliance with Israel. It led first to the 1978 Camp David accords and then to the 1979 Israeli-Egyptian peace treaty.

The United States could be seen as at the pinnacle of its influence in the Middle East. This was far from the truth. Its allies' defeat in Lebanon and the fact that they had to resort to help from Damascus meant that the other actors that were still independent of Washington and necessary for an Arab-Israeli settlement—the Palestinians and Syrians, the former bottled up by the latter in Lebanon—were still in a strong position. Admittedly, Sadat had gone the last mile in supporting a Pax Americana. But his fellow Arab leaders denounced him as a traitor for having chosen to play the Lone Ranger. He became a pariah in the Arab world, forfeiting the prestige he had won in 1973.

In February 1979, the month before the Israeli-Egyptian peace treaty was signed, the United States suffered the most serious setback in the history of its presence in the Middle East: Ayatollah Khomeini's arrival in power in Iran. Just as the Communist threat seemed to have gone forever and nationalism seemed to have reached the end of its rope in the Middle East, an ideological current that Washington had grown accustomed to seeing as its instrument of choice in its anti-Communist crusade—Islamic fundamentalism—burst on the scene with impressive power and dynamism. It proved so protean that it could mutate into the chief enemy of the United States throughout the Islamic world.

What the strategists in Washington had failed to grasp was that the Communists' destruction and nationalists' historic failure meant nothing more than the elimination of two particular channels through which people expressed their anti-imperialist resentment but did not mean in any way—far from it—that the resentment itself had been eliminated. The resentment flowed (back) quickly into the old-new channel of fundamentalism, which Washington and its Saudi allies had been using against the two other channels for more than three decades. Islamic fundamentalism could mutate because it could easily oppose the West with as much vehemence and fanaticism as it had opposed communists and progressive nationalists. The Janus face of contemporary Islamic fundamentalism had been inscribed on its birth certificate: the Muslim Brothers movement had been born in Egypt, a half-century before the Iran Islamic revolution, from a double hostility to British domination and its Egyptian myrmidons on one side and the Left on the other.²⁶

The overthrow of the shah of Iran was a serious strategic loss for the United States. Not only did it lose a regional surrogate, it also lost one of its best economic clients. The nature of the monarchy's successors—a "mullaharchy" determined to make the U.S. "Great Satan" pay for having backed the shah, and presenting itself as Washington's sworn enemy throughout the Muslim world—further aggravated the loss. The long (444 days!) captivity of the U.S. embassy staff, held hostage in Teheran beginning in November 1979, bore witness both to the great intensity of anti-Americanism among Khomeini's followers and to the general U.S. decline. The United States proved powerless in face of this huge provocation, particularly after experiencing a humiliating fiasco during its abortive attempt to rescue the hostages.

A whole series of regional setbacks further amplified the feeling of powerlessness that the Iranian revolution evoked in the United States. Gary Sick, a member of the National Security Council and adviser to President Carter on Iranian affairs, summed up well the reaction at the moment of the shah's overthrow:

This blow was compounded in February 1979 by reports of an incipient invasion of North Yemen by its avowedly Marxist neighbor to the south. This event, coming in the wake of the Marxist coup in Afghanistan in April 1978, the conclusion of the Ethiopian-Soviet treaty in November 1978, the fall of the shah, and the assassination of U.S. Ambassador Adolph Dubs in Kabul in February 1979, created the impression that the United States had lost any capacity to influence regional events. That impression was strengthened when Turkey and Pakistan followed Iran in withdrawing from the Central Treaty Organization in March.²⁷

Washington's only consolation was knowing that the rise of Iranian-style Islamic fundamentalism alarmed Moscow every bit as much if not more, given the size of the Muslim population shut up in the Soviet "prison of peoples" that had been inherited from czarist Russia. Seized with panic in reaction to Khomeini's revolution, the rulers in the Kremlin made the fatal error of invading Afghanistan. The Soviet version of the domino theory which inspired them struck the fear that Islamic fundamentalism might win a second victory along the USSR's borders and that the bacillus would spread even further. Washington reaped great benefit from Moscow's mistake.

At the beginning of the 1980s Washington faced a dual threat to its positions in the Middle East: the danger that Khomeini would export his revolution and the Soviet army's first military thrust into the Middle East since its 1946 withdrawal from Iran. The United States entered the decade at the nadir of its imperial decline. It was incapable of intervening directly in Iran because of the "Vietnam syndrome"; had been incapable of dissuading Moscow from invading Afghanistan; and had no regional surrogate capable of reacting in either case. The United States chose to counter these two threats by relying on forces that acted in complicity with Washington without being under its tutelage. These two forces would ultimately turn, wholly or partially, against Washington.

Against the Soviet troops in Afghanistan, working together with its Saudi and Pakistani allies, the United States chose to support Afghan Islamic resistance forces, supplemented by a loose assortment of Islamic

fundamentalists from the four corners of the Muslim world, financially and militarily. By now we know the tragic sequel to this story all too well. Washington's fatal mistake was to believe, or convince itself, that violent hostility to the United States among Islamic fundamentalists was a peculiarity of Shiite Islam, and that Sunni and particularly Wahhabi variants of Islamic fundamentalism were inherently inclined to ally with the West.

