THE NEW GREAT GAME

[Transcript]

Narrator: Ocean-borne trade is the foundation of the global economy. The Middle East is a hub for world shipping. And a major source of the world's greatest commodity: oil. But the sea-lanes here narrow into what are called chokepoints. And these chokepoints are the keys to control of the Middle East. The Strait of Hormuz, the narrow exit from the Persian Gulf. Twenty percent of the world's oil supply passes through this Strait. The rivalry between Iran, Israel and the United States make it a flashpoint. Conflict in Hormuz has the power to hurt everyone who consumes oil. To the southwest, the Gulf of Aden ends at the Bab el-Mandeb strait, a hunting ground for Somali pirates, and pirate hunters. Both part of an ongoing drama which hints at an unraveling of Western domination in the area. To the north, the Suez Canal, gateway to the Mediterranean. For decades, the West controlled Egypt and the canal. But all this is changing.

Robert D. Kaplan: After 500 years of Western domination, we are slowly going back to an age of indigenous control.

Narrator: There are new players and new agendas in the Middle East. Faraway peoples need the region and its oil. Their ships have multiplied and their influence grown. The interests of the Chinese now brush against those of the Americans.

Wang Gungwu: One single power running everything around the world is just unsupportable.

Narrator: From Libya to Iran, from the waters of the Mediterranean to the pirate coast of Somalia, a new great game for control is unfolding. What happens in these sea-lanes is crucial to the whole world. So there is no better place to witness the game than from sea, from the deck of an oil tanker, plying these waters.

Alexandre Trudeau: The Progress is a 228-meter long oil tanker. It's loaded with jet fuel from the Persian Gulf destined for Europe.

Narrator: This ship forms a tiny part of the traffic that keeps the world supplied in energy. My name is Alexandre Trudeau. And from the Persian Gulf to the Mediterranean, the Progress' journey became my vantage point to observe how, at sea, the balance of power in the Middle East is changing. How several centuries of history are coming to a close and a new world order is emerging.

Zbigniew Brezinski: The West was in charge of the world, whether one likes it or not, through imperialism and colonialism, and that's come to an end.

Title Screen: The New Great Game

Niall Ferguson: Empires shouldn't really exist. In a world of multiple states, they should be able to peaceably go about their business through free exchange. That's not the world we live in.

Newsreel: The barren rocks of Aden, a piper's tune which was famous throughout the Empire...

Narrator: The rise and fall of empires has a long history in the Middle East. The British Empire's last stand took place in Aden fifty years ago. From here, the Brits projected power over the sea-lanes and chokepoints.

Newsreel: This port lives on oil and it also protects the sources of that oil.

Narrator: By the nineteen sixties the British couldn't afford the costs of world control and were being evicted from the area by the locals.

Niall Ferguson: Over time the costs of running an Empire tend to exceed the benefits. And that's why empires don't last forever.

Narrator: Britain was broke. But the West had a new champion.

Noam Chomsky: After the war, the US was in a position essentially to work out ways to organize and control the world.

Narrator: At the close of the Second World War, an ailing President Roosevelt receives King Abdul-Aziz ibn-Saud aboard an American warship.

Niall Ferguson: The United States was quick to see not least because it was quick to see the importance of oil that the Arabian sands were going to be of enormous strategic importance.

Noam Chomsky: It's control. You want to control it because it does yield a substantial measure of world control. You control others.

Narrator: Saudi Arabia was at the time an underdeveloped desert nation. And America the world's biggest producer of oil. But the world was growing feverous for the stuff. So wherever it was, it was pumped up to quench this insatiable thirst.

Niall Ferguson: The notion of a Saudi Arabia as an American client state was really Roosevelt's peculiar legacy to the post-1945 world.

Narrator: Sixty-five years later the company built on this crucial partnership, Saudi Aramco, is still the world's greatest oil producer. And its immense reserves are likely to keep it that way.

