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## THEY SAID IT

On January 16, as China's Hu Jintao was preparing to be the first chief executive of that nation to visit Khartoum, the Chinese assistant foreign minister for Africa, Zhai Jun, said in Khartoum that China would not exert any such pressure on the Sudanese government.

And in the January 25 *Financial Times*, Zhai Jun confidently declared: "With Sudan we have cooperation in many aspects, including military cooperation. In this we have nothing to hide." Last year, when 48 African leaders joined in a summit in Beijing, it was General al-Bashir who raised a glass to his hosts in a toast to Sudan's "partner in many projects."

The general cited oil as being among those projects, but he did not include genocide, facilitated by China's money and weapons. Since the world has allowed more than 400,000 black Africans to be extinguished in this genocide, will China lose face in the world if it invites General al-Bashir to be an honored guest when China hosts the 2008 Summer Olympics? By then there could be more than a million corpses.

"China: Partner in Genocide," Nat Hentoff, *The Village Voice*, February 12, 2007.

## THE CHINESE CENTURY? WHY WAIT?

As you certainly know, the People's Republic of China tested an anti-satellite missile last month, knocking an aging weather satellite out of the sky and, in the process, instantaneously igniting a discussion about China, its global aims, and what it has been doing during the past few years while the United States has been occupied in Iraq and Afghanistan.

On the one hand, we think this is great. For many years now, there has been a dearth of unbiased analysis regarding the nature and intentions of the Communist Chinese regime, particularly in the investment community, where seldom is heard a discouraging word about our "friends the Chinese." So, we heartily welcome an intensification of the discussion of China's role in the world of the future. On the other hand, it seems to us that this discussion appears once again to have taken a few unproductive turns, which may all but guarantee that the most grave and immediate threats posed by China's adventurism will be largely overlooked by policymakers and investors alike.

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The general consensus on China can be divided into two categories. On one side, we have the Sino-philes, those who believe that we are in the opening days of the “Chinese Century,” during which China will become the world’s other superpower, possibly even overtaking the United States as the global hegemon. To these folks, the Chinese missile test is merely one more sign of the changing relationship in Asia, a symbol of China’s new confidence and of the emerging new world order.

On the other side, we have the Sino-phobes, who tend to agree with the Sino-philes about China’s rapid growth and modernization, but are much more concerned by the fact that China’s military strength and defense budget appear to be growing just as rapidly as its economy. While the Sino-philes welcome the rise of the new hegemon, the Sino-phobes fear it, believing that China fully intends for its gains to come at America’s expense. They believe as well that those whom Bill Clinton once described as the “butchers of Beijing” remain just that and are likely to become more efficient at their bloody sport as they accumulate global power.

Regular readers know that we are long-time critics of the Chinese regime. We have also been highly critical of those who invest large amounts of capital in that regime and who are either unaware of or unconcerned about its propensity for murder, thievery, corruption, and the likely impact that this propensity will have on global capitalism and the greater global order. In this sense, it is probably fair to include us on the side of the Sino-phobes.

That said, we have some serious doubts about the widespread expectation in both camps that China will steadily grow into the world’s second superpower. We believe that this expectation is fanciful at best and, more to the point, distracting. Certainly, it is true that if the Chinese regime continues along its current path, in 25, 30, maybe 50 years, it will be a serious and largely insuperable adversary. The question that begs an answer, however, is whether the existing Chinese regime will be around long enough to celebrate these days of glory. And this, in turn, raises concerns that

are more practical and immediate than those discussed above, which involve a great deal of navel gazing and which draw attention away from more immediate concerns about the damaging near-term impact on the United States and its allies of the semi-surreptitious geopolitical activities in which the Chinese are currently engaged.

The fact of the matter is that the Chinese have taken full advantage of America’s distraction over the war on terror to embark on a foreign policy that is driven by an unquenchable thirst for oil and is unfettered by petty concerns about murder, terrorism, genocide, and wanton corruption. Whether the Sino-phobes, the Sino-philes, or even the Wall Street moguls know it or not, this is highly likely to be a problem for the West long before China could theoretically lay claim to the title of superpower. It will also be a problem for the West even if the Chinese regime collapses. Indeed, it may be more of a problem if the regime collapses.

