

The First World For Oil 1914

Similarities with the 2014 Oil Wars 100 Years Later

Iakovos Alhadeff

~~~

Smashwords Edition

Copyright © 2014 by Iakovos Alhadeff. All rights reserved.

Smashwords Edition, License Notes

This ebook is licensed for your personal enjoyment only. This ebook may not be re-sold or given away to other people. If you would like to share this book with another person, please purchase an additional copy for each recipient. If you're reading this book and did not purchase it, or it was not purchased for your use only, then please return to your favorite ebook retailer and purchase your own copy. Thank you for respecting the hard work of this author.

# ***Table of Contents***

*Introduction*

*The British and German Empires*

*The Triple Alliance Between England, France and Russia*

*The Role of the Balkan Countries in WWI*

*Arab Nationalism*

*The Oil Factor in the First World War*

*The Second World War for Oil 1939-1945*

*Similarities of WWI with the Oil Wars of 2014*

*The Famous Phrase 'History is Repeating Itself'*

## Introduction

With this essay I want to provide a summary of why oil was the main cause of the First World War (1914-1918), which could be also called the First World War for oil, and also compare this oil war with the oil wars of 2014 one hundred years later. The main alliances of WW1 were England, France and Russia on one side, known as the ‘allies’, and Germany, Austro-Hungary and Italy on the other side, known as the “central powers”. See the following, very rough, map.



## The British and German Empires

At the beginning of the 20<sup>th</sup> century (1900) England was what the U.S.A. is today. England was an empire extending from Canada and East Africa, to India and Australia, covering most of the globe as you can see on the following rough map (green colour).



However after her victory against France in 1871, Germany established itself as one of the great powers, and with its rampant industry she became England's main competitor. In a sense Germany was for England what China is for the U.S.A. today. The most important problem in the Anglo-German relations was Germany's wish to extend her influence to the Persian Gulf through the Ottoman Empire.



Even though the shaky Ottoman Empire had lost most of her lands, she was still extending to the Persian Gulf through what today are Syria, Iraq and Saudi Arabia (parts of the green area on the above map). The alliance between the German Empire, the Empire of Austro-Hungary, Bulgaria and the Ottoman Empire, was a great threat for the English interests.



As you can see from my rough (red) diagram, the alliance between Germany, Austro-Hungary, Bulgaria and Ottoman Empire, would form a solid block extending from Germany to the Persian Gulf, since Syria and Iraq were Ottoman territories. A large part of the Balkans was also part of the Ottoman Empire at the time, and it was possible for the German Empire to connect to the Ottoman Empire and the Persian Gulf through Austro-Hungary, as you can see on the following 1912 map of the Balkans.

## The Balkans in 1912



The above situation was a threat for the control of the Persian Gulf, which is the richest region in the world in terms of oil reserves, it was a threat for the control of the Caspian Region, which is the second richest region in the world in terms of oil reserves, and which was controlled by the Russians, it was a threat for India, which was England's most important colony, and it would also bring the Germans very close to the Suez Canal and Egypt as you can see on the following map.



The Suez Canal and Egypt were under British Control, and were crucial for the control of India in South Asia, since the Suez Canal was cutting almost in half the distance between England and India. The Suez Canal (black circle) was inaugurated a few decades earlier (1869).



# The Triple Alliance Between England, France and Russia

Facing the rising German influence in the Middle East, the English tried and managed to close their long and significant disputes with the French and the Russians, in order to form an alliance against the Germans and their allies. The major disputes between the French and the English concerned their colonies in Africa (see the following map).



At the beginning of WW1, France was controlling almost all of West Africa (yellow colour), and England was controlling almost all of East Africa (red colour), and therefore Africa was a source of disputes between the English and the French.

However when confronted with the German ‘threat’, the French and the English rushed to close their disputes with a series of agreements known as ‘Entente Cordial’. As you can read at the following Wikipedia link, with Entente Cordial in 1904, England and France closed 1000 years of disputes and wars.

[https://en.wikipedia.org/wiki/Entente\\_cordiale](https://en.wikipedia.org/wiki/Entente_cordiale)



Among other things, with this agreement England accepted France's control over Morocco, which was crucial for controlling the Straits of Gibraltar, and France accepted England's control over Egypt, which was crucial for controlling the Suez Canal (see lines 1 and 2 on the following map).



Moreover, with their alliance with the English and the Russians, the French were hoping to take their revenge for their defeat from the Germans in 1871, and regain control of the rich in iron and coal area of Alsace and Lorraine, which was lost during this war. Coal was in the 19<sup>th</sup> Century what oil became in the 20<sup>th</sup> Century, and even the navies were using coal, until coal was finally replaced by oil in the early 20<sup>th</sup> Century (1900). Indeed after the defeat of the Germans in 1918, the French regained control of Alsace and Lorraine.