Dawood Al-Dawood: You cannot miss Ghawar. It's the largest and biggest oil and gas field in the world, and it's going to be producing oil forever. Our proven reserves are standing at 260 billion barrels for the whole kingdom. The sky's the limit as to how much the Saudi reservoir, especially Ghawar, can give us.

Ali Al-Qarni: Saudi Arabia made a huge amount of money out of oil but Saudi Arabia invested that wisely on its people and on the country.

Narrator: It is a place of material comforts and political rigidity.

Ali Al-Qarni: We here in Saudi Arabia know pretty well what we want from our government and what kind of political system we have, and we have shown the world that we're quite happy.

Narrator: The harsh desert landscape has now become a playground. In the Kingdom, oil wealth ensures domestic peace. But Saudi oil travels by sea. Depends on the sea-lanes being safe and open. Something these American bases guarantee.

Michael T. Klare: We control the sea, we dominate the globalized world economy; that gives us a power nobody else has.

Narrator: And this is what makes the US an empire: it controls access to oil. Tankers like the Progress owe their safe passage to the American monopoly of power in the region, the Pax Americana. A routine trip for Captain Amo and his Filipino crew. The sea-lanes of the Gulf are for the moment untroubled. But in the Gulf, the Progress passes the shores of a nation that doesn't quite fit into the Pax Americana: Iran.

Newsreel: A nationalist feeling ran high against Britain and the Western democracies.

Narrator: Early in the 1950s, Iran tried to break away from Western control and nationalize its oil. The United States and Britain put a stop to this by propping up a pliant leader, the Shah.

Noam Chomsky: Sovereignty of others would not be permitted if it challenged U.S. power but without direct administration.

Niall Ferguson: When this entire scheme went wrong in 1979, when the Shah's regime fell, something far worse from the vantage point of Anglo-American power came into existence.

Narrator: Thirty years later Iran is still resisting this power. And can exert control over the Strait of Hormuz.

Alexandre Trudeau: There's only one entrance and exit to the Persian Gulf, -here, the Strait of Hormuz. The Gulf also has the world's greatest oil reserves, and most of this oil has

to travel by ship, out of the Persian Gulf, through the Strait of Hormuz, one of the world's most important chokepoints.

Narrator: As a chokepoint, Hormuz can be threatened from shore. It can be bombed, mined or blocked. Iran's hold on the north of the Strait is a thorn in the side of the West. It means Western control of the flow of oil can never be complete. And if the flow were stopped, even for a moment, oil prices would skyrocket. In its holds, the Progress carries precious rocket fuel. But passing through Hormuz, Captain Amo is not thinking of the markets for his cargo. On deck his crews readies the vessel for a very different uncertainty. An old adversary of commerce and empire lurks in the waters ahead.

Alexandre Trudeau: The Progress is passing through one of the world's most vital maritime corridors and these waters are infested with pirates.

Narrator: Vessels have to fend for themselves in the Indian Ocean. And pirates are especially keen on capturing oil tankers.

Captain Antonio Amo: So far now the Indian Ocean is a mess with these piracy incidents. Now our life is different than before. Our profession is no longer entertaining.

Narrator: Razor wire. Scarecrows. Water jets. And armed guards are deployed to fend off pirate attacks. The crew of the Progress can only wonder why the great powers who have done so much in the name of safe passage of oil still haven't eradicated this threat.

News Anchorman: Off the coast of Somalia today, pirates hijacked yet another cargo ship...

Newsreel: [News report in French]

News Anchorwoman: [News report in Chinese]

News Anchorman: [News report in Japanese]

News Anchorwoman: [News report in French]

Robert D. Kaplan: Piracy is the maritime ripple effect of anarchy on land and Somalia has the longest coastline of any country in mainland Africa and it's a failed state so it's no surprise that there's piracy there.

Narrator: Somalia endures yet another drought. By natural or human agency, the country has been suffering for decades. In 1993, the West's intervention in the country ended in disaster. With piracy, Somali chaos is spilling out into the sea-lanes. Local entrepreneurs have found a way to capitalize on some of the only things Somalia is blessed with in large measure: a brave hardened workforce and highly strategic waterfront real estate. Considering this geography, piracy is a kind of toll. Small open-air skiffs are launched into the vast Indian Ocean for weeks on end in pursuit of 60,000-ton vessels. It's a strange mix of hopelessness, violence and entrepreneurial bravado.