The extent to which China is ingratiating itself with various resource-rich regimes around the world was, perhaps, best summed up in a recent article penned by William Gumede, the Associate Editor at *Africa Central*, a research fellow at the School of Public and Development Management and Johannesburg’s Witwatersrand University, and a columnist/blogger at the *Washington Post*’s “PostGlobal” blog. In a column/post last week, Gumede gushed over China’s newfound interest in Africa as follows:

Is China becoming Africa’s new colonizer? In what is reminiscent of a new scramble for Africa, China has rushed to plant its flag on the continent, offering soft credit, bricks and mortar investment and promising non-interference in local politics.

But is this all too good to be true? In November, China hosted an Africa summit in Beijing attended by 50 African leaders, the biggest showcase of China’s new foreign policy shift towards the developing world. China aims to expand its political reach on the continent and secure raw materials for its

rapidly growing economy. At the conference, Beijing offered Africa US\$3bn in preferential loans and US\$2bn in export credits over the next three years. China envisaged annual trade with Africa to reach \$100bn by 2010 . . .

China earlier this year granted Nigeria a \$2.5bn soft loan and the Angolan government \$9bn without strings. But China has also offered many African despots, such as Zimbabwe's Robert Mugabe a lifeline. China has major investments in Sudan's oilfields and fiercely supports the Sudanese regime, which is responsible for an internal conflict that has seen millions killed or displaced. China worked tirelessly to water-down a United Nations resolution condemning Sudan for the bloodshed in Darfur. China accounts for 65% of all Sudanese oil exports and 35% of Angolan oil sold abroad.

Gumede justifies the Chinese exploitation/development of Africa by noting that "The argument can be made that many Western nations are also often quite happy to turn a blind-eye to allied undemocratic regimes, especially if there are Western oil interests to protect." A similar point is made by *Time* magazine's Michael Elliot, who writes:

There's nothing particularly surprising about [China's resource "colonization" of Africa]; it is how all nations behave when domestic supplies of primary goods are no longer sufficient to sustain their economies. (Those Westerners who criticize China for its behavior in Africa might remember their own history on the continent.)

The problem with this sentiment, as expressed by both Gumede and Elliot, is that it is pretentious nonsense. While there's no disputing the fact that the nations of the developed world have at times been unwarrantedly kind to dictatorial monsters for one reason or another, often in pursuit of natural resources like oil, what China is doing in Africa goes far beyond what most Western nations, and certainly the United States,

would do to secure "trade." There is a significant difference between the support of a tyrant and the active shielding of and participation in crimes against humanity, which is precisely what China is doing in Africa.

For the better part of a decade now, we have been writing about Chinese involvement in the enslavement, oppression, and outright slaughter of minority Sudanese. Seven years ago, the Chinese, through "trade agreements" signed by its national petroleum company, Petrochina, were facilitating the human slave trade. Today, the Chinese are actively encouraging the infamous slaughter in Darfur.

Not only has China shielded the Sudanese government, which is unquestionably the most brutal on the planet, from United Nations sanctions and United Nations involvement in Darfur, it also provides the murderous regime of Omar al-Bashir with advanced weapons, including Scud missiles, F-7 jet fighters, and, reportedly, the very helicopter gun ships used to terrorize the locals in Darfur. China accounts for 70+% of Sudan's exports, buying some 400,000 barrels of oil/day from the erstwhile global pariah, and provides "development assistance" with "no conditions" attached. As Wisconsin Senator Russ Feingold noted two years ago, "In Sudan, Chinese oil investments have helped to prop up a regime in Khartoum that our president and this Congress have accused of involvement in genocide."

And it is not just Sudan. Cecil Johnson noted in a recent book review for *The Boston Globe* that "China's tentacles reach throughout Africa to every country that has oil, copper, cobalt, chromium, timber, and other raw materials . . ." China deals with and props up the vicious regime of Than Shwe in Burma. The Chinese have also cultivated economic and military ties with the Mad Mullahs of Iran and with populist/socialist regimes of South America, most notably, the oil-rich thugocracy of Hugo Chavez.