Moreover, with the Sykes-Picot Agreement, the English promised that in case of victory they would offer the French some of the Ottoman Empire territories. According to this agreement, England would take the oil rich Iraq, and France would take Syria. Actually there was no Iraq and Syria at the time. The Ottoman territory that would be taken by the English with this agreement was later given the name ‘Iraq’, and the Ottoman territory that would be taken by the French with the same agreement was later given the name ‘Syria’.

This is the reason that the members of the ISIS army (Islamic State of Iraq and Syria) are saying that they are destroying the Sykes-Picot Agreement by reuniting Syria and Iraq. You can see the Sykes-Picot Agreement on the following rough map.



You can also read about the Sykes-Picot Agreement at the following Wikipedia link.

[https://en.wikipedia.org/wiki/Sykes%20Picot\\_Agreement](https://en.wikipedia.org/wiki/Sykes%20Picot_Agreement)

Moreover with the Anglo-Russian Entente in 1907, the English and the Russians closed their centuries' long disputes for the control of Central Asia and the Middle East (Iran, Afghanistan and Tibet). You can read at the following Wikipedia link, that in 1907, the English and the Russians agreed to split Iran, Afghanistan and Tibet in spheres of influence.

[https://en.wikipedia.org/wiki/Anglo-Russian\\_Entente](https://en.wikipedia.org/wiki/Anglo-Russian_Entente)

The agreement between the English and the Russians allowed them to stop antagonizing each other and turn their attention to the Germans and the Ottomans who were a threat for the control of the Persian Gulf and the Caspian Sea.

However from their alliance with the French and the English, the Russians did not simply expect to protect the oil rich Caspian Sea region from the German and Ottoman threat, but were also hoping to gain control of Constantinople, the Bosphorus Straits and the Dardanelles, which were controlled by the Ottomans, and which would give the Russians uninterrupted access to the Aegean and the Mediterranean Seas (see maps below).





At the following Wikipedia link you can read that with the Constantinople Agreement, the English, the French and the Russians, agreed that in case of victory, Russia would take control of Constantinople, the Bosphorus and the Dardanelles.

[https://en.wikipedia.org/wiki/Constantinople\\_Agreement](https://en.wikipedia.org/wiki/Constantinople_Agreement)

However even though the allies did finally win the war, Russia did not get Constantinople (today Istanbul), because Russia collapsed in 1917 and exited the war, since she entered a painful civil war between the tsarists and the Communists.

By agreeing with the Russians to split Iran into spheres of influence, the English would gain control of the Persian Gulf while the Russians would retain the undisputed control of the Caspian Sea, and together they could fight the Germans and the Ottomans. You can see on the following map that Iran is the region between the Persian Gulf and the Caspian Sea, holding itself a very large amount of oil and natural gas reserves. Iran is the second and fourth richest country in the world in terms of natural gas and oil reserves respectively.



However at the time most of the region's oil was coming from Iraq and Baku, since oil in Iran was only discovered in 1908.

The Anglo-Franco and the Anglo-Russian alliances, together with the Franco-Russian alliance, encircled Germany and her allies (see following rough map).



## The Role of the Balkan Countries in WWI

One of the reasons there was so much tension in the Balkans before the outbreak of World War 1, was that the Balkans was the connection between Germany and her allies with the Ottoman Empire and the Persian Gulf. The following map shows the Balkans before the Balkan Wars of 1912-1913.

The Balkans Before the Balkan Wars of 1912-1913



It can be seen on the above map, that with the status quo that existed before the Balkan Wars of 1912 and 1913, Germany would have no problem to connect to the Persian Gulf by railway, using the Austro-Hungary-Ottoman Empire corridor.

However with the Balkan Wars of 1912-1913, Greece, Serbia, Bulgaria and Albania, managed to annex almost all the European territories of the Ottoman Empire. Greece, Serbia and Romania, all of which were on the side of the allies during the First World War, formed a wall between Germany and the Ottoman Empire as you can see on the following map, (Bulgaria finally entered the war on Germany's side in WWI).

The Balkans after the Balkan Wars of 1912-1913



The German plan was to construct the famous Baghdad Railway, that would connect Berlin to the Persian Gulf (see later sections), and Greece, Serbia and Rumania were forming a wall against the Baghdad Railway Project. It is not a coincidence that World War I broke out on the 28<sup>th</sup> of July 1914, with the Austro-Hungary declaring war to Serbia, with all other countries running behind these two countries. The following map shows the Balkans today.



It can also not be a coincidence that the Balkan Wars took place in 1912 and 1913, and the First World War broke out in 1914. When I am saying that the Balkan Wars were not a coincidence, I do not mean that Greece, Serbia and Bulgaria attacked the Ottoman Empire because they wanted to prevent Germany from connecting to the Persian Gulf. These countries did want the Ottoman territories, and they were supported by England, Russia and France, in order to prevent the German-Ottoman connection. The Ottoman territories were simply their rewards.