Andrew Mwangura: Desperate people taking desperate measures to earn a living. In Somalia, where there's no industry, there are no factories, there are no openings, the gun is your employer. With a gun you can make a living.

Narrator: This heavily armed band of off-duty pirates pass the time chewing khat, a popular local drug.

Pirate 1: The life we knew has been destroyed. There is no going back. We target any ships we encounter.

Pirate 2: As long as they are here, will attack them.

Narrator: Somali pirates have been poking holes in the Pax Americana, reducing the American command of the sea-lanes and oil.

Alexandre Trudeau: The Progress has arrived in the Gulf of Aden, one the world's busiest, most strategic and dangerous waterways.

Narrator: Ships pass through these waters as a great herd might pass a pack of hungry wolves. It is the distracted, the weak and wayward who fall prey. But the hunters are also becoming the hunted.

Captain Carsten Fjord-Larsen: If you want to continue to transport 90 percent of the goods of the world at sea, you have to take measures that the free use of the open sea is possible. And the only way to deal with that, right now, at sea, is by warships.

Narrator: The Esbern Snare is a Danish frigate tasked by NATO to counter the pirates. Denmark is a seasoned maritime nation. Part of a Europe that needs goods and oil from the East. American power cannot alone eradicate piracy. So the Danes have joined the hunt. But the Esbern Snare's mission has known only mitigated success. The threat is still out there. The region is simply too immense. So the Esbern Snare is trying another tactic: patrolling the Somali coastline.

Danish Navy Crewmember: Just looking for any kind of activity on beach. To see if there's any kind of activity for piracy or anything.

Captain Carsten Fjord-Larsen: As long as the pirates are on the beach, they don't do piracy.

Narrator: But even when they apprehend suspected pirates, the policy is often catch and release.

Danish Navy Crewmember: It's better than looking after them here that we release them. The task is to prevent piracy, not to catch them. We took two skiffs and half of the crew were guys we had had on board. We registered them again and they were released.

Narrator: With these tactics, the West seems doomed to fight these pirates over and over again. To keep their warships in these waters indefinitely. But perhaps this is actually the goal. Piracy is not the only reason for a naval build-up in these waters. This old cement carrier is just going about its business. But its flag is what interests the officers of the Esbern Snare.

Peter: The ship was registered in North Korea. And bound for the southern part of Somalia.

Narrator: The ship is heading to Kismayo, an important port for the Al-Shabaab movement who control southern Somalia. They are radical and anti-western Islamists. Not part of the pirate drama, the ship is chased and boarded by a special forces team nonetheless.

Peter: We just talked to the master on the ship; everything has been conducted with his consent. So we just provided him some guidance in regards to countering pirates.

Narrator: If control of these waters is slipping enough to be exploited by pirates, chances are the West's rivals are also taking advantage of this loosening grip. Sea-lane control in this region is after all a game of empires. In which everyone has stakes.

Gerald M. Steinberg: The Chinese, the Russians, the Iranians, all of the powers that want to claim and have interests that go beyond their immediate areas are gonna be there.

Chas Freeman: Pirates have a history of drawing navies into long-term operational involvement in regions where they otherwise wouldn't go.

Narrator: And still more threats to the sea-lanes lie ahead.

Alexandre Trudeau: So it's 5 am, the Progress has finally reached the Bab el-Mandeb. This is Yemen. This is Djibouti here. All the traffic from Asia, all the traffic from the Indian Ocean, from Africa, converges here to move towards Europe and vice-versa. Very, very strategic waterway.