Everywhere in the world that there are natural resources to be found, the Chinese can be found. And everywhere the Chinese are found, trouble is likely

to be found as well. It is not as if the Chi-Comms are inking all sorts of mutually beneficial trade and economic development packages. They are, in fact, trading weapons for oil (and gas, and copper, etc.), and they're trading them to some very unsavory characters. Recently, the Council on Foreign Relations (CFR) noted the following about China and its "friends" in Africa:

Selling arms to African countries helps China cement relationships with African leaders and helps offset the costs of buying oil from them. China doesn't have the same human rights concerns as the United States and European countries, experts say, so it will sell military hardware and weapons to nearly anyone. Indeed, Beijing sees Africa as a growth market for its military hardware. China's active exploration of oil sources in Africa also leads to a need to ensure security around them, experts say, which has led Beijing to send Chinese military trainers to help their African counterparts. In return, China gains important African allies in the United Nations—including Sudan, Zimbabwe, and Nigeria—for its political goals, including preventing Taiwanese independence and diverting attention from its own human rights record.

The net effect of all of this is likely to be significant and multifaceted. For starters, the Chinese are contributing to and exacerbating the endemic corruption in Third World Africa. The fruits of the development, aid, and trade packages are hardly evenly distributed. Political elites, that is the local strongman and his supporters, get rich, while the Chinese get oil and the average Nigerian, Sudanese, or Angolan gets nothing (if they're lucky, that is). As William Gumede put it, "the more easy money China dangles in return for oil or other commodities, the more corruption rises."

In addition, China is arming some of the world's most dangerous regimes. And it is more than likely that at some point some of these armaments will be used

to kill Americans. It is important to remember, for example, that in addition to being the home of the Darfur genocide and the most blatant occasion of modern human slavery, China's client state was also the last pre-Afghanistan home of Osama bin Laden and as such was the site from which he helped plan and coordinate the American embassy bombings in Dar es Salaam and Nairobi.

Finally, in doing all of this, China is exploiting American capital markets. It should be remembered that at least a portion of the funds used to pay off the rogue regimes in places like Khartoum, Tehran, and Caracas was provided by Western investors, specifically those who have put money into such companies as Petrochina, which is the listed arm of the China National Petroleum Corporation. Petrochina, some 11% of whose "H" shares are reportedly owned by Warren Buffett's Berkshire Hathaway, owns roughly 40% of Sudan's oil consortium project. Buffett et al. have provided the capital for Petrochina to "invest" in Sudan and that, in turn, has allowed the Sudanese government to nearly double its military budget over the last eight years.

According to *Forbes*, Petrochina is reportedly planning to raise more capital sometime this year, either by launching "A" shares or issuing additional "H" shares. We have no idea to what ends Petrochina and the Chinese government will put these funds, but we do know that there will be no shortage of American buyers eager to get in on the offering.

In any case, what we have in China is a nation that is exploiting the Third World, is intensifying corruption there, is arming and emboldening rogue regimes, and is doing so using funds provided in part by American investors. In short, what we have is a mess. And like all such messes, it will almost certainly breed resentment, anger, and eventually violence.

And who will be called upon to clean up that mess? The Chinese? Are you kidding? No chance. As always, the problems will become America's problems. Just as Darfur has somehow become George Bush's failing, the additional corruption and intensified

violence almost certain to be spawned by China's re-colonization of Africa, Latin America, and Persia will also quickly become America's fault.

So while we sympathize with those who fear that China will someday cause the United States significant foreign policy problems, we can't but think that that someday is now. China's threats to the United States are not distant and prospective. They are real. And they are now – here and now.

## BUSH UNBOUND?

Nearly three years ago, in the heat of the 2004 presidential campaign, we ran a piece entitled "Bush Unbound" (absent the question mark that appears above), in which we suggested that President Bush, once reelected and thereby liberated from the shackles of electoral politics, would move aggressively against this nation's enemies. Specifically, we wrote:

I believe there is a strong likelihood that the Iraqi war has not rendered preemption dead, but has in fact made it much more likely. In fact, I simply cannot imagine that President Bush will spend his second term sitting on his hands watching as Iran and North Korea build nuclear weapons. And I cannot help but assume that if he finds that he cannot prevent these two states from becoming nuclear powers with non-military measures, then he will, to paraphrase his own words, militarily "confront the threats before they fully materialize."