Against Iran, the United States counted on Saddam Hussein's Iraq. Contrary to a simplistic though widespread perception when the Iran-Iraq war began, Washington never wanted Baghdad to win. It could not forget that the Ba'athist regime had repeatedly outdone its Arab rivals in the virulence of its anti-American and anti-Israeli stance. Baghdad had distinguished itself quite recently by its eagerness to take the lead of the Arab opposition to Sadat after Sadat's defection. Washington knew for a fact that the Iraqi regime, whose regional ambitions were dictated by Saddam Hussein's megalomania, would never tie itself to U.S. apron strings. How could it, when up until the end its preferred partners and arms suppliers were the USSR in first place and France in second place?

U.S. policy toward the war between Iraq and Iran consisted, in the purest Machiavellian tradition, in prolonging the war as long as possible and making sure that neither of the two belligerents decisively defeated the other. On occasion, if need be, the United States came to the assistance of the side that was losing, so as to right the balance on the battlefield. The United States stuck to this policy through the first five years of the war, all the more serenely inasmuch as oil markets accommodated to it perfectly. Moreover, the fall in Iraqi and Iranian oil exports increased the role of the Saudi kingdom in OPEC.

But when the war got out of hand and threatened sea traffic in the Arab-Persian Gulf beginning in 1986, the United States decided it was better to end it. Iran was winning, so the big powers gave Baghdad a green light—de facto if not explicitly—to use chemical weapons in order to push Iranian troops out of Iraqi territory. These war crimes enabled Baghdad to recuperate its territory and persuaded Iran in July 1988 to accept the cease-fire that it had previously rejected. The cease-fire took effect the following month.

Two wars ended at the same time: the Iran-Iraq war and the Soviet army's war in Afghanistan.²⁸ Washington could be content with the result: its three adversaries had been bled white by the conflicts. First of all, the Soviet Union's Afghan adventure accelerated its final crisis and decomposition. This outcome surpassed all the United States' hopes. However tragic

the consequences were of al-Qaeda's later turn against its U.S. sponsor, the immediate result—the implosion of the USSR and the fall of Communism—undeniably justified the policy the United States had followed, in the minds of U.S. policy makers (all the more because Bin Laden's defection could have been avoided).

THE 1991 GULF WAR

What of the other two adversaries, Iran and Iraq? The problem was that while Iraq had been bled white economically, it came out of the war with a disproportionately large army, battle-hardened by eight years of merciless warfare. Saddam Hussein had to choose between drastically cutting military spending to save the economy and rushing into a new war. His neighbors and funders' stingy, greedy behavior, beginning with Kuwait, inspired him to revive Iraq's historical claim to the emirate, which the British had created at Iraq's expense. On August 2, 1990, Saddam Hussein's troops invaded Kuwait. This is exactly what Washington wanted.

The United States was looking for a pretext to kill two birds with one stone. On the one hand, it wanted to radically cut back Iraqi strength, which it considered too threatening to the nearby oil-producing monarchies. (The security of the oil states, the Saudi kingdom's in particular, not Israel's, was the main motive for U.S. intervention.) On the other hand, it was looking for an opportunity to reestablish the direct military presence of U.S. armed forces in the Arabian peninsula, over a quarter-century after their withdrawal. Saddam Hussein handed it the pretext on a silver platter.

The "Gulf war" allowed Washington to destroy two-thirds of Iraq's military potential. It also enabled the U.S. military to reinstall itself in the Saudi kingdom and then to install itself in Kuwait and other Gulf emirates after the operations ended. Meanwhile in the background the Soviet Union was going through its death agony, drastically decreasing its influence in the region before its final implosion. Its influence had sunk so deeply that even the Syrian regime, Moscow's traditional client, joined the coalition against Iraq led by Washington. The Gulf war thus inaugurated the period when U.S. hegemony in the Middle East reached its climax.

This war was above all Washington's chance to make clear that the Cold War had ended in a victory for the United States, left standing alone in the arena as the world cop, rather than in a new era of peace founded on disarmament. By giving a stunning demonstration of its formidable military might,

the United States let the rest of the world know that it was "the indispensable nation," as Madeleine Albright later put it. The United States was "indispensable" in defending the world system against new threats to its security and its oil supplies that would be arising soon enough, as the Iraqi case illustrated.

By restoring a U.S. presence in the Arabian Peninsula, the Gulf war also simultaneously restored its strategic primacy as guardian of the sources of oil, which its European and Japanese partners are more dependent on than it is. The billions of dollars paid to finance the war effort in the Gulf, not only by the oil monarchies themselves but by Germany and Japan as well, consecrated the United States as it were in its role of lord protector. At the same time Washington guaranteed that it would keep and increase its lion's share in the worldwide exploitation of oil and petrodollars.

The U.S. war in the Gulf was the first demonstration of U.S. "hyperpower," but at the same time emphasized the limits of this "hyperpower," which is far from omnipotence. The chief limit to U.S. power derives from the relationship between the government in Washington and the people of the United States, either mediated by elected officials or expressed directly in the streets. This relationship is crucial, inasmuch as the United States is—luckily—a capitalist democracy, not a dictatorship. George H. W. Bush had considerable difficulty in getting a green light from Congress in 1990 for his war to "liberate Kuwait." He could not afford in any way to exceed his mandate and occupy Iraq.