As you can read in section ‘Reaction Among the Great Powers During the Wars’ of the following Wikipedia link, **Germany** was already heavily involved in the internal politics of the Ottoman Empire, and officially opposed the attack on the Ottoman Empire, but because it was obvious that the shaky Ottoman Empire could not protect for long her European territories from Greece, Bulgaria and Serbia, Germany was supporting Bulgaria from the opposite camp, which was called the ‘Balkan League’. And in the end, Bulgaria did indeed join Germany’s camp in WW1.

[https://en.wikipedia.org/wiki/Balkan\\_Wars#Reactions\\_among\\_the\\_Great\\_Powers\\_during\\_the\\_wars](https://en.wikipedia.org/wiki/Balkan_Wars#Reactions_among_the_Great_Powers_during_the_wars)

In the same Wikipedia link, you can also read that **Russia** was the primary mover of the Balkan League countries i.e. Greece, Serbia and Bulgaria against the Ottoman Empire. This seems very natural, since Russia not only wanted to prevent Germany from obtaining access to the Caspian Sea, but she was also a traditional enemy of the Ottoman Empire and wanted to gain control of Constantinople, Bosphorus and the Dardanells, which would allow the Russian Navy to access the Mediterranean Sea, as I already said.





You can also read in the same Wikipedia link that **Austria-Hungary** was totally opposed to the advancement of the Balkan countries, Greece, Serbia and Bulgaria, in the region. **France**, a Russian ally, informed Russia that she was not ready for a war. **England**, even though a supporter of the Ottoman Empire, encouraged the advancement of the Balkan countries. That's what Wikipedia says about the reactions of the Great Powers during the Balkan Wars of 1912 and 1913.

We therefore see that Germany and Russia were supporting the sides we would expect them to support in the Balkan Wars. However things were a bit more complicated for England. Because on one hand England was facing the threat of German expansion to the Persian Gulf and India, and on the other hand she was facing the threat of Russian expansion through the Straits of Bosphorus and the Dardanelles to the Mediterranean Sea, which could pose a threat for the sea corridor between the Mediterranean Sea and the Indian Ocean i.e. the Suez Canal and the Red Sea.



The following map depicts the situation for the English. The purple arrows represent the German threat to the Persian Gulf and India, and the red arrows represent the Russian threat to the Suez Canal.

The German threat for the English (purple lines), and the Russian threat for the English (red lines)



England perceived the collapsing Ottoman Empire as less dangerous than the Russian Navy for the control of the Suez Canal and Egypt. However in the end, under the German threat for the Persian Gulf and India, England accepted Russian control over the straits of Bosphorous and the Dardanelles in case of victory. With the Constantinople Agreement as I already said, France, England and Russia agreed on the control of Constantinople and the Straits by Russia.

Another factor that helped England and Russia to reach an agreement was that around 1880, England had taken control of Cyprus, Egypt and the Suez Canal, and was feeling more confident that it could prevent the Russians from taking control of the Suez Canal.

Before I close the section on the Balkans, I must mention that the ‘wall’ formed by Greece and Serbia in 1914 against Germany and the Baghdad Railway, which prevented the Germans from connecting by railway to the Ottoman Empire and the Persian Gulf, was still there 80 years later. Greece and Serbia, two traditional Russian allies, were forming a wall in the 90’s against the Americans and the Europeans, who wanted to bring oil and natural gas from Azerbaijan to the Adriatic Sea and Italy through the AMBO pipeline.

The Greek-Serbian wall was broken first by the creation of the state of FYROM (Former Yugoslav Republic of Macedonia) in 1991, and by the NATO war on Serbia and the autonomy of Kosovo in South Serbia on 1998 (see following map). You can read more about the NATO attack on Serbia and the AMBO pipeline in my essay ‘The NATO attack in Yugoslavia – Another Energy War’.



# Arab Nationalism

While in the Balkans the Russians were helping the Greeks, the Serbs and the Bulgarians to attack the Ottoman Empire and annex her territories, in order to prevent the Germans from connecting to the Ottoman Empire through the Baghdad railway, and in order to gain control of Constantinople, the English were organizing an Arab revolt against the Ottomans.

The English were organizing the Arabs at the Southern parts of the Ottoman Empire, the regions that today are Saudi Arabia, Iraq and Syria, in order to push the Ottomans away from the Persian Gulf. Therefore we see that the allies were helping the local populations both at the Balkans and in the Arab world, in order to turn them against the Ottomans and prevent Germany to connect to the Persian Gulf through the Baghdad railway. For the Arab revolt, 1916-1918, see the following Wikipedia link.

[https://en.wikipedia.org/wiki/Arab\\_Revolt](https://en.wikipedia.org/wiki/Arab_Revolt)

Therefore by supporting Balkan Nationalism, the allies managed to block the connection between the German and Ottoman Empires (black line), and at the same time, by supporting Arab nationalism in Syria and Iraq, they managed to block the connection between the Ottoman Empire and the Persian gulf (red line).



