

Afghanistan, Colombia, Vietnam: The Deep Politics of Drugs and Oil

by Peter Dale Scott
[Global Research](#)

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Since World War Two, the United States has had in effect two conflicting styles of conducting foreign policy, one for other developed states, and a quite different style for regions of little economic interest apart from their mineral resources – above all oil and natural gas.

As a general rule, the US has worked through the established governments of developed states. But in Third World areas and regions with oil or other minerals, the US has done whatever it thought necessary to secure access when it wished to do so. As Michael Tanzer observed some years ago, a number of CIA-engineered coups in the 1950s and 1960s, starting with Iran in 1953, can be related to the intentions of those countries to nationalize their oil companies.

The US has also embarked on at least three major military campaigns – in Vietnam, Colombia, and now Afghanistan, where oil has been one of the factors in the US commitment, and oil lobbies among the groups urging engagement. Other campaigns which seemed unrelated to this concern – notably Kosovo – have also been interpreted by strategic realists as important to America's oil "needs."

Whether by coincidence or not, these three major campaigns (as well as others) have all aligned the US on the same side as powerful local drug traffickers. Partly this has been from realpolitik – in recognition of the local power realities represented by the drug traffic. Partly it has been from the need to escape domestic political restraints: the traffickers have supplied additional financial resources needed because of US budgetary limitations, and they have also provided assets not bound (as the US is) by the rules of war. And partly (I believe) it has been from a concern to manage the drug traffic itself, and ensure that it will never fall under the control of another hostile power.

These facts, however coincidental in origin, have led to enduring intelligence networks involving both oil and drugs, or more specifically both petrodollars and narcodollars. These networks, particularly in the Middle East, have become so important that they affect, not just the conduct of US foreign policy, but the health and behavior of the US government, US banks and corporations, and indeed the whole of US society.

It has become customary for US intelligence agencies (or what I call cryptocracies) to draw on the assets of the illicit drug economy (or what I call the cryptonomy) in pursuit of various goals, from negotiation to corruption. This has been a major factor in the failure of our government to address the problem of drugs and the cryptonomy reasonably, and the concomitant growth of the cryptonomy to a point where the US economy has become dependent on it. (For another example of this, click [here](#).)

We see proof of this in the appalling US government handling of BCCI, the Bank of Credit and Commerce International, a bank controlled by the petrodollars of Sheikh Zayed al-Nahayan the Emir of Abu Dhabi, and a bank which became a major global channel for the laundering of narcodollars and other illicit funds.

As reported in [The Outlaw Bank](#),

Customs chief William von Raab...announced that BCCI was the most important drug-money bank ever hit. But instead of being lauded by his superiors...he was told to dampen his public enthusiasm. When he persisted, he was cut out of the investigation. When he complained, he was asked to resign. And then the Justice Department let BCCI off the hook, collecting a limited guilty plea and a \$14-million fine that scuttled any further significant investigation. And then a senior Justice Department official wrote letters to banking regulators...suggesting they allow BCCI, which had just pleaded guilty to drug-money laundering, to continue operating. (p. 350)

A Senate Subcommittee chaired by Senator John Kerry investigated "[The BCCI Affair](#)." But while the resulting Hearings are an official Subcommittee record, the final [Report](#), while a Committee Print, is listed only as a report by two members, "Senator John Kerry and [ranking Republican] Senator Hank Brown."

A note by Senator Brown in the Report throws light on this anomaly:

It is important to note that no other committee in the United States Senate conducted a thorough and in-depth investigation of BCCI....John Kerry was willing to spearhead this difficult investigation. Because many important members of his own party were involved in this scandal, it was a distasteful subject for other committee and subcommittee chairmen to investigate. They did not. John Kerry did. (pp. 20-21)

But there were probably institutional as well as personal reasons for the evaporation of the BCCI scandal.

No administration with an eye to the United States balance-of-trade problems has ever wanted to cut off the flow of capital flight into America, and tough banking disclosure laws could dry up the multibillion-dollar river overnight. That unspoken imperative is so strong that some inside players, such as former National Security Council economist Roger Robinson, dismiss the idea that there needed to be a conspiracy to handicap an investigation or prosecution of BCCI. "[Treasury Secretary James] Baker didn't pursue BCCI because he thought a prosecution of the bank would damage the United States' reputation as a safe haven for flight capital and overseas investments," Robinson said. (*The Outlaw Bank*, 357)

This digression from petrodollars and narcodollars into global finance is of direct relevance to the way in which the Bush administration will conduct, or fail to conduct, its campaign against terrorism. Already the ban on certain banks financing terrorism has drawn attention to the fact that these banks (like BCCI) have availed themselves of safe havens (like the Grand Cayman Islands) which international conventions are seeking to curb or banish, and focused attention on the failure of the US to ratify these conventions.

More specifically the deep politics of the Al-Qaeda network, and of bin Laden's personal family, involves the same pattern of Afghan-Pakistan-United Arab Emirates drug-trafficking, money-laundering, and intelligence activity, as conferred on BCCI an importance in US covert politics so great that it was never effectively prosecuted for its crimes.

It is certain that the major US oil companies will oppose the exposure of this corrupt intelligence milieu. It involves personnel who are veterans not just of Pakistani intelligence, but more centrally of Saudi intelligence. And the Saudi intelligence service is at the very heart, not just of the CIA-mujaheddin-Afghanistan scandal, but of the corrupt arrangements protecting the on-going presence of US oil companies in the Arabian peninsula.

These remarks are not offered out of defeatism. They are made to reinforce the important and surely obvious truth that terrorism can never be defeated by merely defending the status quo. What is needed is a major readjustment of the relationship between the United States and its corporations on the one hand, and the exploited peoples of the Third World.

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