Unable to take control of the Iraqi government by installing U.S. armed forces in Baghdad, therefore, Washington preferred not to take the risk of overthrowing the Ba'athist regime, which would have led to a chaotic situation and threatened the stability of the whole region. The risk was particularly great in March 1991 since Iraq was going through a popular uprising. The fall of the regime in these circumstances would have inevitably led to a revolutionary situation, which the United States and its Middle Eastern allies feared much more than the ongoing rule of a much weakened Saddam Hussein.²⁹ The United States thus authorized Hussein to bloodily suppress the popular uprising.

THE 1990S

In the decade following the Gulf war (1991–2000), U.S. strategy in the Middle East revolved around two major axes: "dual containment" of Iraq and Iran and the search for a settlement to the Israeli-Palestinian conflict. "Dual

containment” was a strategic choice dictated by two simultaneous considerations. First, both Iraq and Iran had been bled white and were therefore incapable of mounting any serious military threat to their neighbors, especially given the very expensive lesson Washington had inflicted on Baghdad. It sufficed to keep a close watch on both countries—and in Iraq’s case to maintain such a tight embargo that it had consequences of genocidal proportions. (The embargo caused 90,000 deaths annually during the almost twelve years of the embargo according to UN agency estimates: more than a million deaths.) The United States also banned U.S. companies from making heavy investments in Iran, particularly in the oil sector.

The second consideration that made “dual containment” feasible was the state of the world oil market. Just as it had made it possible to adapt to eight years of war between Iraq and Iran, it also made it possible to adapt to twelve years of embargo against Iraq, which kept the country’s production at about half the level of its prewar output and a third of its production capacity. Production remained this low even after the limitation that had been imposed was lifted, because the embargo stopped oil infrastructure from being repaired and above all stopped it from being modernized. Oil prices had peaked at the beginning of the Iran-Iraq war, then gone down again. From that point on a structural surplus of supply over demand characterized the oil market. Sharpened competition among exports kept prices down, even lower than they had been at the start of the big oil boom after the October 1973 war and Arab oil boycott.

On the Israeli-Arab front, Washington noted that the “peace process” launched by the Israeli-Egyptian accords had come to a standstill in the early 1980s. It responded by “unleashing” its Israeli regional surrogate to attack the PLO, which it saw as the main obstacle to a Pax Americana. At this point the Vietnamese trauma was still keeping the United States severely paralyzed, so that it was at the nadir of its imperial power.

Israel’s 1982 invasion of Lebanon succeeded in striking a decisive blow against the PLO, forcing it to evacuate most of its troops and command centers from the country. This fifth Israeli-Arab war even provided the opportunity for the first return of U.S. troops to the Middle East since the marines’ landing in Lebanon in 1958 and the evacuation of the U.S. bases in Dhahran (1962) and Wheelus (1970). That was in the framework of a “multilateral interposition force” made up in reality of NATO troops.

But the U.S. intervention ended in a double disaster. First, the suicide bombings directed against the United States forced it to withdraw its troops

precipitously from Lebanon, adding a “Beirut syndrome” on top of its “Vietnam syndrome.” Second, for the first time the Israeli army had to retreat unconditionally from an occupied territory, a territory conquered in its most unpopular war ever—including inside Israel itself. The Israeli retreat took place in two phases. First in 1985 Israel retreated to a fairly narrow “security zone” in southern Lebanon; then in 2000—under pressure from the armed attacks of the Lebanese resistance led by Hezbollah—from virtually the whole country, abandoning the occupation army’s local auxiliaries.³⁰

The U.S. retreat, followed by successive Israeli retreats, considerably increased the prestige of the Islamic fundamentalist current as a whole. It was a great inspiration to Palestinian fundamentalists, inciting them to take up this form of violent action in their struggle against Israeli occupation and settlement of their land. Violent action became all the more popular after the Palestinian popular struggle reached the high point of the intifada in 1988 only to be scuttled by a combination of Israeli repression and co-optation by the PLO bureaucracy.³¹

The intifada had nonetheless put the Palestinian struggle back in the center of the Arab political scene, to the point that the Reagan administration had officially opened negotiations with the PLO in 1988, though without reaching an agreement. After the spectacular comeback of U.S. hegemony in the Middle East thanks to the Gulf war, Washington found itself compelled to turn its attention to the Israeli-Palestinian issue once more. It felt it had to jump-start the stalled advance toward a Pax Americana, which had become more necessary to it than ever, at a moment when U.S. hegemony was at its height and it absolutely had to consolidate it by stabilizing the situation.

A few months after the official end of the Iraq war, George H.W. Bush opened an Israeli-Arab peace conference in Madrid: the first one since the 1974 Geneva conference to include all of the countries involved. Washington had to twist Likud Prime Minister Yitzhak Shamir’s arm to achieve this, since Shamir was unenthusiastic at the idea of taking part in a conference meant to reach a regional settlement. He knew in advance that he would have to reject the minimal requirements for any such settlement, since he favored the de facto if not de jure annexation of the Palestinian and Syrian territories occupied in 1967. The Bush administration got the Israeli prime minister to Madrid by threatening to withhold the promised U.S. guarantee for a \$10 billion loan. The Shamir government needed this money badly to finance absorbing Russian-Jewish immigrants to Israel—who were crucial for both Likud’s expansionist plans and consolidating its electoral preeminence.

