

Document puts lie to oil executives' testimony

Did Big Oil participate in planning invasion of Iraq?

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An official White House document recently acquired by the *Washington Post* puts the lie to testimony given by executives of five leading oil firms on November 9 before a joint meeting of the Senate Energy and Commerce committees regarding their collaboration in 2001 with Vice President Dick Cheney's "energy task force," officially known as the National Energy Policy Development Group.

Even before the hearings, the oil bosses had been offered a blank check to lie by Republican Commerce Committee Chairman Ted Stevens of Alaska. Stevens, in a transparent attempt to spare the executives possible charges of perjury, waived the normal procedure of swearing in witnesses before congressional committees. The hearings were ostensibly called to discuss the suspiciously rapid increase in oil prices in the wake of Hurricane Katrina, but Stevens's maneuver suggests that he expected the matter of Cheney's task force might arise. Nonetheless, the executives have placed themselves in potential legal jeopardy through their apparently false testimony. According to US Code, it is illegal to make "any materially false, fictitious or fraudulent statement or representation" before Congress.

During the hearing, Democratic Senator Frank Lautenberg of New Jersey asked the executives, "Did your company or any representatives in your companies participate in Vice President Cheney's energy task force in 2001—the meeting?" Lee R. Raymond of Exxon Mobil, David J. O'Reilly of Chevron and James J. Mulva of ConocoPhillips responded in the negative, while Ross Pillari of BP America and John Hofmeister of Shell Oil pleaded ignorance.

The document acquired by the *Washington Post*,

which is based on Secret Service data of those admitted to the White House, directly contradicts this testimony. Meetings occurred among top oil executives and task force director Andrew Lundquist along with Cheney's personal aide, Karen Y. Knutson, and possibly Cheney himself.

As the *Post* reports, "According to the White House document, Rouse [former Exxon vice president] met with task force staff members on Feb. 14, 2001. On March 21, they met with Archie Dunham, who was chairman of Conoco. On April 12, according to the document, task force staff members met with Conoco official Huffman and two officials from the US Oil and Gas Association, Wayne Gibbens and Alby Modiano.

"On April 17, task force staff members met with Royal Dutch/Shell Group's chairman, Sir Mark Moody-Stuart, Shell Oil chairman Steven Miller and two others. On March 22, staff members met with BP regional president Bob Malone, chief economist Peter Davies and company employees Graham Barr and Deb Beaubien."

Confronted with documentation that such meetings in fact took place, the oil executives and the vice president have remained obstinate. Only one former executive who met the task force, Allan Huffman, previously CEO of Conoco, confirmed that he attended such a meeting in 2001. Spokesmen representing the current CEOs stood by their apparently false testimony given to the joint Energy and Commerce committee hearing. Cheney's office refused to comment.

After its creation in 2001, Cheney shrouded his energy task force in secrecy and refused to turn over relevant transcripts to the Congress's Government Accountability Office (GAO) under the bogus and

utterly cynical claim that any public scrutiny of White House documents would constitute an attack on the independence of the executive branch. It had long been assumed, although never proven, that the task force's policy recommendations—many of which have subsequently become law—had been either suggested or actually written by the largest oil firms. Environmentalist groups protested that they and other concerned parties were barred from participation.

The *Post* article's revelations arrive after a protracted legal struggle failed to force the release of White House documents related to the energy task force. The GAO dropped its lawsuit against the White House over the affair in 2003 after losing a court case in 2002. The environmentalist organization Sierra Club and the right-wing Judicial Watch carried forward a joint lawsuit that began in 2001, alleging that Cheney maintained improper contact with the oil industry in the drafting of the task force's reports. The suit, which demanded that the records be released, was appealed to the Supreme Court, which on June 24, 2004, reversed a lower court ruling ordering Cheney to release the records.

If released, task force papers will no doubt demonstrate conclusively that the largest oil executives played a dominant role in crafting Bush's energy policy. That would come as no surprise to any serious observer, and would demonstrate once again the degree to which the federal government has become a pliant tool wielded directly by powerful corporate interests for their own benefit. Yet, even if especially egregious, such pandering to big business does not necessarily imply a formal illegality, and in any case would be in keeping with longstanding Washington tradition. So why have Cheney and the White House for so long refused to release documentation of the meetings? And why would the oil executives care if it were revealed they were present at task force meetings—so much so that they provided apparently false testimony before Congress on the matter?

Only the release of the documents would have fully resolved these questions. But one possible explanation relates directly to the immediate source of the crisis that threatens to consume the Bush administration: the war in Iraq.

In fact, the Bush administration's energy policy was not based only on the dismantling of corporate regulations and the loosening of restrictions on oil

exploration in the United States. It had an even more important foreign component: the plan to invade and colonize Iraq, and then privatize and expropriate its enormous oil wealth for the direct benefit of American oil concerns and US capitalism as a whole.

It has been long-since established that in 2001, Cheney's task force discussed Iraq's oil. In 2003, Judicial Watch gained access to Commerce Department papers that had been produced by the task force. Found among the documents, according to a July 18, 2003, Associated Press report, were "a detailed map of Iraq's oil fields, terminals and pipelines as well as a list entitled 'Foreign Suitors of Iraqi Oilfield Contracts.'" Among the specifically listed "foreign suitors" were Russian and French concerns.

It is more than plausible that during White House meetings, oil executives discussed such a "hypothetical" invasion of the defenseless country. The oil companies stood to benefit enormously, and there is no reason to believe that these powerful and well-connected men were unaware that the Bush administration and its coterie of neo-liberal strategists had placed the invasion of Iraq as a top priority. Indeed, the plan to invade Iraq was well known and publicly discussed among the Washington elite for years.

Revelations that the White House in 2001—two years before the invasion of Iraq and months before 9/11—invited oil executives to contribute planning toward the division of Iraq's oil wealth would take on an explosive character under conditions in which all the official justifications—especially WMD—have been conclusively debunked as crude fabrications, and the war itself spirals uncontrollably toward ever-greater disaster. It would also explain why Cheney and the White House remain so intent on preventing any public accounting of what went on during the energy task force's meetings, and why the oil executives would attempt to deny their very presence.



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