

The speech of the head of the Federation of Oil Unions in Basra to the meeting held to debate the [proposed] oil law and the oil investment laws on Tuesday 6th February 2007

In the name of God the merciful the munificent

To the audience, to the guests, to the distinguished professors,

Greetings, *as-salamu `alaikum wa-rahmatu `illah wa-barakatuhu*

I would like first to offer thanks to all the brothers and sisters who are participating in this conference to debate the Iraqi oil law, and particular thanks to the Centre for Arab Gulf Studies of Basra University, notably to Professor Dr Jabbar al-Hilfi and his colleagues who have contributed in every possible way in this action.

dear colleagues

Iraq today passes through a great trial as all hostile forces join together against it. The people face attacks by takfiri zealots and the thugs of the deposed regime, which serve only to extend the war and the occupation which has succeeded in making Iraqi kill Iraqi. This method is not new to the Americans and their allies; as long as chaos reigns in this country many of the sinews of life cannot operate.

Among the objectives America wishes to achieve from the military occupation of Iraq, all the causes of which we do not want to return to, but simply to emphasize one central objective of the American political leaders who crossed oceans and wasted billions of dollars, that is Iraqi oil. Indeed we in the Federation of Oil Unions consider this the most important reason for this foul war.

dear friends

And, following this short introduction, we can today see that many of those profiting from the occupation seek to waste the national wealth which God almighty has given Iraqis and to deliver to their masters that national wealth on account of which Iraqis paid a high price. Although, right up to this hour, this wealth has not served Iraqis, we hope that it may yet bring ease not trouble to Iraqis. If we turn back a little we find law number 80 of 1961 wherein the production areas of the foreign companies in Iraq were specified and limited, and we see the manner in which Iraqis planned to profit from the national wealth was laid out, and as an extension of this law, the decision to nationalize the shares of foreign companies on the basis of which full control of Iraqi oil was achieved.

Recently the Constitution of Iraq on which the Iraqi people voted in the most dire and difficult of conditions notes in clause 111 that oil and gas are the property of the Iraqi people. But, alas, this clause in the constitution will remain but ink on paper if the oil law and oil investment law being presented to the Parliament are ratified, laws which permit production-sharing contracts, laws without parallel in many oil producers, especially the neighbouring countries. So why should Iraqis want to introduce such contracts in Iraq given that such applying such laws will rob the Iraqi government of the most important thing it owns?

In this regard we would like to clarify the following points:

1—We send a message to all the members of the Iraqi Parliament, when debating the oil and investment laws, to bear the Iraqis in mind, to protect the national wealth, and to look at the neighbouring countries. Have they introduced such laws even when their relations with foreign companies are closer than in Iraq?

2—If those calling for production-sharing agreements insist on acting against the will of Iraqis, we say to them that history will not forgive those who play recklessly with wealth and destiny of a people and that the curse of heaven and the fury of Iraqis will not leave them.

3—We strongly warn all the foreign companies and foreign capital in the form of American companies against coming into our lands under the guise of production-sharing agreements.

4—Open the way to Iraqis to manage their own oil affairs. They are able to do that; they have the experience in the field and the technical training, have overcome hardships and proven to the world that they can provide the best service to Iraqis in the oil industry. The best proof of that is how after the entry of the occupying forces and the destruction of the infrastructure of the oil sector the engineers, technical staff and workers were able to raise production from zero to 2,100,000 barrels per day without any foreign expertise or foreign capital. Iraqis are capable of further increasing production with their present skills. The Iraqi state needs to consult with those who have overcome the difficulties and to ask their opinion before sinking Iraq into an ocean of dark injustice. 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.

dear audience,

We do not oppose the introduction of new technology into the oil sector so as to increase production; we believe in that; but this must be done in a way that will safeguard the stature of the Iraqi state and its sovereignty over natural resources.

In conclusion, the law is in your hands. We consider it unbalanced and incoherent with the hopes of those who work in the oil industry. It has been drafted in a great rush in harsh circumstances. We believe this law more political than economic, it threatens to set governorate against governorate and region against region. Therefore I call on all the intellectuals and professors and political leaders to participate seriously in debating this vital topic in a manner useful to those participating in the committee drafting the final communiqué to be sent to the Iraqi Parliament, the Presidency of the Republic and the Prime Ministry. We say: 'By God I swear that we have told you, by God I say that we have warned you.'

And in closing I would like to thank you for your grace in listening and to call for God's mercy and blessing.

Hasan Jum`ah `Awwad al-Asadi
Head of the Federation of Oil Unions
6th February 2007