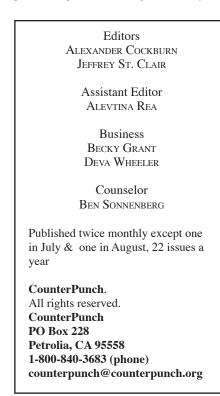
^{2/COUNTERPUNCH} "Loyalty" and the Bottom Line **Any Flag Will Do By Robert Bryce**

G ood old Frank Gaffney. If the U.S. ever finds itself in dire need of a mad-dog extremist position, he's always ready to lend his voice to the cause. The latest case in point: Gaffney's February 5 column for the *Washington Times* criticizing the oil giant Shell for daring to propose a multibillion-dollar energy deal, in partnership with Spanish energy company Repsol, with the National Iranian Oil Company (NIOC). The deal, which hasn't been finalized, could be worth \$10 billion or so. But before we get to the details of Shell's proposal, here's some background.

Amidst the war of words over Iran's nuclear program and its effort to develop nuclear power, the country still has enormous quantities of oil and gas. (Iran is second only to Russia in terms of total gas deposits.) And that gas is attracting investment capital from all over the world. In January alone, the Iranians did several multibillion-dollar deals.

On January 7, NIOC announced the signing of a \$16-billion deal with Malaysia's SKS Ventures to develop the Golshan and Fedros gas fields and build plants to produce liquefied natural gas. The 25-year



deal will allow Iran to exploit the two fields which together contain about 60 trillion cubic feet of gas. Just for reference, the gas in those two fields is about equal to one-third of all the natural gas reserves in the U.S.A.

On January 26, Iranian officials announced that they had agreed with representatives from Pakistan and India on the pricing formulas for the long-discussed, much-delayed Peace Pipeline, the \$7-billion, 1,600-mile pipeline that will carry Iranian gas to Pakistan and India. (The Bush administration opposes the pipeline deal.) Negotiations over the pipeline got stuck over pricing but it appears that the three countries have finally resolved their dispute. The deal confirms that India will look out for its own interests when it comes to energy. In 2005, during the World Petroleum Congress in South Africa, Susil Chandra Tripathi, the secretary of India's Ministry of Petroleum and Natural Gas, told me that the pipeline deal was inevitable. The U.S. may "want to isolate Iran, but that doesn't mean Iran will quit producing crude oil and gas, or that we will stop buying it."

On January 29, Shell and Repsol announced that they were close to a deal with NIOC on the South Pars field. Shell authorities were skittish about disclosing too many details of the deal for fear that it would upset the Bush administration which is trying to close off foreign investment in Iran.

But Gaffney, a long-time neoconservative and vehement backer of the second Iraq War, would rather engage in demagoguery than bother with the facts. (That was made clear again last week when Gaffney wrote a column for the *Washington Times*, in which he used a fabricated quote from Abraham Lincoln as a justification for his argument that all opponents of the war effort should be hanged.)

To make his point about Shell in Iran, Gaffney quoted Bush's line: "You're either with us or against us." Gaffney went on to declare that the U.S. is engaged in a "War for the Free World" and that numerous international energy companies including Total, Sinopec, Gazprom and ENI, should beware of continuing their investments in Iran. Doing so, he declared, enables the Iranians to "support more terrorists, to kill more Americans and Iraqis, to destabilize the region and to prepare genocidal attacks on this country as well as our ally, Israel." With regard to Iran, the energy companies had "better be with us, or else," Gaffney thundered.

This is serviceable as a rhetorical stance, but it's a mighty selective list of companies. While singling out Shell, Gaffney has chosen to ignore some targets closer to home. For instance, what about Houston-based Marathon Oil? It has been operating in Syria since the 1980s. Last November, it sold most of its interest in a Syrian gas field to Petro-Canada. But Marathon still has a substantial financial interest in a country that Bush has declared is part of the "axis of evil."

What about Houston-based Conoco-Phillips? It has substantial interests in Venezuela, which is now run by one of Iranian president Mahmoud Ahmadinejad's closest allies, the populist Hugo Chávez. ConocoPhillips also has substantial stake in Lukoil, one of Russia's biggest oil companies. Venezuela and Russia are both aligned with Iran, not the U.S. By Gaffney's logic, are those oil companies with us or against us?

Oh, and what about Halliburton? Gaffney conveniently forgot to mention the company which provides logistics support for U.S. troops in Iraq, Kuwait, Afghanistan, and other places. Dick Cheney's old employer - which, until just last year, was still paying Cheney deferred compensation - has been working in Iran for years. In his column, Gaffney points out that Shell has offices in Tehran. So does Halliburton. Despite repeated email requests for information, Halliburton's media affairs office refused to provide any specifics about the value of its contract in Iran, where it is working, or when it will complete its work. In a statement, the company said that it "intends to wind up its work in Iran and not enter into any other future contracts." (Other reports estimate that Halliburton will be in Iran until 2009.)

All of which brings up the obvious question: is Halliburton for us or against us?

Neocons like Gaffney long for a simpler world in which the U.S.A. dominates every facet of the marketplace, particularly with regard to energy. The problem is that the world's hunger for energy cannot be stopped. Iran's oil and gas resources are just too big for it to be marginalized.