Narrator: Bab el-Mandeb means Gate of Tears. And the potential for trouble is compounded here. It is Asia's maritime link with Europe. The passage is narrow, the surrounding area unstable. In difficult maritime corridors, everyone needs a quiet place to service their vessels. Djibouti is the safe haven that no one can avoid. Instead of piracy, Djiboutians have found a peaceful way to extract money from the sea-lanes. The place is teaming with outside players. Friends and rivals rub shoulders here. Everyone watches everyone. And keeping the peace is in everybody's interest. The French were once Djibouti's colonial masters. They're still here. So are the Americans. Their base is a hub for special ops and drone attacks in the region. The Japanese are setting up shop. And the Russians are present. Even the Iranians have left their mark. The Islamic Republic paid for the country's new parliament. Iran is committed to having both political and military relevance in this key region. Two Iranian destroyers patrol the Gulf of Aden. Their official purpose: fighting piracy.

James Kraska: I think that piracy provides an opportunity for them to showcase their naval forces and to demonstrate some capability.

Narrator: In the new great game, piracy means that all the world's players have placed their pieces at the Gate of Tears. But further North, where the Progress now sails, there is even more at stake.

Alexandre Trudeau: The European Powers built the Suez Canal in the nineteenth century so they wouldn't have to go around Africa to get to their colonies in the East. Some hundred and forty odd years later, it's still a main vein for the worldwide exchange of commodities and manufactured goods.

Narrator: All day, every day, ships pass through here on their way to and from distant ports. The Suez separates Africa from Asia.

Newsreel: Britain prepares for the worst in the Suez crisis.

Narrator: In 1956 the canal was fought over: Egypt wanted to reclaim ownership. But the Western Powers that built it weren't willing to surrender control.

Niall Ferguson: Egypt from the late nineteenth century right the way through until the nineteen fifties was a vital part of British imperial communications.

Newsreel President Eisenhower: The United States was not consulted in any way about any phase of these actions.

Niall Ferguson: The United States thinks of itself as an anti-imperial phenomenon, but the United States appear to be playing a very similar role in the world to the role that the British had played before.

Narrator: The United States acted to restore the canal to Egypt, thinking they could manage indigenous nationalism. Instead there would be two more wars involving Egypt and Israel with the canal as a backdrop. Only in 1978 does the U.S. finally secure Egypt's collaboration in the Pax Americana. They buy it, with a billion dollar allowance paid yearly to the country's military. The Canal is even open to Israel, Egypt's long time foe. Yet despite years of American handouts, Egypt's exploding population struggles economically. Corruption is rampant and job opportunities are sparse. Egyptians grow increasingly dissatisfied with their government. At the same time, the information age strengthens ties between people.

Chas Freeman: We've seen in the Arab world a considerable penetration by the Internet, by-several dozen satellite television services. You have, now, reactions to events that move in a sort of wave pattern over the course of seconds from Morocco to Yemen and Oman.

News Anchorwoman: [News in Arabic]

Narrator: In 2009, President Obama shows up in Cairo. The entire Arab world awaits his words like parched soil awaits the rain.

Barack Obama at Cairo University: The ability to speak your mind and have a say in how you are governed. These are not just American ideas, they are human rights, and that is why we will support them everywhere.

Narrator: Two years later, everything changes.

Egyptian Protesters: Step down! Step down! Revolution! Revolution!

Narrator: But these upheavals are not necessarily in America's best interests. And the question once again arises: will the U.S. succeed in managing the region's nationalism?

Egyptian Protesters: God is great!

Narrator: Key American allies are soon sacrificed. The Egyptian president is brought to trial before his people.

Fadel Soliman: All Egyptians were really disgusted with what he was doing. We really felt that the man became like, I'm sorry, a prostitute.

Narrator: At stake is the stability of the sea-lanes: control of the Suez Canal. A resurgent populism might politicize access to the canal as it did in 1956.

Niall Ferguson: There is a revolution going on. We should certainly not assume happy clappy pro-Western democratic regimes run by Google executives. That's the zero to one percent probability scenario. The more likely scenario is Islamist regimes which may well be more unpredictable.

Egyptian Protesters: AbdulRahman!

Narrator: And every gain made at the polls by the Islamists is a step away from foreign control, a tempting option for the masses.

