

WAKE UP!! IT'S YER OIL'S WELL THAT ENDS WELL...



# SchNEWS

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## OVER A BARREL

SchNEWS DIPS ITS STICK INTO THE MURKY SWAMP OF THE GREAT IRAQI BLACK GOLDRUSH

"By 2010 we will need on the order of an additional fifty million barrels a day. So where is the oil going to come from?"

...While many regions of the world offer great oil opportunities, the Middle East with two thirds of the world's oil and the lowest cost, is still where the prize ultimately lies." - Dick Cheney, then CEO of Halliburton in 1999 Speech to the Institute of Petroleum in London.

"The greatest strategic prize in world history" is how the Middle East's reserves of oil have been described and since the British take-over of Mesopotamia's oil fields in the aftermath of the First World War they have been the constant source of intrigue and violence. Now the conflict enters another phase as the 'victors' in the Iraq war prepare to divvy up the loot. It is proposed to bring Iraq's oil reserves under foreign control for the first time in 35 years. But resistance to the rip-off is growing.

With Iraq tearing itself apart in increasing cycles of sectarian violence, the corporate sharks have scented blood in the water. A controversial Petroleum law which seeks to hand over the rights to Iraq's oil reserves (estimated to be the world's third largest) to the multinational oil giants has been passed through the Iraqi cabinet and will soon be placed before the entire Iraqi parliament. Under this law Iraq's reserves would be allocated under Production Sharing Agreements (PSAs). Revenues which could be used to rebuild Iraq - smashed under a decade long sanctions regime and then bombed and scarred from invasion - will instead be siphoned off into the pockets of Big Oil.

### TAKING THE PSA

PSAs effectively allow oil companies to control the oil supply in return for the risk of exploration and the building of infrastructure. Normally they're used in countries such as Azerbaijan where the state is incapable of developing its own industry. According to International Energy Agency figures, they are only used in respect of about 12% of world oil reserves, in countries where oilfields are small (and often offshore), production costs are high, and exploration prospects are uncertain. This is manifestly not the case in Iraq.

These stitch-up agreements amount to a system of long term contracts with foreign oil companies which maintain the facade of public ownership but in fact lock the country into deals and beyond the reach of Iraqi courts, public scrutiny or democratic control. Article 41 of the law says that any disputes between foreign companies and Iraqi authorities which cannot be resolved

through negotiation are to be resolved 'through arbitration or the competent authority'. In practice this means through a secretive and remote international arbitration tribunal - overriding domestic law. Iraq will not have the power to intervene using its own judicial system. The PSAs will allow the oil companies colossal profit margins and the agreements stipulate that the terms cannot be re-negotiated for between 25 and 40 years - regardless of who the Iraqi people elect! As 70% of Iraq's economy and 95% of its government's income is based on oil this amounts to a de-facto ownership of the country by Big Oil. The deals also have the desirable side effect of allowing oil companies to 'bank' the reserves as assets and inflate their stock market valuation.

No other country with comparable oil reserves (e.g Kuwait or Saudi Arabia) has anything like a system of PSAs in place. They make sure that oil revenues are kept firmly within the state's grasp. The idea of using PSAs in Iraq was hatched by the Future of Iraq project, the US State Department's planning mechanism prior to the 2003 invasion. The plans were developed

## CRAP ARREST OF THE WEEK



Youth suggests a new direction for Conservative Party

...for telling it like it is.

The keepin-it-real young hoodie who made a 'firing gun' gesture at David Cameron last week has ended up the one targeted.

Cuddly 'Eton Messy' Cameron had been on walkabout on a Manchester estate when the 17-year-old made the hand gesture as he walked past. Police swiftly arrested him, then raided his house and held him over the weekend for a few joints worth of weed. Well, no-one disses the Tory Krew!

District Judge Wendy Lloyd told the youngster she was "concerned" that he'd been kept in custody so long for such a small quantity of cannabis. She said: "That you have been dealt with differently causes me great concern." This concern didn't stop her from dishing out a £75 fine however...

The youth, who cannot be named for legal reasons, is now auditioning for the lead role in a local theatre production of "Taxi Driver".

further under the auspices of the IMF along with the Coalition Provisional Authority. Along the way there has been no consultation whatsoever of the Iraqi people. In fact this car boot sale of Iraq's future has been kept curiously quiet in the country itself, despite the fact that the government is aiming to sign the first deals with oil companies before the end of the year.