By contrast with previous years, this episode of U.S.-Israel tension showed that the strategic value of the Zionist state had decreased in Washington's eyes. In fact, just as a weaker U.S. position in the Middle East had increased the strategic importance of its alliance with Israel in the early 1960s, the massive direct presence of U.S. armed forces in the region since 1990 tends to make Israel much less essential for defending U.S. interests. It therefore tends to increase U.S. demands on its Zionist ally.

Even the Israeli Labor Party's return to power in 1992 did not prevent the Madrid conference from bogging down. Betting all his chips on one roll of the dice, just as Sadat had in 1977, PLO leader Arafat agreed to negotiate secretly with the Rabin-Peres government behind the back of the PLO's own executive committee. The talks led to the famous Oslo accords. Their signature, in a ceremony on the White House lawn in September 1993, opened the way to the Israeli-Jordanian peace treaty in 1994. But Oslo was essentially a sucker's deal for Arafat. It revived the Allon Plan for Palestinian enclaves in territories under Israeli military and settler control. In return Arafat was fooled into accepting the mirage of an "independent" state, which was never promised or mentioned in any document. He failed even to get a guaranteed settlement freeze.³²

The 1993 accords enabled Israel to carry out in seven years as much as it had achieved in applying the Allon Plan in the quarter-century between 1967 and 1993. From 1993 to 2000 Israel doubled the number of settlers and intensified the buildup of its strategic network (roads, etc.) in the territories it had occupied in 1967. Meanwhile the Palestinians, mystified or kept in check by Palestinian Authority apparatuses, kept relatively quiet—until they gradually realized how they had been swindled and tried to react by any available means. Their reaction became more and more exasperated, then desperate, as Israel increased the brutality of its repression and strangled the territories with blockades. Israel was deliberately trying to increase tensions as much as possible, in order to compel the Arafat leadership to carry out its assigned task of repressing its own people.

Finally the moment came for a "definitive settlement" of the Israeli-Palestinian conflict—that is, the Clinton administration and Israeli Barak government decided that the moment had come. They were disappointed at Camp David in July 2000 to see that the Arafat leadership, having pocketed an impressive series of affronts and made a record number of capitulations, was not ready to make its final surrender. It was not prepared to liquidate the Palestinian people's historic rights in broad daylight. As a

quasi-state apparatus in search of territory on which to fulfill its bureaucratic calling, it had been aspiring to an "independent state" for some thirty years. It refused to settle for mere Bantustans.³³

THE YEAR 2000: STRATEGIC TURNING POINT

U.S. Middle Eastern strategy for the decade 1991–2000 had thus run up against its limits on both of its main fronts. On the Israeli-Palestinian front, it had become clear that the "peace process" had run aground. Only a major concession by one of the two sides could set it afloat again, given that their divergences concerned issues that were fundamental for both. From Ehud Barak's point of view, which Clinton supported, the Palestinian leadership had to accept the "generous offer" that Barak had made at Camp David. In the absence of any broad consensus on the Israeli or Palestinian side, Barak's offer corresponded to a version of a "settlement" that Washington considered satisfactory.

The direct inspiration for Barak's offer was the agreement negotiated in October 1995, just before Yitzhak Rabin's assassination, by the two men principally responsible for negotiating the Oslo accords: Yossi Beilin, at the time working under Shimon Peres at the Israeli foreign ministry, and Mahmoud Abbas, alias Abu Mazen, a member of the Palestinian leadership. Their agreement foresaw that Israel would keep settlements in the territories occupied in 1967, both in an area that Israel would annex and in the remaining Palestinian area. The territory of the "Palestinian state" would be cut up into separate enclaves controlled by the Israeli army, which would maintain strategic positions there; Israel would keep the part of Jerusalem that it had annexed in 1967, while the Palestinian capital would be in the Jerusalem suburb of Abu Dis. Finally, Palestinian refugees would receive international compensation and a "right to return" to the "Palestinian state."³⁴

At Camp David Arafat had argued, rightly, that he could never make the base of his own Fatah organization, let alone the Palestinian people as a whole, accept this kind of "settlement." Both Washington and the Israeli Labor Party drew the conclusion that the way out of the impasse was to reduce Palestinian resistance and demands by force. This conclusion induced Barak to authorize Ariel Sharon to commit his provocation at Jerusalem's Haram al-Sharif on September 28, 2000, thus provoking a Palestinian uprising. The violence of the repression with which Israel responded to this second intifada—at Barak's orders—tended to radicalize

it, in such a way as to create the conditions for its brutal suppression. This was supposed to make the Palestinians give in and accept the Camp David conditions. The Palestinians for their part, poorly led by an autocrat at the end of his tether surrounded by corrupt bureaucrats, fell into the trap of “militarizing” the intifada.

A broad front thus took shape, including Washington as well as all the major Israeli political currents, that agreed on the goal of drowning the Palestinian rebellion in blood. With this as the task, no one was better suited to carry it out than Sharon, a general with an impressive record as a war criminal. Something that had seemed unthinkable only a few years earlier happened: one of Israel’s most extremist politicians, a man whose fanaticism had managed to exasperate Menachem Begin himself, took over the leadership of Likud and won the Israeli elections in February 2001. Sharon settled down to the task of breaking the Palestinians’ spirit of resistance, with the more fundamental goal of provoking them to leave their territories en masse. To this end he worked to make Palestinians’ living conditions unbearable for as long as possible. He thus resorted systematically to provocations, in the spirit that had brought him to power, notably by carrying out “extrajudicial executions” of leaders of the Palestinian groups that were most determined to react: the Islamic fundamentalists.

