

Jessica Mathews

The Road to Aug. 2

There is a startling disjunction between the cry in the streets—"No Blood For Oil"—and the arguments that consumed Washington in the days before the U.N. deadline. To listen to last week's congressional debate was to be forcefully reminded of how deeply the original cause of this conflict lies buried beneath the weight of decisions taken since the Iraqi invasion.

True, after months of threats and brinkmanship, we have not now gone to war over oil. But it is also true that we would almost certainly not be in this position if not for the oil in the Gulf. And while there is nothing that energy policy could have contributed in the past few months to averting conflict, there is a grave danger that caught up in the war and its risky aftermath we will forget not how we got to Jan. 15, but how we arrived at the morning of Aug. 2.

The now infamous "we have no opinion on . . . your border disagreement with Kuwait" July 25 discussion between Saddam Hussein and U.S. Ambassador April Glaspie was largely about oil, and rightly so. Five countries control the bulk of proved oil reserves: Iraq, Iran, Kuwait, the United Arab Emirates and Saudi Arabia. Together they hold two-thirds of the world's future supply. Look closely at this list. It comprises Iraq, the two countries it has attacked, the other country besides Kuwait that Iraq was verbally threatening and the country we leapt to defend.

Oil reserves measure tomorrow's power rather than today's production. By this crucial gauge, the rest of OPEC pales into insignificance, with only Venezuela and Libya holding

What she did not say, in her personal notepad printed in, is that the Persian Gulf oil crisis began with Saddam Hussein's invasion of Kuwait in 1990.

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Persian Gulf now than it was at the time of the first embargo. And Saddam knows, as does the U.S. government, that these reserves will grow even more concentrated in the 1990s. Events in the Persian Gulf since the beginning of the Iran-Iraq war in 1980 have been no accident. In Saddam Hussein's mind, at least, they have been about oil: oil as a means to power, rather than an economic lifeline, but oil nonetheless.

What is known about the pivotal July 25 meeting comes from a transcript supplied by the Iraqi government, with which the State Department has not publicly taken issue. If it is accurate, Saddam Hussein must also have gotten the impression that oil was principally on the United States' mind as well. Remarks by Saddam such as "we clearly understand America's statement that it wants an easy flow of oil" are scattered throughout the transcript.

Coupled with our "no opinion" on "Arab-Arab conflicts," Saddam must also have gotten the message from this meeting, as well as from earlier events, that so long as the price was right the United States didn't much care who owned the oil. He might have remembered, for example, that after the 1973 oil embargo, Washington created the Rapid Development

Saddam might, however, have felt some confusion as to what the United States considered to be an acceptable oil price.

"Glaspie: I would ask you to examine the possibility of not charging too high a price for oil. . . . Twenty-five dollars a barrel is not a high price.

Glaspie: We have many Americans who would like to see the price go above \$25 because they come from oil-producing states. If the transcript is accurate, that sounds remarkably like an invitation.

Understanding our own energy policies, and lack thereof, is therefore crucial to understanding the genesis of this crisis and what can be done at home to improve prospects for stable U.S. relations with Persian Gulf countries. The United States could not have made itself completely independent of Persian Gulf oil and should not try to do so. But with a purposeful and stable policy we could have become far more self-reliant, attentive to long-term price trends rather than short-term fluctuations and in a position to command our own fate. It has not gone unnoticed abroad that the

demand. Policy has been frozen: caught between a declining oil resource, a commitment to environmental goals and different parties' fierce opposition to using either price or regulation to control consumption. What's left of a national policy is a series of lurches, responding to crises created by others and determined almost solely by today's oil price. The net effect has been the moral equivalent of unilateral disarmament.

Two years ago, President Bush promised to change all that. To that end, Energy Secretary James Watkins has spent the past 18 months preparing a national energy strategy. The results went to the White House some weeks ago, where by all accounts the same thing has happened. Economic advisers objected to regulations, political types objected to taxes and ideologues objected on principle to anything that Jimmy Carter might have supported. Not much is left. The expectation on Capitol Hill is that no strategy will emerge. The surviving bits and pieces will eventually be released one by one.

However the crisis is resolved, and however difficult and demanding our Middle Eastern relationships, the country cannot afford to follow the president's preference for foreign affairs over less glamorous domestic needs. As regards energy, the two are not distinct. No matter how hard it will be to reach agreement, the country must argue its way to a coherent energy policy—if for no other reason than that national security demands it.

The writer, a vice president of the World Resources Institute, writes this column.