



## The Oil Factor In Kosovo Independence

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On February 17, Kosovo broke away from Serbia and declared its independence. Not surprisingly it was instantly recognized as a state by the U.S., Germany, Britain and France. With 4203 square miles area, Kosovo may be a tiny territory but in the great game of oil politics it holds great importance which is in inverse proportion to its size.

Kosovo does not have oil but its location is strategic as the trans-Balkan pipeline - known as AMBO pipeline after its builder and operator the US-registered Albanian Macedonian Bulgarian Oil Corporation - will pass through it.

The pipeline will pump Caspian oil from the Bulgarian port of Burgas via Macedonia to the Albanian port of Vlora, for transport to European countries and the United States. Specifically, the 1.1 billion dollar AMBO pipeline will permit oil companies operating in the Caspian Sea to ship their oil to Rotterdam and the East Coast of the USA at substantially less cost than they are experiencing today.

When operational by 2011, the pipeline will become a part of the region's critical East-West corridor infrastructure which includes highway, railway, gas and fiber optic telecommunications lines. This pipeline will bring oil directly to the European market by eliminating tanker traffic through the ecologically sensitive waters of the Aegean and Mediterranean Seas.

In 2000, the United States Government's Trade and Development Agency financed a feasibility study of pipeline which updated and enlarged the project's original feasibility study dating from early 1996. Brown & Root Energy Services, a wholly-owned British subsidiary of Halliburton completed the original feasibility study for this project.

The US Trade and Development Agency's paper published May 2000, which assesses that the pipeline is a US strategic interest. According to the paper, the pipeline will provide oil and gas to the US market worth \$600m a month, adding that the pipeline is necessary because the oil coming from the Caspian sea will quickly surpass the safe capacity of the Bosphorus.

The project is necessary, according to a paper, because the oil coming from the Caspian sea "will quickly surpass the safe capacity of the Bosphorus as a shipping lane". The scheme, the agency notes, will "provide a consistent source of crude oil to American refineries", "provide American companies with a key role in developing the vital east-west corridor", "advance the privatisation aspirations of the US government in the region" and "facilitate rapid integration" of the Balkans "with western Europe".

The pipeline itself, the agency says, has also been formally supported "since 1994". The first feasibility study, backed by the US, was conducted in 1996.

In November 1998, Bill Richardson, the then US energy secretary, spelt out his policy on the extraction and transport of Caspian oil. "This is about America's energy security," he explained. "It's also about preventing strategic inroads by those who don't share our values. We're trying to move these newly independent countries toward the west.

"We would like to see them reliant on western commercial and political interests rather than going another way. We've made a substantial political investment in the Caspian, and it's very important to us that both the pipeline map and the politics come out right."

Professor Michel Chossudovsky, author of *America at War in Macedonia*, provides a deep insight into the Albanian-Macedonian-Bulgarian-Oil Pipeline project: "The US based AMBO pipeline consortium is directly linked to the seat of political and military power in the United States and Vice President Dick Cheney's firm Halliburton Energy. The feasibility study for AMBO's Trans-Balkan Oil Pipeline, conducted by the international engineering company of Brown & Root Ltd. [Halliburton's British subsidiary] has determined that this pipeline will become a part of the region's critical East-West corridor infrastructure which includes highway, railway, gas and fibre optic telecommunications lines.

"Coincidentally, White and Case LLT, the New York law firm that President William J. Clinton joined when he left the White House also has a stake in the AMBO pipeline deal.

"And upon completion of the feasibility study by Halliburton, a senior executive of Halliburton was appointed CEO of AMBO. Halliburton was also granted a contract to service US troops in the Balkans and build "Bondsteel" in Kosovo, which now constitutes "the largest American foreign military base constructed since Vietnam".

"The AMBO Trans-Balkans pipeline project would link up with the pipeline corridors between the Black Sea and the Caspian Sea basin, which lies at the hub of the World's largest unexplored oil reserves. The militarization of these various corridors is an integral part of Washington's design.