Nor can I imagine that Bush will sit back and watch quietly as Iran aggressively supports the insurgency in Iraq, thus threatening what is certainly the most important foreign policy initiative of his first term and what is likely to be the historical centerpiece of his entire presidency. I think that a better bet is that he will move and move hard against Iran following his reelection.

We have disowned this prediction more than once since making it, candidly admitting that we confused what we would do in that situation with what the President would do. Moreover, in line with this admission, we eventually foreswore making any further predictions based on the premise that George Bush might aggressively and doggedly pursue the war on terror. So it is with some trepidation that we offer the observation this week that the President and his national security team appear finally to have decided to press the public case against Iran, two years after we expected they would.

Anyone who has been paying even the slightest bit of attention over the last four years knows that Iran is the "secret" power behind the Shiite component of the insurgency in Iraq, and quite probably behind portions of the Sunni component as well. But for whatever reason, the entire Bush administration has pretended, at least in public, to be blissfully ignorant of this fact. Until now.

The President appears now to have been enlightened about Iran and about the threat it poses to the world, starting with Iraq. We can't say what has brought about the enlightenment or even if it is permanent. In any case, in spite of ourselves, we see evidence that perhaps the President's change of heart will result in a change of policy as well.

On Sunday, the Bush administration, in the person of Coalition Spokesman Major General Bill Caldwell, publicly unveiled the first hard evidence of Iranian involvement in the Iraqi insurgency and in the deaths of American soldiers. Military blogger Bill Roggio, who has been embedded with American and Canadian forces in Iraq for much of the last three years, recounted the findings presented in the briefing (and in an accompanying 16-page report) thusly:

"Iran is involved in supplying explosively formed projectiles or EFPs and other material," such as "explosive charges, booby traps, mortar shells of different calibers and remote controls" to detonate IEDs to "multiple" insurgent groups." Those in

attendance “were shown fragments of what the defense official said were Iranian-made weapons, including one part of an EFP and tail fins from 81-mm and 60-mm mortars.” “More than 120 US and coalition troops have been killed by these things, and 620 wounded. There was a significant increase in their use over the past six months,” said the defense official.

Markings on the EFPs and mortars, as well as the machining processes, identified the weapons as being Iranian made. “The weapons had characteristics unique to being manufactured in Iran . . . Iran is the only country in the region that produces these weapons,” according to the anonymous defense official. “The dates of manufacture on weapons found so far indicate they were made after fall of Saddam Hussein.”

“We have evidence that Iran provided insurgents with explosive devices and trained them to use these weapons, produced between 2004 and 2006,” said MG Caldwell. “The Iranian suspects detained in Irbil have confirmed these reports and we have found with them maps and explosives-related material. Those Iranians were trying to get rid of these documents in the lavatories . . . the Iraqi government has notified us that (the Iranians detained in Irbil) were not diplomats and had no passports.”

Evidence was also unveiled that Iranian agents are actively planting explosives. MG Caldwell displayed identification cards of Iranians captured while “involved in acts of violence.”

We are extremely hopeful that this is just the beginning of the Bush administration’s case against Iran. Now that President Bush and his advisors have finally conceded that Iranian forces – not average Iranians, mind you, but actual Iranian government forces – are responsible for killing American soldiers, they cannot, we believe, change their minds about Iran again, at

least not without embarrassing themselves enormously and sacrificing all credibility on matters pertaining to the troops and the conduct of the war. Thus, we are further hopeful that they will press the case against the Mullahs more honestly, more aggressively, and more publicly over the next several weeks. The question now is, “to what end?”

We should mention here that all of this is separate and distinct from the case being made against Iran regarding its nuclear weapons. Any progress – real or imagined – on that front is, by and large irrelevant to the question of Iran’s involvement in Iraq and its responsibility for the deaths of American soldiers. In fact, we’d say that one of the principal reasons the administration has taken this opportunity to begin making its case against Iran with regard to Iraq is because of the growing perception that Iran is more open to conciliation on the nuclear question. We suspect that President Bush wants to ensure that the American public at a minimum understands that the threat posed by the Mad Mullahs transcends their nuclear ambitions, which they have no real intention of giving up anyway. Bush is late to this party, of course, but as they say, better late than never.

No one can say what the Bush team is up to for certain and, as we noted at the top of this piece, we have run into major difficulties before in trying to divine the President’s intentions. Nevertheless, we suspect – and hope – that what Bush et al. have in mind now includes the following.