For Sharon the Oslo accords as well as the Beilin-Abu Mazen accords, including the version presented at Camp David, were all unacceptable. His own vision of a settlement swings back and forth between his optimal solution of “transfer” and the maximum that he is prepared to accept. “Transfer” is the Israeli euphemism for expelling the Palestinians from their territories, that is, a new edition of what happened in 1948. This is what Sharon, like his extreme-right coalition partners, fervently desires. But if necessary he would be willing to accept a less “ideal” solution, consisting in reducing the Allon option to three separate, tightly controlled Palestinian enclaves—three Palestinian concentration camps, in short—including a total of only 42 percent of the West Bank land occupied in 1967. This option, which Sharon laid out when his party came to power in 1977, would in fact go together with a massive but less than total “transfer.” The so-called security wall, whose construction Sharon began in June 2002 after his predecessors had threatened to do so, fits in very clearly with this sinister perspective.³⁵

Yet this same Sharon—who has never hidden his ideas—presided over a coalition government including the Labor Party until November 2002, a coalition responsible for the worst episodes of the brutal war waged on the

Palestinians.³⁶ This same Sharon benefited from the “benign neglect” of George W. Bush’s administration, inaugurated only one month before Sharon’s own election. The connivance among the three parties—the Likud under Sharon, the Zionist Labor Party, and the U.S. administration—was a clear expression of their convergence toward a common objective: crushing any spirit of Palestinian resistance. Their divergences were put off to a later date, after the common objective had been reached.

In the Arab-Persian Gulf, the other major front in U.S. Middle East strategy, or rather on a part of this front, another strategic shift occurred in 2001. “Double containment” was replaced with single containment, directed at Iran. Washington hoped—encouraged by the rise of popular protest—that the Iranian regime would crumble the way the Eastern European regimes had. In the case of Iraq containment gave way to military overthrow, designated by the euphemism “regime change.”

George W. Bush’s team had entered office in January 2001 with the firm intention of overthrowing the regime in Baghdad. Bush had expressed this intention himself during his presidential campaign. Several members and coworkers of his administration agreed with him, to the point of jointly petitioning Bush’s predecessor Clinton in January 1998 to this effect. The petition was organized by the Project for the New American Century, a reactionary think tank whose influence on the Bush administration has been widely noted. The fact that eleven out of eighteen signers of the petition that called on Clinton to overthrow the Iraqi regime by military force later found themselves associated with the Bush administration,³⁷ at the Pentagon in particular, could easily have given the impression of a conspiracy, had their project not been proclaimed so openly.

George W. Bush’s administration, like his father’s administration that waged the first U.S. war against Iraq, is as tightly linked to the oil industry as any administration in history. At the risk of annoying those who react to any explanation of U.S. foreign policy in terms of economic interests, and oil interests in particular, with cries of “reductionism,” the oil lobby has traditionally played a key role in formulating U.S. foreign policy, at the very least since the Second World War.³⁸

Some administrations are more sensitive than others to oil company influence, however. The administration of Bush Junior, whose presidential campaign had all the oil and gas industry’s chief companies (including, of course, ExxonMobil, BP Amoco, El Paso, Chevron, etc.) among its main donors, is certainly one of the most sensitive. Besides his own personal and family ties to

the industry, Bush appointed people with equally close or closer ties to it to key posts in his administration, including Vice President Dick Cheney (Halliburton) and National Security Adviser Condoleezza Rice (Chevron).

As it happens there was a sharp rise in oil prices (and in gas prices at the pump in the U.S.) during the presidential campaign year 2000. Since the imposition of the embargo on Iraq and throughout the years 1991–99, nominal prices of crude oil had stayed under their 1990 level (\$22.26 a barrel),³⁹ which was in turn 35 percent below the 1974 price when adjusted for inflation.⁴⁰ The situation turned around in 2000, with a jump in nominal prices from \$17.47 a barrel in 1999 to \$27.60 a barrel (though even this price was lower in real terms than the 1990 price).⁴¹

More important, Bush's team shared the U.S. ruling class's general concern about the future of the oil market and the prospect that hydrocarbon sources will gradually dry up.⁴² The influential Center for Strategic and International Studies (CSIS) in Washington expressed this concern most clearly in a November 2000 report made public in February 2001 under the title *The Geopolitics of Energy into the 21st Century*. According to this report, world energy demand should increase by over 50 percent during the first two decades of the twenty-first century.