## **The Oil Factor in the First World War**

From all the above it can be said that the main cause of World War I was the Germans' wish to use the Ottoman corridor in order to expand to the Middle East, which threatened the British interests in the Middle East and India. The importance of oil can be also seen from the fact that the English, the French and the Russians that had centuries' long disputes, managed to put these disputes aside, in order to form an alliance against the rise of Germany.

It is of course no coincidence that just before the outbreak of the First World War, oil engines had started replacing coal engines, dramatically increasing the geopolitical importance of the oil rich regions. Note that both England and Germany were very rich in coal but very poor in oil. At the following Wikipedia link, at section 'Lord of the Admiralty', you can read that in 1911 Winston Churchill, as the head of the British Navy, ordered the replacement of the coal engines with oil engines, something that would soon become the norm for all navies and armies, making the 20th Century the century of oil. The use of oil would ensure greater speed for the British Naval ships. Moreover smoke would stop exposing their position.

[https://en.wikipedia.org/wiki/Winston\\_Churchill#First\\_Lord\\_of\\_the\\_Admiralty](https://en.wikipedia.org/wiki/Winston_Churchill#First_Lord_of_the_Admiralty)

# The Baghdad Railway

Since the Baghdad Railway was a very important German project for the connection of Germany with the Persian Gulf (see red line on the following map) I must say a few words about it.



*Note! Even though the Baghdad Railway would follow the route of what today is Germany- Czech Rep-Austria-Hungary-Serbia-Bulgaria-Turkey-Syria-Iraq, and would pass from Baghdad and Basra, my red lines on the maps are rough and not exact lines.*

For some people the Baghdad Railway was the real cause of the First World War, since it is this very railway that would connect Germany to the Persian Gulf, also bringing Germany close to India. I think it seems more appropriate to consider Germany's wish to expand to the Persian Gulf as the cause of the war, than to consider the Baghdad Railway as the cause of the war.

What was important was the decision of the Germans to expand to the Persian Gulf, not the actual way they would do so. Whether this connection would be achieved by the Baghdad Railway or some other means, it seems to be of secondary importance. However nobody can deny that the Baghdad Railway was very important, and therefore I will provide some Wikipedia sources to demonstrate that this is so.

You can read at the following Wikipedia link that the construction of the Baghdad Railway started in 1903 and was completed in 1940, and its aim was to connect the German Empire to the Persian Gulf, because the Germans wanted to acquire control of a port in the Persian Gulf. Please note that the project started in 1903, and the English and the French closed their differences with the Entente Cordiale in 1904, and the English and the Russians closed their differences in 1907.

[https://en.wikipedia.org/wiki/Baghdad\\_Railway](https://en.wikipedia.org/wiki/Baghdad_Railway)

At the end of the 3<sup>rd</sup> paragraph of the following Wikipedia link, you can read that the Germans had managed to obtain ownership of some oil fields in Iraq, and with a railway to Basra they could obtain oil supplies while avoiding the sea lanes and the Suez Canal, where the British Navy was dominant. At the same time, they could use the Persian Gulf to export their products to Asian countries.

Therefore this railway would have two roles. The first one would be to supply the German industry and the German army with oil, and the second to transport the German products to the Persian Gulf, and from the Persian Gulf to export them to the Asian countries, India included.

[https://en.wikipedia.org/wiki/Baghdad\\_Railway](https://en.wikipedia.org/wiki/Baghdad_Railway)

More specifically, according to Wikipedia:



*“The Germans gained access to and ownership of oil fields in Iraq, and with a line to the port of [Basra](#) would have gained better access to the eastern parts of the [German colonial empire](#), by avoiding the [Suez Canal](#)”.*

In the beginning of the 4<sup>th</sup> paragraph of the following link, you can read that the Baghdad Railway had become a source of tension in the years before WW1.

*“The railway became a source of international disputes during the years immediately preceding [World War](#)”.*

[https://en.wikipedia.org/wiki/Baghdad\\_Railway](https://en.wikipedia.org/wiki/Baghdad_Railway)

In the first paragraph of the following Wikipedia link, in section ‘Overview’, you can read that the Baghdad Railway would offer the German Empire safe access to oil by avoiding the British Navy.

[https://en.wikipedia.org/wiki/Baghdad\\_Railway#Overview](https://en.wikipedia.org/wiki/Baghdad_Railway#Overview)

At the second paragraph of the same Wikipedia link, you can read that the Baghdad Railway was also a threat to Russia, since it would offer the German Empire access to the Caucasus Mountain. Caucasus is located next to the oil rich Caspian Sea region, which was controlled by the Russians.

[https://en.wikipedia.org/wiki/Baghdad\\_Railway#Overview](https://en.wikipedia.org/wiki/Baghdad_Railway#Overview)



Moreover in the beginning of the 4<sup>th</sup> paragraph of the following Wikipedia link, it is mentioned that as early as 1871, geologists had already discovered rich and high quality oil fields in the area of Mesopotamia (Iraq), which was at the time part of the Ottoman Empire.

