

# **Iraq Nation Destroyed, Oil Riches Confiscated. Surviving Iraqi Population Impoverished**

Iraqis who survived U.S. genocide still poor and oppressed. U.S.-created puppet government spawns lethal insurgency.

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*On the 11<sup>th</sup> anniversary of the U.S.-led invasion of Iraq (launched in March 2003), it is important to emphasize the true motives for this attack and occupation and its horrendously destructive impact that continues today. Both the Iraq and Afghanistan wars stem from the needs of U.S. and Western capitalism for resources and markets.*

*Capitalism has inflicted war on most of humanity for centuries to acquire the world's resources and markets. The establishment of capitalism as a global economic system by European imperialists has killed more than a billion people, most of them in the Global South.*

Since 1945, the United States has presided over the killing of more than 46 million people in the Global South through wars and neocolonialism in order to maintain Western economic dominance. This strategy has failed. In spite of the genocide, the U.S. has declined as an economic power, which has only made it more war-like as it tries to substitute military force for economic prowess. Washington's European partner countries are now following its descent into economic stagnation.

The U.S.-led coalition has been unable to compete economically with China and India, the rapidly rising Asian capitalist powers, which are acquiring more and more global resources and markets. The Iraq and Afghanistan invasions are wars of Western capitalist and imperial decline. The Western capitalist answer to the Asian challenge has been to launch these two wars, both of which have been aimed at the forcible acquisition of crucial oil and gas deposits, markets, and military bases, in an attempt to impose Western domination on China and India. Similar motives are behind the direct and proxy Western attacks on Libya, Syria, Iran, Somalia, Yemen, and Sudan. This attempt at domination has clearly failed, as China and India continue to become increasingly powerful.

The major reason for the U.S. invasion in March 2003 was to get control of Iraq's oil. A related factor was the intention of the ruler of Iraq, Saddam Hussein, to sell Iraq's oil in Euros rather than U.S. dollars, which would have encouraged other oil producers to do the same, thereby endangering the dollar's position as the world's reserve currency, which is crucial to the U.S.'s economic viability. The genocidal invasion and preceding sanctions killed three million Iraqis, including half a million children, and totally destroyed a relatively advanced developing country whose people were largely prosperous.

Close to five million Iraqis were displaced by the invasion out of a population of 31 million, and five million Iraqi children became orphans. Women suffered the greatest losses in education, professions, child care, nutrition, and safety. More than one-fourth of Iraq's population died, became disabled, or fled the country as refugees.

Yanar Mohammed is president of the Organization of Women's Freedom in Iraq, headquartered in Baghdad, which is aimed at protecting and empowering Iraqi women to resist the capitalist élite created by the U.S. invasion. According to her, "The U.S. military's intent was to kill at least hundreds of thousands of Iraqis, and that mission was accomplished. Millions of Iraqi men, women, children, and babies were killed, and 30 million people were terrorized.

"I feel that somebody needs to be held accountable for making us lose our welfare, accountable for the millions of Iraqis who have been killed, and also for the hundreds of thousands of Iraqis lost to illnesses and by the radiation from depleted uranium. George W. Bush needs to go to court as a war criminal, along with all the American presidents who have served during the war on Iraq because what has happened to us in Iraq is no less than a holocaust."

Successful Iraqi resistance compelled the U.S. to withdraw most of its forces from the country in 2011, exposing the military failure of the invasion. However, the U.S. still has not withdrawn all its forces from Iraq. Washington claims that the Iraq war has ended, but this is untrue. The insurgency in Iraq continues, with an average of 95 people being killed every week. A major bombing or shooting happens there about twice a week. Nine thousand U.S. mercenaries and hundreds of U.S. troops remain in Iraq, which also has the largest American embassy in the world staffed with 11,000 personnel. So, militarily, the U.S. is still highly involved in Iraq, training its repressive security forces and still not ruling out the re-deployment of more American troops there.

Washington has also waged an economic war against Iraq by creating a capitalist élite to rule the country, represented by the puppet government it has installed which is led by Prime Minister Nouri Al-Maliki. Maliki is a corrupt and brutal dictator and head of an Islamic fundamentalist party. Under U.S. dictates, much of the Iraqi economy has been privatized, which ensures that Iraqis do not benefit from their resources, especially oil, money from which now goes to U.S. and other Western multinational corporations and to the Maliki regime.

According to Yanar Mohammed, "It is an economic war directed against millions of people in the working class, through the economies of impoverishment and of starving the people, giving them salaries that are not enough to put proper meals on the table. The U.S. has written the laws and has created the Iraqi capitalist ruling class to be their partners.

"This ruling class safeguards U.S. interests and makes sure that the Iraqi people will not get any of their oil. The profits go into the pockets of the Iraqi officials and British Petroleum and Halliburton, and other companies."

Iraq has the second largest oil reserves in the world after Saudi Arabia. This highly valuable resource has been handed over mainly to the U.S. companies ExxonMobil and Occidental Petroleum, to British Petroleum from England, and to Royal Dutch Shell from Holland and

England. Iraq's oil has not yet been formally privatized due to massive public opposition, but a de facto privatization has taken place.