The Persian Gulf will remain the key marginal supplier of oil to the world market, with Saudi Arabia in the unchallenged lead. Indeed, if estimates of future demand are reasonably correct, the Persian Gulf must expand oil production by almost 80 percent during 2000–2020, achievable perhaps if foreign investment is allowed to participate and if Iran and Iraq are free of sanctions.⁴³

The report underscored the “fundamental contradiction” between this need and Washington's policies:

Oil and gas exports from Iran, Iraq, and Libya—three nations that have had sanctions imposed by the United States or international organizations—are expected to play an increasingly important role in meeting growing global demand, especially to avoid increasing competition for energy with and within Asia [meaning sudden, sharp price hikes]. Where the United States imposes unilateral sanctions (Iran and Libya), investments will take place without U.S. participation [meaning we had better get rid of these sanctions if we don't want to help our competitors]. Iraq, subjected to multilateral sanctions, may be constrained from building in a timely way the infrastructure necessary to meet the upward curve in energy

demand. If global oil demand estimated for 2020 is reasonably correct and is to be satisfied, these three exporters should by then be producing at their full potential if other supplies have not been developed.⁴⁴

For the Bush administration, as for U.S. capitalism as a whole, the need to put an end to the embargo imposed on Iraq was becoming urgent. It was time to make possible reconstruction and modernization of Iraq's oil infrastructure—meaning several years of investments and work. Iraq sits on the second largest oil reserves in the world after the Saudi kingdom; Washington's goal was to allow Iraq to double and then triple its production (up to its estimated capacity) during the first decade of the new century, so as to ward off an oil crisis during the following decade. Underlying this concern was the principle that a substantial margin of flexibility in Saudi production—a margin of safety between the kingdom's actual production and its production capacity—must be maintained.⁴⁵ This is crucial to the stability of the world oil market under U.S. supervision, and constitutes “the cornerstone of its oil policy.”⁴⁶

SEPTEMBER 11: BUSH'S WINDFALL

It was thus becoming urgent to create the conditions for lifting the embargo on Iraq. There were essentially two preconditions. First, Saddam Hussein had to be overthrown and replaced by a government under U.S. control. Without this “regime change” Washington would not contemplate moving to lift the embargo. Paris and Moscow had been calling for some time to lift the embargo on the Ba'athist regime, precisely because it was in their interests and contrary to Washington's.

Baghdad had granted its two privileged partners—which France and Russia had always been—major oil concessions whose implementation depended on ending the embargo. Given the magnitude of what was at stake in Iraq—the huge market for rebuilding the country, devastated as it was by twenty years of war and embargo, on top of its gigantic oil resources—it was out of the question for Washington, backed by London for identical reasons, to hand it all on a silver platter to Paris and Moscow.

The Bush administration's only options—like the Clinton administration's before it—were either maintaining the embargo or securing U.S. control of Iraq. To make this last, more and more pressing option possible, another condition had to be fulfilled, however: it had to be politically possible, essentially in terms of U.S. domestic politics, to invade Iraq and keep

the country under direct U.S. occupation and tutelage. In truth, the one and only sure guarantee of keeping Iraq under Uncle Sam's thumb is ruling the country directly from Washington.

The reason is that Iraq is not located in Eastern Europe, but rather in the one part of the world where popular feeling is most hostile to the United States. In the absence of any U.S. ideological hegemony that would ensure Iraq's ongoing guaranteed dependence on the United States, the country had to be placed under some original form of trusteeship. Since Bush Senior had been politically incapable of achieving this, he had preferred to let Saddam Hussein bloodily repress the March 1991 popular rebellion rather than allowing the triumph of an Iraqi revolution that would not have been under Washington's control. Clinton, constrained by the Republican opposition's exploitation of the Lewinsky scandal, was certainly not able to invade and occupy Iraq either when the crisis around the UN inspectors provided him with a suitable pretext in 1998.

In this context, September 11, 2001, came as a terrific windfall for the Bush administration. As with Saddam Hussein in 1990, one could say that if Osama bin Laden had not existed he would have had to be invented—for Washington's benefit. The spectacular blow struck by Islamic fundamentalists, former U.S. allies who had become its sworn enemies, created such a huge political trauma in the United States that the Bush administration thought it was possible at last, for the first time, to break once and for all with the "Vietnam syndrome" and return to the unbridled military interventionism of the first Cold War decades.

We know from investigative reports and interviews that some members of Bush's team wanted to seize the occasion immediately to go after Iraq, although they knew full well—whatever they claimed—that Baghdad had nothing to do with the men who had attacked the World Trade Center and Pentagon. There was a debate inside the administration between proponents of the "Iraq first" option (like Donald Rumsfeld) and the "Afghanistan first, Iraq later" option (like Colin Powell). The principle of invading Iraq eventually had long been a point of consensus. For obvious political reasons, the president chose the second option.

The invasion of Afghanistan was also a chance for the Bush administration to carry out a project it had cherished since the final collapse of the USSR. But establishing a direct U.S. military presence in the heart of ex-Soviet Central Asia had seemed even more improbable than a U.S. occupation of Iraq.⁴⁷ A military presence in the heart of the Eurasian continental

mass joining Russia to China—two countries tempted to ally with each other in order to resist U.S. hegemonic pressure more effectively, or even to ally with Iran as well—had evident geostrategic value.⁴⁸ Besides, a U.S. military presence in Central Asia and the Caspian Basin (in Uzbekistan, Kyrgyzstan, Georgia, and so on) fit into its global and Middle Eastern strategy of taking control of sources of oil, supplemented in this particular case by natural gas.