[https://en.wikipedia.org/wiki/Baghdad\\_Railway#Overview](https://en.wikipedia.org/wiki/Baghdad_Railway#Overview)

At the paragraph before the last one in the following Wikipedia link, you can read that as early as 1903 there was unrest in France, England and Russia for the beginning of the Baghdad Railway.

[http://en.wikipedia.org/wiki/Baghdad\\_Railway#The\\_Baghdad\\_Concession](http://en.wikipedia.org/wiki/Baghdad_Railway#The_Baghdad_Concession)

In the first line of section 'After the War' of the following Wikipedia link, you can read that after the end of WW1, with the Treaty of Versailles, Germany was stripped from the ownership of the Baghdad Railway (Deutsche Bank was a larger investor in this project).

[http://en.wikipedia.org/wiki/Baghdad\\_Railway#After\\_the\\_war](http://en.wikipedia.org/wiki/Baghdad_Railway#After_the_war)

In the last line of the 3<sup>rd</sup> paragraph of the following Wikipedia link, you can read that there were negotiations between the English and the Germans before WW1 regarding the Baghdad Railway, and the Germans had agreed to allow some Englishmen in the board of directors, in order to ensure that the railway would not rich the Persian Gulf.

This is actually the reason that some people believe that this railway was not the cause of WW1, since the Germans and the English had an agreement about it. However I do not think that a paper agreement would make the English and the Russians feel very secure.

[https://en.wikipedia.org/wiki/Causes\\_of\\_World\\_War\\_I#International\\_relations](https://en.wikipedia.org/wiki/Causes_of_World_War_I#International_relations)

And like if all these disputes for the Iraqi and the Baku oil were not enough, in 1908 oil was discovered in Iran too, as you can read in the following Wikipedia link, further increasing the geopolitical importance of the region.

[https://en.wikipedia.org/wiki/Anglo-Persian\\_Oil\\_Company](https://en.wikipedia.org/wiki/Anglo-Persian_Oil_Company)

If you wonder why Saudi Arabia, which is the king of oil, is not mentioned at all in my essay, it is because the first important oil field of Saudi Arabia was discovered in 1938. As you can see on the following map, at the beginning of WW1 the interior of the Arabian Peninsula (Saudi Arabia) was not controlled by any great power since oil had not been discovered yet. The Ottomans and the English were only controlling its outer parts which were important for controlling the sea lanes.



As you can read in section ‘Before the discovery of oil’ of the following Wikipedia link, the consensus at the beginning of the 20<sup>th</sup> Century (1900), was that there was not oil in the Arabian Peninsula.

[https://en.wikipedia.org/wiki/History\\_of\\_the\\_oil\\_industry\\_in\\_Saudi\\_Arabia](https://en.wikipedia.org/wiki/History_of_the_oil_industry_in_Saudi_Arabia)

As you can read in section ‘Discovery of Oil’ of the following Wikipedia link, oil was finally discovered in Saudi Arabia in 1938.

[https://en.wikipedia.org/wiki/History\\_of\\_the\\_oil\\_industry\\_in\\_Saudi\\_Arabia](https://en.wikipedia.org/wiki/History_of_the_oil_industry_in_Saudi_Arabia)

## The Second World War for Oil 1939-1945

The Second World War for oil cannot be considered as an independent event from the First World War for oil. After winning the war, the allies imposed extremely hard conditions on Germany. The German people suffered, and this led a lunatic to power, and as soon as Germany was strong enough she stroke back. According to historians, the decisive battle of WWII was the Battle of Stalingrad (blue circle). Stalingrad was later renamed to Volgograd.



As you can see on the map, if Hitler had won in Stalingrad, he would have marched to Baku, and he would have secured oil reserves for his army. Today we can easily go to a gas station and get fuels, so it is difficult to imagine that an army can actually run out of fuel. And yet it was very often the case for whole army divisions to run out of fuels in the Great Wars. And it was the allies that were controlling both the Caspian and the Middle East oil.

If Hitler had taken control of Baku, he would have oil supplies to launch a Panzer attack to the Middle East. And if he had won the English in the Middle East, the war in Europe and North Africa would be over. This is the reason that the battle of Stalingrad is considered as one of the most decisive battles of WWII.

It seems strange that Hitler turned against Stalin and the Soviet Union, his former ally in 1941, since until then it was the Communists who were supplying the Germans with the oil and minerals they badly needed. As you can read in section “Later Events and Total Trade”, of the following Wikipedia link,

the Communists supplied the Nazis with 900.000 tons of oil in the period 1940-1941, that is before the Nazi attack on Russia.