Continued overleaf...

## C'MON AND JOIN THE CONGO

Actions to stop the forced removals of some forty-six Democratic Republic of Congo nationals spread across the UK this week. Despite a UN report that the human rights situation in DR Congo is actually deteriorating, the XL Airways 'deportation express' charter-flight left Stansted Airport at 9.39pm, on 26 February. Actions had kicked off when it became apparent that asylum seekers were being rounded up to be imprisoned in Tinsley House detention centre, Crawley, to await deportation.

Around 100 people held a noisy protest outside the Home Office Reporting Centre in Glasgow; No Borders Brighton dropped a banner outside the HQ of XL Airways, also in Crawley, highlighting their complicity and 'XL-ent' profits. Over 70 members of the DR Congolese community in Leeds, including groups from Huddersfield and Kirklees, rallied outside their Home Office Reporting Centre and the African Community Association in the North East held a solidarity march in Middlesbrough. 60 more people gathered at the Home Office in London. When deportation day came, activists locked themselves to the gates of Tinsley House to try and stop the removals.

Despite the protests, the bulk of removals took place. While last minute legal action prevented two children and seven adults from being deported, thirty seven are now back in DR Congo

fearing for their lives. Campaigners in Kinshasa are posting reports back to Indymedia and NCADC on their progress.

This is just the latest incident in a continual process of repatriating those fleeing warzones and persecution, with the Home Office claiming countries like DR Congo are 'safe' to return to.

For constant bulletins about threatened deportations see National Coalition of Anti-Deportation Campaigns www.ncadc.org.uk

\* 3 March - Campaign To Stop Deportations to DR Congo meeting 3.30-5pm at Friends Meeting House, Mount Street, Manchester. M2 5NS

\* 7 - Demonstrate outside Asylum and Immigration Tribunal office Manchester 10am-12.30pm at 2 Piccadilly Plaza, Mosley Street, Manchester, M1 4AH

\* 13 - NCADC + Leeds No Borders Workshop: Setting Up an Anti-Deportation Campaign. 6.30-8.30pm at The Common Place, 23-25 Wharf Street, Leeds, LS2 7EQ. Email ncadc-north-west@ncadc.org.uk

\* 17 - Sheffield Committee to Defend Asylum Seekers + NCADC Workshop 2.30-5pm. Refugee Employment and Education Programme, Alpha House, Carver Street, Sheffield Tel: 07913 701740 or e-mail sheffcdas@btinternet.com

\* No Borders UK http://makebordershistory.org

## INFORMATION FOR ACTION

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Published in Brighton since 1994

**CRUDE BUT EFFECTIVE**

Trades unions within Iraq are doing their best to redress the balance. Despite the fact that unions are illegal (they were made illegal by Paul Bremer during the regime of the CPA), the oil workers have the trump card of being the only people who can keep the black gold flowing. In the south of the country particularly there has been more scope for union organisation. The General Union of Oil Employees ([www.basraoilunion.org](http://www.basraoilunion.org)) represents 23,000 workers in the industry and has recently taken the initiative in founding the Federation of Oil Unions in Iraq. They now represent over 100,000 and over the four years since the occupation they've notched up a series of victories over the coalition and its puppet government. Through strikes and the threat of stoppages, they've secured higher wages, the removal of Kellogg Brown&Root employees from oil installations and their replacement by Iraqi labour, and helped the development of other unions. They've been a constant thorn in the side of the Iraqi authorities and have had their funds seized and accounts frozen as well as assassination attempts.

Despite this they have constantly forced the authorities to the negotiating table. Hassan Jumaa Awad al Assadi, the leader of the Federation of Oil Unions says: "Those who spread the word that the oil sector will not improve except with foreign capital and production-sharing are dreaming. They must think again, since we know for certain that these plans do not serve the sons and daughters of Iraq."

The Federation has announced it "will endeavour to prevent exploitation by foreign companies and their flagrant interference in production and exports," blaming the companies for "exploiting the current political vacuum and chaos in the country." They claim that the Iraqi oil industry, far from needing external investment, is in fact being deliberately starved of funds to the tune of \$4.5 billion this year, simply to worsen the country's negotiating position as infrastructure slowly collapses. In fact the unions have been active in voluntarily maintaining infrastructure to fend off the need for external investment. They are also working on publicising these secretive deals and building resistance.