"The US policy of "protecting the pipeline routes" out of the Caspian Sea basin (and across the Balkans) was spelled out by Clinton's Energy Secretary Bill Richardson barely a few months prior to the 1999 bombing of Yugoslavia: This is about America's

energy security. It's also about preventing strategic inroads by those who don't share our values. We're trying to move these newly independent countries toward the west. We would like to see them reliant on western commercial and political interests rather than going another way. We've made a substantial political investment in the Caspian, and it's very important to us that both the pipeline map and the politics come out right.

"In favour of the AMBO pipeline negotiations, the U.S. Government has been directly supportive through its Trade and Development Agency (TDA) and the South Balkan Development Initiative (SBDI). The TDI suggested the need for Albania, Macedonia, and Bulgaria to "use regional synergies to leverage new public and private capital [from U.S. companies]" while also asserting responsibility of the U.S. Government "for implementing the initiative."

And the U.S. Government has fulfilled its role in promoting the AMBO project, granting several contracts to Halliburton for servicing U.S. troops in the Balkans, including a five year contract authorized in June of 2005 by the U.S. Army at a value of \$1.25 billion, despite criminal allegations made against Halliburton that are currently being probed by the F.B.I., according to Craig A. Brannagan author of *On the Political Executive: Public or Private?*

This leaves little doubt that the war in the former Yugoslavia was fought solely in order to secure access to oil from new and biddable states in central Asia. It is obvious that the former Yugoslavia, especially Serbia, was a serious problem for the realization of the plan. The intervention in Kosovo and Metohija was carried out in order to please Albania, whose port of Vlore is the ultimate destination of the pipeline.

In 1998, fighting breaks out between Serbian forces and ethnic Albanians in Kosovo. President Milosevic sends in troops, and atrocities were committed. This opens the door for NATO's Operation Allied Force, occupying Kosovo in 1999 and then handing it over to the UN, with a huge American presence in the area. UN resolution 1244 is drafted stipulating that Kosovo is Serbian land, and at the same time gives Kosovars governance autonomy.

June 1999, in the immediate aftermath of the bombing of Yugoslavia, US forces seized 1,000 acres of farmland in southeast Kosovo at Uresevic, near the Macedonian border, and began the construction of Camp Bondsteel which is the biggest construction project of a US military base since the war in Vietnam. Now, why would the United States build such a massive camp in Kosovo?

In evaluating Kosovo's independence, it is also important to know that Kosovo is not gaining independence or even minimal self-government.

It will be run by an appointed High Representative and bodies appointed by the U.S., European Union and NATO. An old-style colonial viceroy and imperialist administrators will have control over foreign and domestic policy. It is similar to the absolute power held by L. Paul Bremer in the first two years of the U.S. occupation of Iraq. U.S. has

merely consolidated its direct control of a totally dependent colony in the heart of the Balkans.

An International Civilian Representative (ICR) will be appointed by U.S. and E.U. officials to oversee Kosovo. This appointed official can overrule any measures, annul any laws and remove anyone from office in Kosovo. The ICR will have full and final control over the departments of Customs, Taxation, Treasury and Banking.

The E.U. will establish a European Security and Defense Policy Mission (ESDP) and NATO will establish an International Military Presence. Both these appointed bodies will have control over foreign policy, security, police, judiciary, all courts and prisons.

These bodies and the ICR will have final say over what crimes can be prosecuted and against whom; they can reverse or annul any decision made. The largest prison in Kosovo is at the U.S. base, Camp Bondsteel, where prisoners are held without charges, judicial oversight or representation.

US has argued the case of Kosovo is unique and that separatists in other states in Europe and the Balkans will not receive aid and welcome from major powers. "It is incorrect to view this as a precedent and it doesn't serve any purpose to view it as a precedent," said Alejandro Wolff, US deputy permanent representative to the UN. He may be right because other separatists may not have any attraction for the oil giants.

However, the Kosovo independence bolsters hopes of militants in the Indian-controlled Kashmir to achieve the same status for the disputed territory. "The world community, the European Union in particular, should play a Kosovo-like role in getting the dispute resolved in Kashmir," says Yasin Malik, chairman of pro-independence group Jammu Kashmir Liberation Front.

Although several countries have recognized Kosovo as a new state but India said it was studying the legal ramifications. India is wary of recognizing Kosovo as an independent state because of its potential implications for Kashmir, racked by a nearly two-decade freedom struggle against New Delhi's occupation that has left more than 43,000 people dead.

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