[https://en.wikipedia.org/wiki/German%E2%80%93Soviet\\_Credit\\_Agreement\\_\(1939\)](https://en.wikipedia.org/wiki/German%E2%80%93Soviet_Credit_Agreement_(1939))

At the end of the first paragraph of the same Wikipedia link, you can read the following:

“The Soviets fulfilled their obligations to the letter right up until the invasion, wanting to avoid provoking Germany. All these agreements were terminated when [Germany invaded the Soviet Union](#) in June 1941, in violation of the treaties between the two countries.”

However the oil that the Communists were supplying was not enough for Hitler who was fighting a global war, and he needed total control of the Baku oil. The Nazis were not crazy to terminate the Nazi-Communist alliance which would mean a giant enemy on their east. They simply needed more oil than the Communists were supplying.

In the second paragraph of the following encyclopedia.com link, you can read that according to the Nazi-Communist Economic Agreement that was signed on the 20th of August of 1939 by Karl Schnurre and Yevgeny Babarin, the Communists would supply the Nazis with raw materials i.e. oil, wood, manganese etc, and the Nazis would supply the Communists with manufactured goods.

<http://www.encyclopedia.com/doc/1G2-3404101270.html>

You can read about how the Communists were feeding the Nazi war machine at the Marxist site [www.marxist.org](http://www.marxist.org), at the following link.

<http://www.marxists.org/history/etol/writers/vance/1941/01/russia1.htm>

In the 5<sup>th</sup> paragraph of the following article of The Guardian, you can read the following:

*“The pact eventually extended to the economic sphere, with Germany providing military equipment in exchange for raw materials such as oil, grain, iron and phosphates”.*

<http://www.theguardian.com/books/2014/aug/06/devils-alliance-hitlers-pact-stalin-1938-1941-roger-moorhouse-review>

For the importance of the Nazi Communist Economic Agreement, you can also read the article of the historian Heinrich Schwendemann, “German-Soviet Economic Relations at the Time of the Hitler-Stalin Pact 1939-1941”, at the following address:

[http://www.persee.fr/web/revues/home/prescript/article/cmr\\_1252-6576\\_1995\\_num\\_36\\_1\\_2425](http://www.persee.fr/web/revues/home/prescript/article/cmr_1252-6576_1995_num_36_1_2425)

## Similarities of WWI with the Oil Wars of 2014

Today, 100 years after the First World War for oil in 1914, we see the oil and natural gas wars in Syria and Iraq, in Ukraine and in Libya, and we can assume that nothing has changed. The wars in Libya, Ukraine, Iraq and Syria, are the first flames of the Third World War for oil, and of course everybody hopes that these first flames will not become a big fire like it happened in the previous World Wars for oil. However since the current wars take place in three continents, i.e. Ukraine in Europe, Iraq and Syria in Asia, and Libya in Africa, we can assume that we are already in a mini World War for oil.

The situation in the Persian Gulf and the Caspian Sea is very similar to the situation in these regions in 1914. The difference is that the Americans have replaced the English, and the Chinese have replaced the Germans. In WW1 it was the British Navy that was dominating the seas, and it was Germany that was trying to exploit its geographical advantage in order to avoid the British Navy and connect to the oil rich region through the Ottoman Empire and the Baghdad Railway, since Germany was much closer than England to the Persian Gulf and the Caspian Sea (black line).



Today, instead of Germany, it is China that is trying to exploit its geographical advantage in order to circumvent the American Navy and connect to the Persian Gulf, except that due to technological advancements the Chinese are not using railways but oil and natural gas pipelines.

The Chinese have already connected to the Caspian Sea by a pipeline network that connects China to the rich in oil Kazakhstan and the rich in natural gas Turkmenistan (red lines), and they are trying to construct a pipeline network that will connect China to Iran and the Persian Gulf. The war in

Afghanistan is definitely relevant to the Chinese effort to connect to Iran and the Persian Gulf, since Afghanistan is very poor in oil and natural gas. What makes Afghanistan important is its position between Iran and China (see my essays ‘The 21<sup>st</sup> Century War for Iran’s Oil’ and ‘Why the U.S.A. Invaded Afghanistan’ for more information on the connection between China and Iran).

The other similarity between the First World War for oil in 1914 and the 2014 oil wars is the Baghdad Railway and the Qatar-Turkey Pipeline. In 1914 Germany wanted to construct the Baghdad Railway in order to connect to the Persian Gulf and obtain oil, but Greece and Serbia were blocking her. Or to be more accurate nobody was blocking her, since the European territories of the Ottoman Empire bordered Austro-Hungary, but with the Balkan Wars of 1912-1913, the English and the Russians helped Greece and Serbia to absorb the European territories of the Ottoman Empire in order to block the Baghdad Railway that would connect Germany to the Ottoman Empire and the Persian Gulf (black line).



In 2014, actually earlier since the war in Syria started in 2011, Qatar and Turkey wanted to construct a Sunni natural gas pipeline that would transport Qatari natural gas to Europe through Turkey (red line), but the Shiite Iraq and Syria were blocking this pipeline, and as a result the wars in Iraq and Syria broke out. The wars in Iraq and Syria also broke out to prevent the Shiite pipeline (green line), which would transport Iranian oil and natural gas to the Mediterranean Sea through Iraq and Syria (see my essay ‘The Energy War Between U.S.A. and Russia).

