

What is Paul Wolfowitz up to in Chad?

Major architect of Iraq war sits as head of the World Bank

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Have you been wondering what Paul Wolfowitz might be up to in his new position as head of the World Bank?

Wolfowitz was nominated last year by George W. Bush to head the powerful financial institution, which lends billions of dollars to countries around the world. The European imperialists went along with the nomination. They get to pick the head of the equally powerful International Monetary Fund. The rest of the world has no say in either matter.

Wolfowitz's nomination was seen by a number of commentators as similar to when Robert McNamara, President Lyndon Johnson's secretary of defense and a leading architect of the Vietnam War, was moved over to the same position in 1968. Like Wolfowitz, McNamara was too closely associated with a costly and failing U.S. military adventure. So he was kicked upstairs to become president of the World Bank.

Before this job, Wolfowitz was not only deputy secretary of defense for four years under Donald Rumsfeld; he also was the leading ideologue of the neo-con grouping that came in with George W. Bush and proposed big plans to impose U.S. domination across the globe. After the downfall of the Soviet Union, Wolfowitz had written the infamous document on the New American Century, telling the rest of the world that from now on the U.S. would be calling all the shots. Central to this view was U.S. control over the Middle East and other oil-rich areas of the world.

As a member of the inner White House circle, he pushed hard to use 9/11 as an excuse to invade Iraq in a "preemptive" war, and predicted an easy victory for U.S. forces there. They would be welcomed as liberators, said Wolfowitz.

Together with Rumsfeld and Vice President Dick Cheney, Wolfowitz then brought in U.S. corporations for the "reconstruction" of Iraq. Iraq is still in ruins, but these corporations have made out like bandits. The cost of the war has gone from a projected \$30 billion to \$233 billion, and now a new study by Nobel Prize-winning economist Joseph E. Stiglitz predicts that it will cost \$2 TRILLION by the time it is over.

Do you suppose Wolfowitz's resume for the bank job claimed "fiscal responsibility"?

The resistance in Iraq against U.S. colonial occupation, the Pentagon's multiplying difficulties in recruiting enough troops for the war without resorting to forced conscription, and the accompanying dissatisfaction of the majority of the population at home with the war finally convinced Bush to get Wolfowitz out of the Washington spotlight.

Leaning on impoverished Chad

So Wolfowitz was moved over to control the World Bank's billions. And he is now back in the news for having suspended loans to the sub-Saharan African country of Chad, one of the poorest nations in the world. The bank announced on Jan. 6 that it was withholding all new loans to Chad and was even suspending a \$124 million loan already set aside.

Most of the money was for an ongoing project to build an oil pipeline from Chad to Cameroon so Exxon-Mobil can exploit Chad's petroleum reserves. Shortly after Wolfowitz's confirmation, Daphne Eviatar had written prophetically that "Now, a leading architect of U.S. foreign policy would be in a position to pressure the world's largest public financial institution to help pay for the exploration, drilling and transport of America's most coveted natural resource." (Salon, April 26, 2005)

So why is the money being frozen? Wolfowitz says it is because the Chad government doesn't want to spend enough of its oil earnings on alleviating poverty.

Incredible. How many times have we heard similar statements from the representatives of the rapacious imperialists who have sucked the wealth out of the colonized and neo-colonized parts of the world for centuries now? They exhibit no shame at all. Wringing their hands, they castigate Third World governments for not caring about their people—the way the imperialist bankers and industrialists do, of course.

Wolfowitz has seized on a law recently passed by Chad's parliament that would allow the government to dip into a \$30 million fund generated by the oil revenues. According to the World Bank, Chad had agreed to this fund, which sets aside 10 percent of its oil revenues in trust "for future generations," as a condition for getting the loans to build the pipeline. Under the new law, this money can now be used for current expenses.

According to a Jan. 9 Reuters dispatch, "Among the world's five poorest countries, Chad regularly has difficulty paying its civil servants and regions in the east and south have had to absorb at least 240,000 refugees from neighboring Sudan and Central African Republic." There is fighting along its northern border, and its army is weak.

Meanwhile, the U.S. is building new military bases in Africa, particularly in areas where there is oil. The largest is in Sao Tome and Principe on the petroleum-rich Gulf of Guinea.

Obviously, Chad is strapped for cash, even though it has become an oil producer. Some members of its legislature, who voted for the new law 119 to 13, said that the terms demanded by the World Bank were a violation of their country's sovereignty.

The World Bank is not going to hold up the construction of the pipeline. That's not what ExxonMobil wants.

This move by Wolfowitz can only be seen as pressure on the government of Chad to force it to do something it hasn't wanted to do. It may be some time before the real issues in this struggle are exposed. But one thing is for sure: it has nothing to do with the bank's concern for "future generations."

However, quite a few NGOs, which have tried to "reform" the bank by inserting language into its mission statement about alleviating poverty, are jumping on the bandwagon against

Chad instead of exposing the real motives of Wolfowitz and the imperialist oil companies.

‘A tool of U.S. policy’

Eric Toussaint of the Brussels-based Committee to Abolish the Third World Debt writes this about the World Bank:

“Contrary to popular wisdom, the World Bank’s mission is not to reduce poverty in developing countries. Its mission, defined by the victors of WWII—notably the U.S. and Britain—was to assist in the reconstruction of Europe and, additionally, to facilitate growth in developing nations, many of which were still European colonies. It is this second mission that is referred to as ‘development’ and which has taken on greater importance over the years.

“During the first 20 years of its existence, more than 90 percent of the projects the World Bank funded were designed to improve communications infrastructure and facilitate the production of electricity. The money lent to developing nations went towards their purchase of goods and technologies from industrialized countries—what they needed, in short, to realize projects that allowed for an increase in exports from the South to the North. During this period, projects for education, health, access to clean drinking water and purification of sewer water received less than 5 percent of loan moneys.

“From its inception, the World Bank was a tool for American and Allied foreign policy. Countries that opposed their strategic interests were systematically refused loans from the World Bank and the IMF: Guatemala under J. Arbenz in 1954, Egypt under Nasser in 1955 and 1956, Indonesia under A. Sukarno from 1962-65, etc. Conversely, countries they considered allies received generous loans: the Congo under Mobutu, South Africa under Apartheid, Suharto’s Indonesia from 1965 to 1998, Pinochet’s Chile, the Philippines under Marcos, etc.

“In addition, the World Bank gave loans to countries the U.S. and its allies wanted to remove or distance from Soviet influence: Tito’s Yugoslavia, India, Ceausescu’s Romania, for example.”

It’s no coincidence that today a major architect of the Iraq war sits as head of the World Bank. His job there is just as bloody and imperialist as when he was working alongside Rumsfeld in the Pentagon.

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