In fact, the previously cited CSIS report, while noting that Caspian oil would be "important at the margin but not pivotal," indicated that foreseeable increased demand for natural gas would raise the strategic value of this energy resource in years to come.⁴⁹ The region made up of Eastern Europe and the whole of the former Soviet Union holds only a bit more than 6 percent of the world's proved oil reserves, even if estimated reserves are sometimes believed to be much greater. By contrast, the region holds more than 30 percent of the world's proved natural gas reserves.⁵⁰

The central objective of the Afghanistan war, besides destroying the al-Qaeda network, was in fact U.S. strategic implantation in Central Asia and on the shores of the Caspian Sea. This explains the low level of interest in Washington in controlling the Afghan interior or in building the promised "modern" state, to be led by its loyal vassal Hamid Karzai. The United States knows quite well in any event that the stakes are too small in Afghanistan to justify the enormous financial and military investment that would be needed to try to control this country in reality—without any guarantee of success. Afghanistan's reputation as indomitable destined it to be the prey of the warlords Washington relied on to "liberate" it.⁵¹ The war against the Taliban-al-Qaeda alliance actually provided the opportunity, along with Vladimir Putin's miscalculations and illusions, that allowed the U.S. government to softly accomplish this ultimate extension of its imperial military network behind the back of U.S. public opinion.

Once the Afghan operation had been more or less completed, the Bush administration turned to the main course: Iraq. In this case, given how much is at stake, Washington has definitely decided to make a huge effort in order to rebuild an Iraqi state that would be its loyal vassal and capable of ensuring neocolonial order under U.S. supervision and the protection of U.S. troops. This perspective was even the sine qua non for invading the country and overthrowing Saddam Hussein, as we have already explained. The Bush administration's curt attitude toward Paris in particular expressed its determination to exclude France from any share in the booty. Washington knew that France had some major trump cards in its rivalry

with the United States: its long experience with the Iraqi market and its standing among Arab peoples, which contrasts sharply with the general hostility to the U.S.-British tandem.

THE "QUAGMIRE"

The Bush administration, and above all Rumsfeld's team at the Pentagon, committed the monumental error, however, of underestimating the great difficulty of the task and overestimating the means that they really had at their disposal. These difficulties were entirely predictable, and many people—including the present author—had predicted them.⁵² Resentment of the U.S.-British occupation of Iraq, which the great mass of the country's Arab population is expressing in an increasingly visible and lethal way, is impelling Washington to speed up its search for solutions that can slow down the situation's slide into a "quagmire." This quagmire would resemble the Israeli army's quagmire in Lebanon more closely than Uncle Sam's old quagmire in Vietnam, incidentally. Washington is obviously improvising, in a way that the Bush administration's political adversaries are criticizing harshly. The result is already a decline in the artificial, inflated popularity that Bush had enjoyed since September 11, 2001.

The United States may have the world's most formidable army and be able to dispose of any other army. But the Bush-Rumsfeld team is discovering to its cost that its "smart" or even "brilliant" bombs, its robots and other remote-controlled or electronically programmed drones are useless when it comes to controlling masses of people. The problem is not that the United States is short of settlers or "imperialists," meaning candidates among the population of the occupying power who are prepared to live in the conquered country and administer it, as in the glory days of the Raj. Niall Ferguson, the author of a bestseller on the defunct British empire who made this argument in the *New York Times Magazine*, was reasoning by analogy.⁵³ However, he failed to see the big difference between the British imperial epoch and our own time—a difference that explains, by the way, the other difference he mentioned about would-be colonial settlers.

When the population of an occupied country today is hostile to an occupying force and sees it as such, it is incomparably more dangerous for the occupiers than in the nineteenth or even the first half of the twentieth century. A century ago the great bulk of colonized peoples was often resigned to their subjugation. Since then people have taken note of the national

liberation struggles that characterized the era of decolonization. In addition, levels of education and therefore of national consciousness are now at a qualitatively higher level.

Israel was able to occupy the West Bank and Gaza without too much difficulty during the two decades after 1967—before the outbreak of the first intifada turned the occupation into a nightmare for the Zionist army—because its occupation of the 1967 territories was and remains a genuine military occupation. Zionist colonialism is a form of settler-colonialism intended to evict the autochthonous population. The settlers are isolated from the Palestinians for security reasons and have little in common with the colonial administrators of former times. Only the quantitative strength of Israeli occupation troops relative to the population of the occupied territories, made possible by the size of the territories and the fact that the occupiers' territory adjoins them, has enabled Israel to keep the situation under control for so long.

These conditions are virtually the opposite of the conditions that the occupying powers confront in Iraq, where they face a substantial population of almost 20 million people (counting only Arabs). The U.S. problem is that it does not have enough soldiers to control Iraq and at the same time maintain its imperial role in relation to the rest of the world. This is why Rumsfeld now plans to ask Congress to authorize a considerable increase in the total numbers of the U.S. armed forces, whose personnel has been much reduced since the end of the Cold War and the technological "revolution in military affairs."⁵⁴ In light of the Iraqi people's hostility and nationalist touchiness, the essential form of U.S. presence in Iraq can only be military. U.S. civilians in Iraq are seen as the political and economic arm of an armed occupation, and therefore require military protection.

Washington is trying to extricate itself from the quagmire that its troops are sinking into by exploring the possibility of using forces from other countries, Muslim countries in particular. But the problem will not be solved as long as the troops, wherever they are from, act as auxiliaries of U.S. troops. Washington's dilemma is that changing the Iraqi population's perception of the occupying forces would require no longer using them to oversee the culling of Iraqi resources by the U.S. and its British allies. But that is exactly why Washington set out to occupy the country in the first place!