We therefore see that everything is almost the same. Serbia and Greece were blocking the Baghdad Railway in 1914, and Austro-Hungary declared war on Serbia in 1914, while in 2011 the Shiite Iraq



and Syria were blocking the Qatar-Turkey pipeline and were promoting the Iran-Iraq-Syria pipeline, and the wars in Syria and Iraq broke out. Therefore the wars that broke out in Syria and Iraq in 2011, have a lot of resemblance to the Balkan Wars of 1912-1913.

The story is the same for Russia too. Russia has always been invading and controlling the countries around the Caspian Sea. This region was under Russian occupation during the Russian Empire era i.e. during the tsarist Russia, and nothing changed during the Communist era.

#### Former Soviet Union Map



The Russian Communists kept the Caspian countries under Russian control until the fall of the Soviet Union, as you can see on the above map of the former Soviet Union. Actually the Caspian Region i.e. Kazakhstan, Turkmenistan, Uzbekistan, Azerbaijan, Kyrgyzstan, Tajikistan is comprised of 90% Muslim populations, which are much more similar to the Turks rather than the Russians who are Christians.

However Russia has always been the strongest country, she has been on the winning side in both World Wars, and therefore the oil rich Caspian region has always been under her control. The Communists, exactly like the tsarists, did not grant these countries independence because of the oil riches of these countries, which were very important for Russia's energy security.

At the following Wikipedia link you can read how Russian Communists invaded Azerbaijan in 1920.

[https://en.wikipedia.org/wiki/Red\\_Army\\_invasion\\_of\\_Azerbaijan](https://en.wikipedia.org/wiki/Red_Army_invasion_of_Azerbaijan)

At the following Wikipedia link you can read how Russian Communists invaded Georgia in 1921.

[https://en.wikipedia.org/wiki/Red\\_Army\\_invasion\\_of\\_Georgia](https://en.wikipedia.org/wiki/Red_Army_invasion_of_Georgia)

In section ‘Kazakhstan under Soviet Rule’ of the following Wikipedia link, you can read the following:

*“During the 1930s, many renowned Kazakh writers, thinkers, poets, politicians and historians were killed on Stalin’s orders, both as part of the repression and as a methodical pattern of suppressing Kazakh identity and culture”.*

[https://en.wikipedia.org/wiki/Kazakhstan#Kazakhstan\\_under\\_Soviet\\_rule](https://en.wikipedia.org/wiki/Kazakhstan#Kazakhstan_under_Soviet_rule)

At the following Economist’s article about Central Asia titled ‘Stalin’s Harvest’, you can read the following:

*“After the October revolution of 1917, new autonomous republics were created. In 1924 Stalin divided the region into different Soviet republics. The borders were drawn up rather arbitrarily without following strict ethnic lines or even the guidelines of geography.*

*The main aim was to counter the growing popularity of pan-Turkism in the region, and to avoid potential friction. Hence, the fertile Fergana Valley (formerly ruled by the Khanate of Kokand) was divided between Kyrgyzstan, Tajikistan and Uzbekistan. Some of these borders were redrawn several times until 1936. After 1991, this led to lively demarcation disputes among the newly independent countries”.*

<http://www.economist.com/node/16377083>

In the First World War for oil, the Russian tsar was trying to prevent the Germans from approaching Baku. In the Second World War for oil, the Russian Communists were again trying to prevent Hitler from getting the Baku oil. Note that the very rich oil reserves of Kazakhstan were discovered much later than the ones in Baku.

Today, in the Third World War for oil, after the collapse of the Soviet Union, Putin is trying to keep a firm hand on the Caspian countries, in order for Russia to have monopolistic power in the European natural gas markets (see my essay ‘The Energy War Between U.S.A. and Russia’). Actually the war between Russia and Georgia and the war between Armenia and Azerbaijan were Russia’s revenge for the cooperation of Azerbaijan and Georgia with the Americans on the Baku-Ceyhan pipeline. To retaliate, the Americans supported the Chechens, and the Russian Chechen war broke out (see my essay ‘The Three Wars for the Baku-Ceyhan Pipeline’).

As you can read in the second half of following article of the Guardian, Vladimir Putin threatened the Kazakhstan sovereignty after the Kazakh President and dictator, Nursultan Nazabayev, threatened to quite the Eurasian Economic Union.

<http://www.theguardian.com/world/2014/sep/01/kazakhstan-russian-neighbour-putin-chilly-nationalist-rhetoric>

Here there is one more article on Putin's pressure on Kazakhstan.