Chas Freeman: They won't take dictation from abroad. They won't rely for their survival on support from a foreign country.

Narrator: The peace with Israel was also never popular with the Egyptian people.

Chas Freeman: The question that many Arab publics pose is how can you cooperate with the United States when it is so firmly supportive of Israel and Israel is humiliating and even killing such a large number of Arabs.

Narrator: As the Muslim Brotherhood, the Ikhwan el-Muslimin, is increasingly favoured by voters, pressure can only mount.

Fadel Soliman: An Ikhwan-governed Egypt will be supporting the Palestinian cause. I don't think that war is an option at all now, but everything has limits.

Narrator: In years to come, passage through the Suez might not be such a smooth affair for ships like the Progress.

Egyptian man on ship: Captain Haissam, this yellow buoy that is coming to my left...

Zbigniew Brezinski: Today we have a world not only inhabited by politically awakened peoples but of states that no longer are under the domination of the West. And that's an enormous change.

Narrator: A state especially at risk from an unraveling of American control is Israel. In Jerusalem, prayers are going on for Tisha D'Av, a day of lamentation. A mourning over the destruction of the first temple. The religious might be moved by events that occurred millennia ago. But it's present danger that is being touted daily by their leaders.

Benjamin Netanyahu: A nuclear-armed Iran would ignite a nuclear arms race in the Middle East. The threat to my country cannot be overstated. We must take calls for our destruction seriously.

Narrator: Israel receives more American aid and military handouts than other country. But Israeli hard-liners grow anxious about signs of ambivalence in Washington.

Gerald M. Steinberg: There is an understanding in Israel that the reliance on the United States is becoming less iron clad, that United States' policy is chaotic, that it's being pushed and pulled in different directions and it's not systematic.

Narrator: The Iran issue in particular is cause for some debate in Washington. President Obama wants more sanctions. His republican rivals support Israeli aggression.

Mitt Romney at AIPAC 2012: We can't continue to express a point of view that sounds like we're more concerned about Israel taking action against Iran than we are about Iran becoming nuclear.

Narrator: While there is no proof that Iran has even made the decision to start a nuclear arms program, America's closest ally in the Persian Gulf also speaks of danger.

Ali Al-Qarni: We want a Middle East that is completely free of weapons of mass destruction. That should and must include the state of Israel.

Narrator: Israel's nuclear arsenal would largely outgun whatever weapons Iran might acquire.

Robert D. Kaplan: If they get a few nuclear devices of uncertain quality, with no second strike capability, with air defenses that can easily be penetrated at will, what kind of a threat does Iran pose?

Narrator: For Israel, the threat is significant enough that the prime minister hints at attacking Iran, on suspicion alone with or without American approval.

Benjamin Netanyahu to US Congress: Israel always reserves the right to defend itself.

Michael T. Klare: I think he's been pushed into a corner, in part because of his own rhetoric. If sanctions go on for another six months without change, then force will happen.

Narrator: The goal would be the outright destruction of all Iranian nuclear capacity, civilian or otherwise. But from the vantage point of Iran, it is the one being threatened, not the one doing the threatening.

Noam Chomsky: Its strategic doctrine is defensive. Iran is surrounded by countries which have nuclear weapons. Israel, a major nuclear weapons state. Pakistan. The countries on its borders have been occupied by a hostile superpower, the United States. What country in the world could have a greater need for deterrence?

Narrator: Lacking the ultimate deterrent of nuclear weapons, Iran only has conventional forces to defend itself against an attack. Iran could respond by firing missiles at Israel. Or it could target Hormuz. Mines and fast boats fitted with rockets could be deployed to sink oil tankers. The waters where the Progress started its journey would quickly become a battlefield. The flow of oil would be stopped.

Rehyaneh Noshiravani: These things have a way of escalating and if the government develops this idea of kill or be killed, then yes it will probably be quite wrathful and I don't think that anyone has much to gain from this.

