

Chad-Cameroon oil pipeline gets the go-ahead

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The World Bank recently approved the development of an oil pipeline that will run from Doba in the south of Chad to the port of Kribi, 1,040 kilometres (663 miles) away on Cameroon's Atlantic coast. After deliberations lasting seven years the World Bank finally agreed to a \$222 million loan package towards the \$3.7 billion cost of the Doba project, with the balance of funds coming from private investors.

The Cameroon Oil and Transportation Company (COTCO) will build the pipeline as part of a consortium of oil corporations consisting of Exxon-Mobil and Chevron of the US and Petronas of Malaysia. Included in the project is the development of 300 oil wells in Chad and offshore loading facilities in Cameroon. The corporations would only proceed after the project gained World Bank backing because of the high risks involved. European oil companies Shell and Elf pulled out last year unconvinced of the project's viability.

A spokesperson for the World Bank claimed that the project was “an unprecedented framework to transform oil wealth into direct benefits for the poor, the vulnerable and the environment”. In reality, the drive for profits has been the primary consideration throughout the lengthy wrangles with environmentalists. The World Bank's own internal report estimates that most of the \$9 billion revenue from the project over the next 28 years will accrue to the corporations and banks; the Chad government will receive only \$1.7 billion (19 percent), with \$505 million (6 percent) going to Cameroon. Very little of this government revenue, given the levels of corruption in both regimes, will benefit the population.

The current economic situation for the vast majority of people living in Chad is one of desperate poverty. Out of a population of seven million, 80 percent live on less than a dollar a day. One in five children die before they reach the age of five.

Increased repression of the population living in the oil producing areas of Chad is likely. Human rights groups have made comparisons with the attacks on the population associated with the oil producing areas of Sudan. The US State Department recently issued a report on extra-judicial killings carried out by government police and security forces around Mondou in Chad, about 50 miles from the proposed oilfields in Doba.

An estimated 11,000 people of various ethnic groups in Cameroon will be affected by the project. Environmental groups have raised grave concerns that the pipeline will run through untouched rain forest in Cameroon, home to the Bagyeli Pygmies, a community that has suffered a long history of discrimination. They have also protested about the potential threat from oil spills, especially at the coastal oil terminal.

The World Bank has issued a number of statements claiming that the Doba oil project will be different from previous ventures and will have a humanitarian role. World Bank head James Wolfensohn has been in continuous talks with the leaders of the oil companies involved in the project to discuss what he called “the image issue and public opinion”. Genuine discussion of the impact of the proposed pipeline on the lives of those living in the area and the environment has been suppressed. Korina Horta of Environmental Defense, an organisation that has campaigned to defend the Cameroon rain forest for several years, said that Wolfensohn's remarks showed that “public-relations exercises are replacing serious exchanges”.

The World Bank has also made an unprecedented intervention in the affairs of the Chadian government, forcing it to pass a law stating that revenues from the Doba oil project would be “stringently managed” and giving clear guidelines over where the profits from the oil funds would be directed.

The current internal situation in Chad is very

unstable. President Idriss Deby's government is engaged in a civil war with the Movement for Democracy and Justice in Chad (MDJT), which is led by former Defence Minister Youssouf Togoimi. The MDJT recently had military successes in the Tibesti region in northwest Chad, where the fighting is concentrated.

The Patriotic Salvation Movement (MPS) led by Deby came to power in 1990 after overthrowing the regime of Hissen Habre. In 1996 Deby was elected president in elections characterised by fraud and vote-rigging. His regime has been indicted for numerous human rights violations against opposition groups and civilians. About 1,000 French troops are presently stationed in Chad, although Paris has become increasingly critical of Deby. Chad is supported by the neighbouring government of Sudan, and according to the magazine *Africa Confidential* is only kept afloat by support from the Libyan regime of Colonel Gadaffi.



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