<http://www.eurasianet.org/node/69771>

In the First World War for oil in 1914, Russia was on the side of the country that had the advantage in the seas i.e. Great Britain. In the Second World War for oil in 1939, the Russians were initially on the German side, that is on the side of the country that had the geographical advantage, with the famous Nazi-Communist alliance which came into effect with the Molotov-Ribbentrop Pact in 1939, according to which the Nazis and the Communists were splitting Eastern Europe into zones of influence. For the Molotov-Ribbentrop Pact see the following Wikipedia link.

[https://en.wikipedia.org/wiki/Molotov%E2%80%93Ribbentrop\\_Pact](https://en.wikipedia.org/wiki/Molotov%E2%80%93Ribbentrop_Pact)

For the Nazi-Communist alliance you can also read the following link of Encyclopaedia Britannica. In the third paragraph you can read the following:

*“To this public pact of nonaggression was appended a secret protocol, also reached on August 23, 1939, which divided the whole of eastern Europe into German and Soviet spheres of influence”.*

<http://www.britannica.com/EBchecked/topic/230972/German-Soviet-Nonaggression-Pact>

In the first paragraph of the same Britannica link, you can also read the following:

*“The Western democracies’ hesitance in opposing Adolf Hitler, along with Stalin’s own inexplicable personal preference for the Nazis, also played a part in Stalin’s final choice”.*

Therefore one should not be misled to think that the Russian Tsars or the Russian Communists were better than the Americans or the British. They were simply located next to the richest region in oil and natural gas reserves in the world. And Russia has many more oil and natural gas reserves than the Caspian ones. Russia is the richest country in the world in terms of natural gas reserves, and one of the richest countries in the world in terms of oil reserves. Please note that the countries with the richest

reserves are not necessarily the ones with the largest production, since production also depends on technology and other factors.

Today, in what I call the beginning of the Third World War for oil, Russia is closely working with China, that is with the country that has the geographical advantage, and not with U.S.A. which is the country that dominates the seas.

## The Famous Phrase ‘History is Repeating Itself’

When examining the First World War for Oil, and comparing it with the oil wars of 2014, one tends to think about the very famous phrase which says that history is repeating itself. We have heard this phrase so many times that it is very difficult to examine the oil wars without thinking about it.

However this is a very silly phrase which is used all the time by the so called intellectuals. In reality it is not history that is repeating itself, but rather the Persian Gulf and the Caspian Sea remaining the richest regions in the world in terms of oil and natural gas reserves. From the beginning of the 20<sup>th</sup> Century, when oil replaced coal, the Persian Gulf and the Caspian Sea became the heart of the world economy.

On the following map it can be seen how small this region is in comparison to the whole world. When it is taken into account that this region holds between 50-65 per cent of the world’s oil and natural gas reserves, it is no surprise that people have been, and will keep killing each other around it.





This will not change, unless huge amounts of oil and natural gas reserves are found somewhere else, or until oil and natural gas are replaced by some other form of energy. Therefore the phrase “history keeps repeating itself” must be replaced by the phrase “the Persian Gulf and the Caspian Sea remain constant”.

The reason witticisms of the “history repeating itself” kind are always popular, is because intellectuals do not want to explain to us what is really happening. And one wonders why this is so, why is it that intellectuals never help us think?

Murray Rothbard used to say that it is the responsibility of the intellectuals to convince us that we need all these bureaucrats. I think he is right. The responsibility of the intellectual is not to help us think, but rather to convince us that we need the bureaucrats, because as Murray Rothbard used to say, intellectuals have a special relationship with the state, and most of the time they are directly financed by the state. Therefore their job is to convince us that we cannot live without their employer, and they are very good at it.

It is therefore very natural that intellectuals do not help us think, because that’s not at all their job. Nowadays everybody seems to wonder where were the intellectuals before the economic crisis? How could the intellectuals let us fall into this crisis? However this is again a very silly question. This crisis occurred exactly because the intellectuals did their job very well, and they convinced us that we needed their employers i.e. all these bureaucrats. This is how this crisis came about as I explain in my essay ‘The Socialist Myth of Economic Bubbles’.

Ayn Rand used to say it should not be expected from intellectuals to be ideologically independent since they are financially dependent on the state and the bureaucrats. However the internet is changing all that. With the internet we, the intellectual off springs of Murray Rothbard and Ayn Rand, can attack the

intellectuals. And they know that they do not have the arsenal to confront us, that's why you already hear socialist countries planning to build their own internet networks. Russia and Latin America want to build their own internet networks, and China does not allow its citizens to use the internet.

Most socialists and intellectuals support such decisions. The reason is not that they are afraid of espionage as they say. The reason is that they know that they cannot confront us in the age of the internet. It is like a race. We have to finish them off before they have the time to unplug us. And we have to do it not only because it is in our interest to do so, but also because it is extremely fun.

The problem is that the first flames of the Third World War for oil are already here, and war is always the best excuse for statist and socialists to take total control of a country. It is the best excuse for the state to take over everything. It was with the First World War that American statist destroyed the American liberal economic model of the previous centuries and introduced the socialist ideals.