Says oil industry analyst Antonia Juhasz, "ExxonMobil, BP, and Shell were among the oil companies that played the most aggressive roles in lobbying their governments to ensure that the invasion would result in an Iraq open to foreign oil companies. They succeeded. They are all back in [Iraq]." Juhasz, author of *The Tyranny of Oil and The Bush Agenda*, adds that U.S. and other Western oil companies have landed "production contracts for some of the world's largest remaining oil fields under some of the world's most lucrative terms."

Iraq's Oil Law, which enforces formal privatization, has not been passed by its Parliament due to massive public opposition, so instead the government has signed contracts with companies that benefit the latter immensely at a huge loss to the country. Explains Juhasz, "The contracts are enacting a form of privatization without public discourse and essentially at the butt of a gun. These contracts have all been awarded during a foreign military occupation, with the largest contracts going to companies from the foreign occupiers' countries.

"It seems that democracy and equity are the two largest losers in this oil battle... The majority of Iraqis want their oil and its operations to remain in Iraqi hands. It has required a massive foreign military invasion and occupation to give the foreign oil companies the access they have achieved so far." However, as Greg Muttitt, author of *Fuel on the Fire: Oil and Politics in Occupied Iraq*, puts it: "In fact, any oil company victory in Iraq is likely to prove as temporary as George W. Bush's [military] triumph in 2003."

According to Muttitt, the economic gains secured by the invasion for Western oil companies are not likely to last, either. As he points out, "In 2009, the Maliki government... began awarding contracts without an oil law in place. As a result, the victory of Big Oil is likely to be a temporary one. The present contracts are illegal, and so they will last only as long as there's a government in Baghdad that supports them."

Muttitt emphasizes the shaky nature of the Maliki government which, according to him, "has little control over anything." Under Maliki, Iraq has been ripped apart by a civil war involving both sectarian violence and nationalist resistance. In recent months, insurgents have taken control of sections of Fallujah and Ramadi, two major Iraqi cities.

As Stephen Zunes, Professor of Politics and Coordinator of Middle Eastern Studies at the University of San Francisco, explains:

"The U.S.-backed Iraqi regime is dominated by sectarian Shia Muslim parties which have discriminated against the Sunni Muslim minority [about 60% of Iraqis are Shias and 40% are Sunnis — the two major sects of Islam]. The combination of government repression and armed insurgency resulted in the deaths of nearly 8,000 civilians last year alone.

"Until the U.S. invasion, Iraq had maintained a long-standing history of secularism and a strong national identity among its Arab population, despite sectarian differences." Sectarianism has been deliberately fostered by the U.S. in Iraq as part of its divide-and-rule strategy through which it has attempted to dominate the country.

Zunes adds that, before the U.S. invasion, even some of the war's "intellectual architects" acknowledged that it would unleash major sectarianism: "In a December 1996 paper, prior to becoming major figures in the Bush foreign policy team, David Wurmser, Richard Perle, and Douglas Feith predicted that a post-Saddam Iraq would likely be 'ripped apart' by sectarianism and other cleavages, but called on the United States to 'expedite' such a collapse anyway."

Zunes makes clear that the Iraqi resistance to the Maliki government is largely nationalist-inspired and not sectarian: "Sunni opposition to Shia dominance does not stem from resentment at losing a privileged position in Iraqi political life under Saddam. Indeed, Saddam suppressed his fellow Sunni Arabs along with Shia Arabs. However, most of Iraq's Sunni Arab minority, regardless of its feelings about Saddam's regime, has long identified with Arab nationalism. Most of the armed resistance that emerged following Saddam's removal by U.S. forces largely came from the Sunni Arab community. The insurgency has also targeted the Shia-dominated Iraqi government, which came to power as a result of the U.S. invasion and which many see as being puppets of the U.S."

Before the invasion, Iraq's oil had been nationalized for 40 years, and with it Iraq had created a welfare state for its people, providing them with free education, medical care, subsidies, and a relatively high standard of living. All these crucial gains have now been wiped out. Saddam Hussein, the ruler of Iraq hanged by the U.S., was a brutal dictator, but he ensured that Iraq's oil benefited its people. Maliki is a dictator, too, brought to power by the U.S. invasion, but he doesn't provide any economic benefits to the Iraqi people and instead is involved in looting the country's oil wealth along with multinational corporations.

As Yanar Mohammed puts it, "Under Saddam, there was a state that was taking care of the education of the people, of the health of the people, and there was a socialist economy in which the people had some ability to enjoy a prosperous life — and at this point all of that is being lost. We are learning what free enterprise is. All we see is poverty, and the government has enacted laws which prevent the organizing of workers and of unions so as to claim their rights."

The U.S. has long considered Middle Eastern oil a vital economic and military interest, especially since it imports more than half its oil requirements. State-owned oil companies control 90% of the world's oil reserves, while corporate oil companies control only 4%. With these reserves declining and being subject to competition from the large energy consumers China and India, an economically weakening U.S. has to turn increasingly to military options to ensure its access to oil.