Control of the oil supply could be an issue around which Iraqi civil society unites. Admittedly the country is sliding towards a huge sectarian stand-off and possibly civil war but the union movement allied with academics and other organs of civil society is reaching out to build alliances across boundaries. Support groups for the struggle have been set up in The UK, US and Italy. Ewa Jasiewicz, researcher and campaigner at PLAT-FORM said: "The law's unfair, untransparent and undemocratic provisions reflect the influence and interests of external actors; namely the US and British governments and foreign oil companies. As a document it makes history and marks a milestone in a historical process that has been pushed through by war and occupation. It is the sell off and rip off of Iraq's oil by foreign companies."

**More at:** [www.handsoffiraqoil.org](http://www.handsoffiraqoil.org) \*\* [www.platformlondon.org](http://www.platformlondon.org) \*\* [www.basraoilunion.org](http://www.basraoilunion.org) \*\* For more indepth info on the privatisation carve-up see the 'Crude Designs' report at [www.carbonweb.org/showitem.asp?article=57&parent=4&link=Y&gp=3](http://www.carbonweb.org/showitem.asp?article=57&parent=4&link=Y&gp=3)

**HORSE-SHAM**

**Crawley and Horsham Hunt** is yet another bunch of law-what-law animal murderers. Their Feb 23 meet ended with a hound killed when it strayed on to the A4. Hunt monitors in Horsham faced intimidation and sabotage to one of their vehicles again (see SchNEWS 576) when a tyre was let down. As usual the rozzers seem unconcerned.

\* **The League Against Cruel Sports** report on the Crawley and Horsham Hunt can be found at [www.league.org.uk/news\\_details.asp?NewsID=881](http://www.league.org.uk/news_details.asp?NewsID=881)

\* **For more see [www.huntsabs.org.uk](http://www.huntsabs.org.uk)**

**THE DATA DAY**

SchNEWS advises all readers to **renew your passport** before April – particularly those who have never held a UK adult's passport. Later this month the sixty-nine new 'ID interrogation centres' will open around the country, and if you're applying for your first passport you may be interviewed and made to fill out long, intrusive questionnaire forms, in a process taking 4-6 weeks. Once they have prised information out of you about addresses, education, family history and official numbers, this data will be cross referenced with bank details, police, credit, school records and more, and the interview will confirm it all matches up – and if it doesn't match, the computer might say.. nooo.

All the juicy info will be held in a single file, part of the build-up to a nationwide 'one-stop' centralised ID database. The price of the cheapest passport renewal rose last October to £66, and if the ID card scheme comes in this could go over £93 to pay for the costs of the IT infrastructure for the total surveillance state.

\* For more details see the "Take a hike, Tony" factsheet for those applying for their first passport at [www.renewforfreedom.org/Take\\_a\\_hike\\_Tony.pdf](http://www.renewforfreedom.org/Take_a_hike_Tony.pdf)

**CARAVANDALISM**

**The Traveller Site at Dale Farm** in Basildon, Essex, is facing imminent eviction if the Council's decision goes against them in July (See SchNEWS 519 & 548). One hundred families who live on the site have recently been facing protests against them by angry locals with local BNP activists prominent. One recent anti-Traveler demo was attended by 200 people.

The local villagers insist it's nothing against the Traveller community but a desire to preserve greenbelt land from development but this is just the culmination of a five year siege on the Traveller community in the Essex region. Dale Farm residents are inviting people to volunteer as Human Rights Monitors for the expected eviction, which will no doubt be carried out by Constant and Co., yer ever-reliable gypsy-busters who have already bulldozed a number of other sites, forcing more and more families out on the road to search for hard-to-find places to park up. The Travellers are understandably nervous for their futures and could do with all support. Email [dale.farm@btinternet.com](mailto:dale.farm@btinternet.com)

**Positive SchNEWS**

**Two anti-vivisectionists** were cleared of disorderly conduct by Blackpool Magistrates' Court this week, prompting hopes that four similar cases will now be dropped. Keith Richardson and Dean Cain were arrested outside a Vodafone shop on 11 March 2006 as part of a series of 20 similar arrests between March and July of that year. Vodafone were targeted for their financial support of Oxford University which is building a new animal research facility. All arrestees were charged under Section 5 of the Public Order Act 1986 for displaying graphic posters which could have allegedly caused 'distress'. The pictures showed primate experiments that had already been carried out in Oxford, surely causing a little 'distress' to the animals in question.