For starters, we suspect that President Bush is gearing up to make the case for regime change in Iran, a case which, as we’ve noted, does not hinge on the threat posed by Iran’s nuclear ambitions. This does not – we repeat, *does not* – mean that the President is planning imminent military action against the Tehran. In fact, we’d be surprised if that option were under serious consideration.

Rather, we imagine that the administration intends to do what it should have been doing for at least four years now, namely waging asymmetrical war against the Iranian regime, with the hope of bringing about its

demise without destroying the nation's infrastructure or alienating its largely pro-American population. Among other things, the evidence presented Sunday will give the administration the excuse to amass troops along the Iraq-Iran border and to conduct cross-border actions in the name of self-defense, whenever they are deemed necessary.

We suspect as well that President Bush has begun laying out his case for the wholesale destruction of the Shi'ite militias in Iraq. Given that the Shi'ites are a majority of the Iraqi population and that the Iraqi government is controlled by a Shi'ite coalition, American leaders have been overly solicitous of the militias for far too long now. In tying these groups directly to Iran, President Bush has made it clear to Iraqi Prime Minister Nouri al-Maliki that his government's tacit protection of the militias is over. The so-called Mahdi army will, we anticipate, be slowly but surely dismantled over the next few months, as the Baghdad "surge" moves forward. And as for the Mahdi army's leader, the murderous thug Moqtada al-Sadr, he will almost certainly remain in Iran (he is currently in Qom) for fear of returning to his own "martyrdom."

Finally, we believe that the push-back against Iran is designed to bolster flagging support for the war effort and to disconcert the more aggressive and more public anti-war factions within both political parties. President Bush may finally be aware of a simple fact that we (and countless others) have known for years, namely that the American people are predisposed to dislike – even to hate – the Iranian regime. No pictures are more pregnant with embarrassment, weakness, and humiliation than those of the American hostages being led, blindfolded through violently euphoric crowds of Iranian militants, or those of the American embassy surrounded and the American flag burned, all under the approving eye of the sinister Ayatollah Khomeini.

Though Khomeini himself long ago passed on to his fiery reward, the American people remember; they remember him, they remember the chants of "death

to America," and they remember the beginning of the terrorist war against the United States. It will hardly take much effort for President Bush to tap this vein of enmity for the Mad Mullahs.

Equally important, the President has put his political opponents, who have been moving aggressively against him since at least the November election, on the defensive. It is one thing to oppose the surge or to favor "redeployment" over "escalation," but it is something altogether different to oppose defending our soldiers against the Iranians and their allies. Indeed, John Kerry appeared exceedingly foolish Sunday when he tried to argue that the President has it all wrong, that the United States should respond to Iran's overt aggression by expanding diplomatic efforts in the hope of achieving the stable Iraq the Mullahs so clearly want.

Initially, at least, Kerry appeared to succeed in doing three things. First, he demonstrated the utter fecklessness of the anti-war movement, essentially arguing that Americans should respond to naked aggression on the part of the Iranians by offering to give them a big hug and by trying to understand their perspective. Second, he provided a warning to his fellow anti-warriors about how foolish one looks trying to whitewash the murder of American soldiers. And third, he reminded the American public just how sagacious and prescient it was to reject his presidential candidacy. Kerry looked hopelessly irrational at the very least. And we can't help but think that any politician who might still have a political future (unlike Kerry), will think long and hard about following in his footsteps. Making the case against some sort of confrontation with Iran is, at least at this point, a fool's errand, as the junior Senator from Massachusetts so ably demonstrated.

We are, for obvious reason, loathe to get too caught-up in the idea that President Bush is going to morph into a more aggressive wartime leader. We waited for a long time for that transformation and eventually gave up. Nevertheless, the man continues to defy his critics on both sides of the political aisle. He was, after all,

supposed to accept political defeat and consent to having his foreign policy decided by an exalted council of elders, i.e. the Iraqi Study Group. Yet thus far, he has done neither.

For a variety of reasons, many beyond his control, we doubt that the President will make the most aggressive hawks terribly happy with the next step in his course of action in Iraq and against Iran. But at the very least, he and his team have acknowledged the truth about the enemy. And if nothing else, that's a start.

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