The oil factor is not just about access, but also about controlling other countries, economically and militarily. As Professor Michael T. Klare, author of *Resource Wars*, explains, one of the main objectives of the Bush administration in invading Iraq stems from the analysis made by Vice-President Dick Cheney in 1990, when he made clear that "Whoever controls the flow of Persian Gulf oil has a stranglehold not only on our economy. but also on that of most of the other nations of the world."

So, by being the major imperialist country in the Middle East, the U.S. can attempt to maintain a stranglehold over the economies of other nations. Klare adds that control over Persian Gulf oil is also consistent with the Bush administration's declared goal of attaining permanent military superiority over all other nations.

Bush administration officials and U.S. military leaders have admitted that the invasion of Iraq was done to take the country's oil. These men include Paul Wolfowitz, the U.S. Deputy Defense Secretary; General John Abizaid, head of the Pentagon's Central Command which is focused on the Middle East; Alan Greenspan, Chairman of the U.S. Federal Reserve; and Paul O'Neill, Bush's first Treasury Secretary.

The decision to invade Iraq was made only one month after Bush took office in February 2001, according to Ron Suskind, a reporter for the Wall Street Journal and the author of a book on Paul O'Neill. O'Neill revealed that, just days after Bush's inauguration in January 2001, his advisors planned how to invade Iraq and divide up its oil wealth. According to O'Neill, Bush's first National Security Council meeting included a discussion of invading Iraq, and Bush wanted to find a way to do this. There was even a map for Iraq's post-war occupation, showing how the country's oil fields would be carved up.

U.S. and other Western oil companies had been shut out of Iraq before the invasion. In 2001, oil company executives encouraged the Bush administration to invade Iraq by warning it in a report that, as long as Saddam Hussein was in power, the U.S. would remain "a prisoner of its energy dilemma... suffering on a recurring basis from the negative consequences of sporadic energy shortages. These consequences can include recession, social dislocation of the poorest Americans, and, at the extremes, a need for military intervention."

The report called Iraq a destabilizing influence to the flow of oil to international markets. The document was compiled by David O'Reilly, chief executive of ChevronTexaco, Luis Giusti, a director of Shell Corporation, and John Manzoni, regional president of British Petroleum.

Also benefiting from the Iraq War have been the corporations Lockheed Martin (military) and Bechtel (construction). As John Gibson, co-founder of Committee for the Liberation of Iraq (CLI) and a Lockheed Martin executive, said in 2003: "We hope Iraq will be the first domino, and that Libya and Iran will follow. We don't like being kept out of markets because it gives our competitors an unfair advantage." CLI was founded in 2002, also by Robert Jackson, another Lockheed Martin executive who wrote the Republican Party foreign policy platform in 2000 when George W. Bush was fraudulently "elected" President.

Jackson formed the CLI while at Lockheed, and advocated aggressively for Saddam Hussein's overthrow. The chairman of CLI was George Schultz, former U.S. Secretary of State and a Bechtel executive. In a 2002 Washington Post article, Schultz urged the U.S. to "act now. The danger is immediate. Saddam must be removed." The article called for an immediate attack on Iraq, stating that, "If there is a rattlesnake in the yard, you don't wait for it to strike before you take action in self-defense." After the invasion, Lockheed Martin got more than an \$11 billion increase in sales and contracts worth \$5.6 million with the U.S. Air Force in Iraq. Bechtel was given about \$3 billion in Iraq reconstruction contracts.

The website Business Pundit identifies "The 25 Most Vicious Iraq War Profiteers" as being (in this order):

Halliburton (military/oil—Dick Cheney was its Chairman),

Veritas Capital Fund/DynCorp (military/finance),

Washington Group International (military/oil),

Environmental Chemical (military), Aegis (military),

International American Products (electricity),  
Erinys (oil/military), Fluor (water/sewage),  
Perini (environmental cleanup), URS (military/environmental),  
Parsons (military/construction),  
First Kuwaiti General (construction),  
Armor Holdings (military),  
L3 Communications (military),  
AM General (military),  
HSBC Bank (third largest financial institution globally),  
Cummins (electricity),  
MerchantBridge (financial),  
GlobalRisk Strategies (financial/military),  
ControlRisks (military), CACI (military),  
Bechtel, Custer Battles (military),  
Nour USA (oil), and  
General Dynamics (military).

While these companies have collectively made billions of dollars out of the Iraq War, the country's people have yet to obtain basic electricity and water services 11 years after the invasion. Just one of these corporations illustrates the incredible incompetence and corruption which characterized the U.S. occupation and its aftermath: "Parsons reportedly mismanaged the construction of a police academy so poorly that human waste dripped from its ceilings. Far from being an isolated incident, reports from [U.S.] federal government auditors revealed lackluster work on 13 of the 14 Iraq projects [of] Parsons. That hasn't stopped the firm from making off with \$540 million in U.S. government funds for the poorly executed reconstruction projects at Iraq's health care centres and fire stations.

"This is the lens through which Iraqis will now see America," remarked U.S. Representative Henry Waxman (Democrat-California). "Incompetence. Profiteering. Arrogance. And human waste oozing out of ceilings as a result."

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