Narrator: A desperate Iran might even strike out at the source of oil: the production facilities of the Arab monarchy's along the south shore. The Abqaiq facility for instance is a hub for ten percent of the world's crude. All to say that a war against Iran could cripple oil production and drive prices through the roof, another kind of deterrence. There are also hints of Iran gaining deterrence in other ways. The island of Bahrain occupies a central position in the Persian Gulf and Shi'a Muslims form the majority. This causeway connects it to Saudi Arabia. In the spring of 2011, Saudi forces lead an armoured division across these bridges to help suppress growing protests on the island. The Shi'a were demanding more rights and representation a real threat to the Sunni monarchy of Bahrain. The Saudi's were quick to dismiss unrest in Bahrain as an Iranian ploy.

Ali Al-Qarni: These people from the second day were carrying the flag of Iran. It was the interference again of Iran in one of the GCC countries. So Saudi Arabia and other GCC countries came to the help of Bahrain because it wasn't a movement of the people.

Narrator: But Saudi Arabia's real concern might be something else.

Jean-François Seznec: If in Bahrain you had a real constitutional monarchy that worked, and in my view, it could, it would be even more dangerous to the Saudis.

Narrator: And Bahrain plays host to a critically important American Naval base. A populist takeover would not bode well for American power in the Gulf.

Jean-François Seznec: The Saudis want very much the United States to maintain a very strong position in the Gulf and therefore the Saudis push that little Iranian card.

Narrator: Waves of uncertainty trouble the waters of the Persian Gulf.

Robert D. Kaplan: Because every country is potentially in play, there's really one big strategic question out there: which regime lasts longer, that in Saudi Arabia or that in Iran?

Narrator: With so much at stake, the U.S. has remained rather quiet about the suppression of democratic hopes by its allies in the Gulf. American support for democratization in Iraq worked out badly for the West and well for Iran. Democracy in Lebanon elevates Hezbollah. Democracy in Gaza empowers Hamas. Both are now close to Iran.

Zbigniew Brezinski: Iran is the beneficiary of American blunders. Its influence expands, its appeal increases, its mischief making has more opportunities.

Narrator: To stop Iran from gaining more influence, Israel seeks a pre-emptive strike against its nuclear facilities.

Rehyaneh Noshiravani: Because of the way they've been constructed, at most it would set back the program. It wouldn't completely destroy it.

Narrator: To make more than a dent, Israel would need American help.

Niall Ferguson: Is the United States incentivized to take military action against Iran in support of Israel, that's really the key. Now from the vantage point of many Americans, the answer must be: -No. Why should we do that? We have just done a couple of nasty, expensive wars in Afghanistan and in Iraq. What's in it for us?

Rehyaneh Noshiravani: A war with Iran would be disastrous. There was this one American General and he said if you liked Iraq and Afghanistan, then you'll love Iran.

Narrator: It's a game of brinkmanship, with each side pushing the matter as far as possible. The threat of war serves Israeli leaders to distract from their own Arab problems, to force Americans into a harder stance. It serves the American leaders to remind the world of the country's might. It serves the Iranians to unite their population and win popular sympathies throughout the region. It reminds everyone that the sea-lanes and, with them,

the world economy are at risk. And it is not just the Persian Gulf that is in question. The Bab el-Mandeb might also figure into the American-Iranian rivalry. The Gate of Tears is bordered by mountains on both sides. On the African side lies Eritrea, a small nation deeply at odds with the West. Iran has been strengthening diplomatic ties there. Across the waters, Yemen is of even greater concern. The country is mountainous, tribal and desperately poor. Most of the northwest is under the control of a rebel group called the Houthis. The Houthis are Shi'a Muslims, another possible link to Iran. As such, they are a thorn in the side of the Saudis and have provoked even greater Saudi involvement in Yemen.

Ali Al-Qarni: Saudi Arabia did not send troops to Yemen. Saudi Arabia was defending its own borders from a Houthi movement which is another terrorist organization which we suspect has links, very strong links with Iran.

Yemeni Protesters: Step down! Step down!

Narrator: In Yemen, the Arab Spring led to the departure of the country's pro-Western president and pushed an already unstable place right to the edge.