Although the prosecution reckoned that the images were 'insulting' and likely to cause distress, the defendants argued they were using their freedom of expression to educate the public about animal experiments. Both men are now seeking advice on what legal action can be taken against the police for breaching their rights to Article 10 of the European Convention on Human Rights.

\* For more information on the campaign go to [www.speakcampaigns.org.uk](http://www.speakcampaigns.org.uk)

**Party & Protest - for listings updated weekly see [www.schnews.org.uk/pap](http://www.schnews.org.uk/pap)**

**POLES APART**

**The Rospuda Valley** in the north east of Poland is a primeval forest and swamp land that's home to many rare species including bison and lynx. It's under immediate threat of being bulldozed into history. Apparently what's needed is not a nice set of 'green lungs' for Europe, but "smooth and dense infrastructure". i.e. roads. The Augustov bypass faced no rigorous appraisal procedure or public inquiry. Worse still there's a decent alternative route and European regulations say if it means less environmental destruction it should be used instead. Failure to meet this requirement and the fact that politicians are planning to rip through a 'Nature 2000' heritage site could mean big EU fines. The government's plans have steam-rolled on, however – presumably they'll be happy to just pass any bill on to tax payers. The road must be built!

In response, and despite the rather nippy weather (-20c), an anti-road camp has been established and is thriving, **but more help is needed now**. And, taking opposition into the city, some autonomous groups have been busy picketing the HQ of Budimex, the company that's picked up the juicy contract to build the road. Warsaw residents have started a daily action at the Ministry of the Environment and another big demo is promised for next Friday (9th) outside the polish embassy in London (47 Portland Place, WIN 3AG). 4.30pm Start. Bring banners and make some noise. See <http://viabalticainfo.org/spip.php?rubrique2> for more.

\* **Another 25 acres of ancient woodland is due for the chop**. Some Glamorgan councillors reckon that the ancient Pencoedtre nature site would look a lot better if it was covered in light industrial units and a few Barratt boxes. Dating from 1600 the wood (home to 71 different types of moss!) might be designated as a Site of Special Scientific Interest (SSSI). Rare wood sorrel and butterfly orchids are of little concern to the developers, however, who continue to press the planners for permission to trash. Find out more about this and other campaigns at [www.woodland-trust.org.uk/campaigns/index.htm](http://www.woodland-trust.org.uk/campaigns/index.htm).

**SchNEWS benefit vegan nut roast**

this Sunday 4th. Bar from 1pm, food from 2pm. £4.50/£5 wiv cake. Followed at 6pm by a talk from Vincent McGrath, one of the **Rosspart 5**, farmers jailed for trying to stop Shell building the refinery and pipeline in County Mayo, Ireland (See SchNEWS 564). He has written a book which will be available.

**...and finally...**

Nothing planned for 17th and 18th May? Why not pop along to the **2007 RUSI Air Power Conference?** It's a warmongering shin dig where delegates will learn about the benefits of rebranding the UK Air Force as 'Agile, Adaptable and Capable'. Presumably the 'Agile' bit is designed to emphasise the sexiness of a 'precision' bombing operation, while the quick shift from supporting to attacking Saddam Hussein in a matter of months certainly offers proof of the armed forces 'Adaptability' - just a pity that all those helicopters that were designed to operate in colder climates and kill Russians and didn't work so well in the sand!

The 'Capability' bit is harder to fathom unless, of course, you mean the capability to create civil war wherever they go! The conference organisers are predicting an "uncertain and difficult 21st century" (thanks to their efforts). The problems lie in the fact that despite "an increasing demand for the use of military power," there remains a high level "public intolerance of collateral damage," preventing UK plc from killing more people and bombing more countries. Darn! The battle for hearts and minds continues for a mere £779 a head, excluding accommodation. There's more corporate perpetual war style brainwashing at [www.rusi.org](http://www.rusi.org)

**Disclaimer**

SchNEWS warns all readers - when you're burning the midnight oil, don't get on everyone's wick. Honest!

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