Nuclear program or not, Iran is emerging as a winner in the wake of the second Iraq War and no amount of posturing by the U.S. will change that fact. CP

(Torture continued from page 1)

tion than Schmidt's 55-page testimony, which at times takes on an informal, almost emotional tone. Schmidt is adamant that Rumsfeld intended the techniques "for Mister Kahtani (sic) number one". And so Qahtani's jailers now began forcing him to stand for long periods, isolating him, stripping him, telling him to bark like a dog, and more. "There were no limits put on this and no boundaries", Schmidt reported. After a few days, the sessions had to be temporarily suspended when Qahtani's heartbeat slowed to 35 beats a minute. "Somewhere", General Schmidt observes, "there had to be a throttle on this", and the "throttle" controlling the interrogation was ultimately Rumsfeld, who was "personally involved", the general stresses, "in the interrogation of one person." Bypassing the normal chain of command, the secretary called the prison chief directly on a weekly basis for reports on progress with Oahtani.

Years before, a G.D. Searle executive had remarked on Rumsfeld's practice of "diving down in the weeds" to check on details, but this was a whole new departure. At one point in Schmidt's description of his interview with the secretary during his investigation, it appears that Rumsfeld was bemused by the practical consequences of his edicts: "Did [I] say 'put a bra and panties on this guy's head and make him dance with another man?" Schmidt quotes him as remarking defensively. To which Schmidt, in his statement, answers that Rumsfeld had indeed authorized such specific actions by his broad overall approval.

Sometime in mid-August 2003, Rumsfeld took action to deal with the question of "insurgency" in Iraq once and for all. During an intelligence briefing in his office he reportedly expressed outrage at the quality of intelligence he was receiving from Iraq, which he loudly and angrily referred to as "shit", banging the table with his fist "so hard we thought he might break it", according to one report. His principal complaint was that the reports were failing to confirm what he knew to be true - that hostile acts against U.S. forces in Iraq were entirely the work of FSLs ["Former Saddam Loyalists"] and dead-enders. Scathingly, he compared the quality of the Iraqi material with the excellent intelligence that was now, in his view, being extracted from the prisoners at Guantanamo, or "Gitmo," as the military termed it, under the able supervision of prison commander Maj. Gen. Geoffrey Miller. Rumsfeld concluded his diatribe with

a forthright instruction to Stephen Cambone [under-secretary of defense for intelligence] that Miller be ordered immediately to the Abu Ghraib prison outside Baghdad, where the unfortunate PUCs [Persons Under Confinement] were ending up, and "Gitmoise it." Cambone in turn dispatched the deputy undersecretary of defense for intelligence, Lt. Gen. William Boykin, a fervent Christian fundamentalist given to deriding the Muslims' Allah as "an idol," to Cuba to brief Miller on his mission.

Boykin must have given Miller careful instruction, for he arrived in Iraq fully prepared, bringing with him experts such as the female interrogator who favored the technique of sexually taunting prisoners, as well as useful tips on the use of dogs as a means of intimidating interviewees. First on his list of appointments was Lt. Ricardo Sanchez, who had succeeded McKiernan as the commander of all U.S. forces in Iraq. It must have been an instructive conversation, since within 36 hours Sanchez issued instructions on detainee interrogation that mirrored those authorized by Rumsfeld for use at Guantanamo in December the previous year that gave cover to techniques including hooding, nudity, stress positions, "fear of dogs," and "mild" physical contact with prisoners. There were some innovations

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in Sanchez' instructions however, such as sleep and dietary manipulation. Brig. Gen. Janis Karpinski, the overall commander of the U.S. military prison system in Iraq at that time, later insisted that she did not know what was being done to the prisoners at Abu Gharib, though she did recall Miller remarking that "at Guantanamo Bay we learned that the prisoners have to earn every single thing that they have" and "if you allow them to believe at any point that they are more than a dog, then you've lost control of them".

The techniques were apparently fully absorbed by the Abu Ghraib interrogators and attendant military police, as became apparent when photographs snapped by the MPs finally began to surface, initially on CBS News' 60 Minutes in late April 2004. When Rumsfeld first learned that there were pictures extant of naked, humiliated and terrified prisoners being abused by cheerful Americans, he said, according to an aide who was present, "I didn't know you were allowed to bring cameras into a prison."

It is not clear when Rumsfeld first saw the actual photographs. He himself testified under oath to Congress that he saw them first in expurgated form when they were published in the press, and only got to look at the originals nine days later after his office had been "trying to get one of the disks for

A WORD TO OUR SUBSCRIBERS

from Becky Grant and Deva Wheeler

After careful consideration here at CounterPunch we have decided that after 14 years it is finally time to adjust our subscription rates. Back in 1863 we would have been able to offer a subscription for significantly less, since postage was only three cents. The sad part is that with the last several issues you may have noticed they have been coming so slow, they might as well have been sent by stagecoach.

A year ago we decided we would try out a media-rate delivery to make up for inflation, but it's kept our phone ringing off the hook with complaints and rightly so, since some of you still haven't received your December issues.

In 1993, at the birth of CounterPunch, a first-class stamp was about 10 cents cheaper then it is now. CounterPunch has been eating the extra expense for quite some time now, not only in printing costs but the costs of doing business altogether. We've added the website, which we hear daily is an invaluable resource to so many of you.

Now we're due for another postage increase this year. After 1836 we didn't see a penny's hike in postage in 89 years. In fact, the rate even dropped to two cents for years at time. In most of our memories, we can recall stamps at ten cents. Now we're up to 42 cents this year, and the mail is just getting slower.

Fortunately, there's an easy solution for most of you. Switch to the email version which is sent to subscribers shortly after the newsletter goes to press and arrives long before the mailed newsletters stumble through the door. We realize the email edition isn't feasible for all of you, so we'll keep the paper edition as long as we can, but meanwhile we encourage you to ask for a sample of the email edition, if you haven't seen it yet. The email edition is sent in PDF format, so if you like reading off a paper, you can print it out and it will look identical to what you'd receive in the mail. The email edition will remain at the discounted price of \$35. The paper edition is going to be raised to \$45 and the two-year rates for the printed newsletter will cost \$80.