Ali Al-Qarni: Saudi Arabia along with the international community should not or rather must not allow Yemen to become a failed state.

Narrator: So with outside prodding, a feeble show of democracy is contrived to pacify disgruntled Yemenis: an election with only one candidate, the former vice-president. If Yemen did not tower over the sea-lanes, few would care about it.

Robert D. Kaplan: We've had a lot of places that we've taken for granted. But they're all in play because people are no longer afraid of their rulers.

Narrator: The Progress is in the safer waters of the Mediterranean. For the first time, danger is behind the crew. But these days, there is nowhere the West can claim to have total control of the sea-lanes. Control in Egypt is fleeting and outsiders now come into the Mediterranean.

Gerald M. Steinberg: For the first time we've had Iranian naval craft going from the Red Sea up through into the Mediterranean.

Narrator: These are the same ships that Iran uses to patrol for pirates.

Gerald M. Steinberg: That's certainly been a signal of challenges from Iran to NATO which has a strong naval presence in the Mediterranean but also to Israel.

Narrator: But another nation's warships here speak even more to the new Great Game. China is without a doubt a game changer. Although it is well on the way to becoming a global power, it has a resource problem.

Chas Freeman: A little more than a fifth of the human race, China has about 7,5% of the world's arable land and it's only got 6% of the world's water. This means that China needs very much to import resources of one sort or another from elsewhere.

Narrator: To pay for these imports, China has turned itself into the world's factory. Scarcely an hour goes by on the Progress's journey that it doesn't pass a ship loaded with Chinese exports bound for the West. The budding Empire has built a Mediterranean hub for its ships at Piraeus in Greece. China has done so well in this trade that it has grown rich in foreign currencies.

Niall Ferguson: Because they have that treasure trove, they have that pile of reserves, the world is ultimately for sale to China. They're switching to a global commodities position. And that is a switch that I would characterize as the imperial switch.

Narrator: China is out in the world like never before and it has a huge appetite for resources. Which means that its interests are everywhere. And so is its Navy. In the Mediterranean, Libya's become a destination for both investments and workers from China. Libya is rich in oil. And had a leader eager to diversify his alliances. So when the Arab Spring brought turmoil to Libya, the Chinese Navy came to the rescue of an astonishing number of Chinese expats.

Chas Freeman: China had 37,000 or so workers in Libya that had to be evacuated. And it's an illustration of the extent to which China has acquired global interests.

Narrator: The Chinese dragon in Europe's backyard made the stakes in Libya that much higher for the West. Made intervention into the conflict a natural course of action.

U.S. Ambassador Susan Rice at the UN Security Council: Today, the Security Council has responded to the Libyan people's cry for help. This council's purpose is clear - to protect innocent civilians.

Gerald M. Steinberg: This was explained as trying to prevent a massacre on the basis of human rights, but few people are willing to overlook the fact that Libya also is one of the major sources of oil.

Narrator: Libyans like this local journalist don't doubt that securing oil rights was a prime concern for energy poor Europe.

Abdulhamid Abourguiga: NATO is looking for oil, I think. But as long as they are helping us, we can help them in the future.

Narrator: So the liberation of Libya and the eviction of China from its energy sector are boons for the West. But it would be unwise to count China out of Libya for good.

Chas Freeman: I think we're gonna find that they're back rather rapidly because they provide a very economical and efficient alternative to European and other contractors.

Narrator: The New Great Game is all about access to resources. And Libya is important not just for its oil. But also for the gateway if offers: a short and flat passage deep into resource rich Africa. Africa is an obvious place for China to answer its need for raw materials because the continent has been neglected.

Chas Freeman: Some people have tended to treat Africa like a sort of humanitarian theme park. The Chinese treat it as a business opportunity.

Niall Ferguson: Go to Africa today and you will see the genesis of an empire.

Narrator: Resource rich African nations are increasingly leaving the Western fold and becoming clients of Beijing. But China has an even greater need for oil from the Persian Gulf. Oil from Saudi yes, but also from Iran. Yet China has neither asset control nor naval power in the Gulf.