The myth that Washington wants to endow Iraq with a democratic government that would be a model for the whole region, the myth that the United States is replaying in Iraq the tape of Germany and Japan's post-1945 democratization, will not stand up for long to the test of events. In the

two big countries defeated in the Second World War, sizable capitalist classes with ideological hegemony over their societies were ready to collaborate with the U.S. occupier and rebuild their countries under its tutelage and with its aid—all the more willingly because they lived in terror of the “communist” threat. While allied with the United States, they were still capable of governing on the basis of genuine electoral majorities.

Nothing comparable exists in Iraq today. The effects of the Iraqi bourgeoisie’s long confinement in the iron collar of an omnipotent, semi-fascist state apparatus further aggravate the structural weakness characteristic of Third World bourgeoisies in general. There are no reliable U.S. allies in Iraq with any real credibility among, not to speak of ideological hegemony over, the great Arab majority of the population. Iraq, like other Middle Eastern countries, thus only confirms what Samuel Huntington called “the democracy paradox: adoption by non-Western societies of Western democratic institutions encourages and gives access to power to nativist and anti-Western political movements.”⁵⁵

This is a “paradox” in any event only in the eyes of those who believe that democracy goes hand in hand with submission to the West. Anti-U.S. resentment among Muslim peoples, which is even more deeply felt than among other peoples of the Third World, is the result of a long history of oppression. The fact that Western domination is identified with the hated despotic regimes that it depends on, and with the state of Israel, has kept this resentment alive up to the present day.⁵⁶ So it is entirely natural that if the majority of the people could express itself freely and truthfully at the ballot box in Muslim countries, it would elect governments hostile to Western domination.

Iraq is no exception to this rule, quite the contrary. Consequently there are only two possibilities. Either Washington will keep the country under its rule by brute force, exercised directly or through the mediation of puppets despised by the people and “legitimized” by a travesty of democracy, on the model of what it is doing in Afghanistan; or the Iraqis will democratically choose their own government and elect leaders hostile to continuing U.S.-British control of their country’s resources. The “democratic” ideological delirium of a few “neoconservatives” in the United States will not count for much next to the economic interests that are at stake in Iraq—even if these “neo-cons” really do naively believe in their own ideological discourse, which is very far from certain.

Events on the Israeli-Palestinian front since the official end of the war in Iraq strikingly confirm the rule laid out above. In the Palestinian case,

Washington is not directing its “democratic” reproaches at a bloody tyrant but at Yassir Arafat, the only man in the Arab world with a status comparable to that of a head of state who has been elected through a process that was relatively democratic and enjoys the real support of a majority of his own people. The United States’ “democratic reform” has consisted in imposing on the Palestinians and their elected president a “prime minister” whom the overwhelming majority of Palestinians rejected as a new Quisling. This “prime minister” was—surprise!—Mahmoud Abbas, alias Abu Mazen, the same one who accepted the 1993 Oslo Accords and the 1995 agreement with Yossi Beilin.

The second Bush administration, like the first, needs to stabilize U.S. regional hegemony by clearing all obstacles out of the way to establishing a Pax Americana in the Middle East. It therefore needs, like its predecessor, to move toward a settlement of the Israeli-Palestinian conflict. To this end it has published its “road map” and made clear to everyone in the region that it means to impose it. Strengthened by its new, direct hold on the region from occupied Iraq, the U.S. administration, more even than in 1991, has declared itself ready to put strong pressure on its Israeli ally.

But Sharon is stalling, as Shamir did in 1991. He pretends to yield to Washington’s demands by making minor or purely formal concessions while continuing to provoke the Palestinians. He is counting on the fact that 2004 is a presidential election year in the United States, and U.S. administrations are generally not much inclined to put strong pressure on Israel during election years. Furthermore, the more the U.S. occupation of Iraq turns into a quagmire, the more the Bush administration will see dealing with Iraq as its top priority; it will thus be tempted to give up on chasing two Middle Eastern hares at once.

So what remains of the prospects for “democracy” in the Middle East? The term “democracy” has increasingly made way in official U.S. statements for the term “freedom,” the term that was used, by the way, to name the invasion of Iraq, Iraqi Freedom. But what kind of “freedom” is this? George W. Bush has not delayed passing on the good news to the peoples of the Middle East: in a speech on May 9, 2003, he proposed to them “the establishment of a U.S.-Middle East free trade area within a decade.”⁵⁷

Meanwhile the mission of overseeing the restructuring of the Iraqi oil industry has been assigned to Philip Carroll, former CEO of the U.S. branch of Royal Dutch/Shell. It would be hard to think of a better symbol of the U.S.-British alliance. Carroll’s job will consist of carrying out the

decisions made at a hush-hush meeting held in London by the U.S. State Department with the designated future heads of the Iraqi oil industry on April 5, just before the fall of Baghdad.⁵⁸ Central to the London decisions were the “production sharing agreements” that U.S. and British oil companies mean to impose on Iraq. The agreements will be a model—real, not mythical, this one—for agreements with other Middle Eastern countries. The goal is to go back to the “participation” that the Saudi oil minister proposed thirty years ago as an alternative to nationalizations!

In the beginning was the “open door” to oil. ...

JULY 23, 2003