Michael T. Klare: Only the U.S. Navy is capable of protecting and monitoring those sealanes.

Narrator: So while the U.S. has grown accustomed to controlling who buys and sells oil in the Gulf, China's huge needs cannot so easily be contained. It is unlikely that it will stop buying oil from Iran. And it is not the only Eastern power coming to the Islamic Republic for its energy supplies. India is also deepening its commercial ties with Iran. The Indian Ocean's old trade networks are coming alive again. And the West has little say over these dealings.

Niall Ferguson: The United States is going to have a much more difficult time maintaining the Pax Americana.

Narrator: The West can't control Somalia, which spawns pirate threats to everyone. It struggles with new political realities in Egypt, Yemen and Bahrain. America's strongest allies are no longer on the surest footing. All this after the US has spent a fortune in the Middle East.

Niall Ferguson: When the United States invaded Iraq in 2003, history was replaying itself. The lesson is I think fairly clear: empires do not want to be stuck with a large long-term commitment to maintain land forces in any part of the Middle East.

Wang Gungwu: First of all it's too expensive, and what do you gain from it? Most of the time, you lose! At your expense. In fact, their economy is in its present state partly because they were trying too hard to be everywhere.

Narrator: So imperial exhaustion is now part of the American reality.

Chas Freeman: The United States is living well beyond its means. The major part of our operating budget is borrowed, much of it from abroad. This cannot be sustained. Many Media Education Foundation I www.mediaed.org

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people imagine that somehow through magic or voodoo economics we can keep up defense spending at the current level. But that is nonsense.

Robert D. Kaplan: The U.S. navy has gone from five hundred and eighty-six warships during the Reagan era to two hundred and eighty-six warships now.

Narrator: Facing all these difficulties, the U.S. is unfolding a new strategy.

Barack Obama at the Australian Parliament: As we end today's wars, I have directed my national security team to make our presence and mission in the Asia-Pacific a top priority.

Narrator: The U.S. is actually turning away from the Middle East and focusing on the containment of China.

Michael T. Klare: It is a form of latent threat to China, saying we have the capacity to cut off your oil jugular. And you can't defend it.

Narrator: This strategy may focus dwindling military resources on the West's greatest potential rival. But it risks turning China from a supporter of the Pax Americana to an antagonist.

Wang Gungwu: The Chinese, they're actually very happy with the way the world is organized and they are benefitting. If only the Americans did not treat China as a potential enemy.

Narrator: It is forcing the Chinese to react.

Michael T. Klare: They've just announced a big increase in military spending. A lot of it is gonna go to anti-U.S. naval forces.

Narrator: For the moment, the Chinese have enough internal challenges not to want complicated foreign involvements. But this empire of billions cannot forego the resources it requires for growth and prosperity. So they really want the West to continue to provide security to the sea-lanes.

Niall Ferguson: It's an uncertain world. The United States is no longer going to be in sole charge. How the Chinese deal with this world? It's their problem frankly.

Narrator: If the West falters or becomes a destabilizing force, China suffers. If the West takes offence at every rising power, there will be little chance for harmony.

Robert D. Kaplan: The West is in decline because the rest of the world is catching up.

Narrator: If the West fights to try and remain dominant at all costs, if it attacks those who escape its control, it will likely be moving against a strong and relentless current. The age of a single empire is over.

Wang Gungwu: There will be multipolarity sooner or later, and now it is a bit sooner than they expected.

Narrator: Financial realities in the US and political realities in the Middle East mean that even the most aggressive approach will not likely be enough to contain the rise of new forces. And more violence will surely increase instability in the sea-lanes.

Robert D. Kaplan: We already are in a multipolar world economically, diplomatically and politically. And we'll start to enter a multipolar world in a military sense as well.

Narrator: Is there compromise, or confrontation ahead? This Great Game is only just starting. Rash behaviour can cause waves that threaten everyone. And in this new game, the players themselves must decide just how rough the seas will be.

[End]