

# Iraqi Oil Workers Movements: Spaces Of Transformation And Transition

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Five years into the war and occupation of Iraq, the US and UK administrations, international oil companies and occupation-installed Iraqi elites are labouring hard to open up Iraq's massive oil reserves to their long-term investment and control.

Possessing 115b barrels of proven reserves, with possibly twice this amount undiscovered, Iraq has the second largest reserves on the planet—approximately 10-20% of the global total. What makes Iraq's oil potential more important is that Iraqi oil is amongst the cheapest to extract (\$1.50 per barrel compared to approximately \$30 per barrel of tar-sands extracted hydrocarbons) It has a reserves-to-production ration triple that of neighbouring Saudi Arabia—a staggering 173 years. The ratio is calculated at current levels of productivity and demand and the unextracted potential of current producing and discovered fields. The quality of Basra Sweet Light Crude is also of a high purity, meaning a less capital and energy intensive refining process.

Geo-politically, Saudi Arabia as a key ally of the United States has become increasingly volatile. When Al Qaeda attacked Saudi's Abqaiq oil processing facility in 2006, the price of oil leapt by \$2 per barrel. The US pulled out most of its troops and military infrastructure in 2003.

Oil is also more than a strategic commodity in its 'crude' use-value sense. Traded in dollars, it also secures the value of the US Dollar and keeps the US economy financially lubricated, under-writing the currency with each transaction, compelling national treasuries to stash reserves of dollars to pay for it—if US and allied governments and companies control oil supplies that is. If these alliances break

down, as in the case of Iran which has diversified all of its external reserves away from the dollar and is trading with oil-dependent (90% of energy supplies) Japan in Yen, it is the US economy that could be made to 'scream'. Securing Iraqi reserves for US companies and allies to ensure their trade in dollars, has security implications for US currency and the US economy. How much would a state invest to secure the future of its' currency? How do you value currency? Worth trillions?

Post-invasion Iraq was expected by the US and UK authorities to represent a more stable and acquiescent petro-state, given the removal of Saddam Hussein and the establishment of neo-liberal free-market and authoritarian legislation beginning with 100 orders passed by the first pro-consul Paul Bremer in 2003.

## Locking-In Neo-liberalism

Bremer's 100th order locked in and re-legitimised the previously passed 99 orders. The Iraqi Constitution, which was written in a matter of weeks under conditions of duress according to some Iraqi law-makers and under the heavy influence of US Ambassador Zallamy Khalilzad who circulated US-drafted copies of a model constitution, also enshrines free-market policies for liberalising the energy sector.

Article 110, frequently quoted by oil executives keen for privatisation deals, decrees:

the federal government and the governments of the producing regions and provinces together will draw up the necessary strategic policies to develop oil and gas wealth to bring the greatest benefit for the Iraqi people, *relying on the most modern techniques of market principles and encouraging investment* (my Italics).

Opening the door to liberalization of the oil sector in the interests of foreign investors.

Still off the law-books however, is legislation allowing oil companies to effectively own Iraqi reserves and secure long-term investments—the absolute key to raising IOC share price, growing core-business, and gaining competitive advantage in energy markets. Through their allied oil companies, the British and US governments would be able to leverage political and economic influence over competing economies such as India and China, but also to mitigate the risk by having the potential to restrain the developmental capacity of a potentially non-aligned Iraqi government which could be hostile to Israel, the most important strategic ally of the US in the region.

## History Repeating Itself

This tactic of stunting economic capacity was deployed during the life-span of the Iraqi Petroleum Company, the consortium of Shell, BP, Total, and Exxon Mobil which originally signed a concession with the British-installed monarchy of King Faisal. At the time, Iraq was occupied under the British mandate, an occupation that became 'Iraqified' with a paid off ruling monarchy and elite, enticed and maintained by oil revenue rents. Meanwhile a restive population mounted insurrection after insurrection until the monarchy was deposed by the coup of Abdel Karim Qasm in 1958.

Under Faisal, the IPC deliberately left fields undeveloped in order to fulfil its own quotas and market agendas and render the Iraqi government relatively weak. These companies had their 75 year concessions axed and were eventually booted out of the country under the nationalisations of the 1970s.

The past thirty years have seen a succession of nationalisations by governments laying claim to common energy sources, meaning the International Oil Companies now own approximately 4% of global oil reserves. For the likes of Shell and BP, Iraq represents a pendulum swing back in their favour after thirty years of declining influence and reserves.

The key to transferring ownership of these resources from state control to International Oil Company control is the ratification of the Iraqi Oil Law.

## The Iraqi Oil Law—Breaking and Entering

A document of seismic political and economic power, its signing would have global implications for the growth of the global oil industry—corporate and state—and pave the way for the break-up of Iraq and an economic empowerment of an already politically and militarily empowered Iraqi ruling class.

The Oil Law currently on the table was influenced by nine multinational oil companies, the IMF and the UK and US governments, all of which saw copies of the original draft within weeks of its completion. The law has over-run more than five US administration and IMF deadlines in the past two years, and is currently the top priority for the Bush administration to pass before Bush and Oil industry partner Dick Cheney leave office.

The law, if passed in its current form, would create new facts on the ground by allowing regions to create their own oil industries,

signaling the dismemberment of the Iraqi National Oil Company and potentially the creation of a host of new, regionalised oil and gas companies—private and part state and private owned.

The law establishes an entity known as the Federal Oil and Gas Council—a 15 member, politically appointed body made up of sectarian regional representatives which would have ultimate decision-making power over which contracts were signed, with which companies, on what terms and for how long.

The sectarian conflict fostered by the US and UK occupation has already produced new facts on the ground—namely the movement of millions of internal refugees fleeing sectarian violence and swelling as well as creating new communities, divided along sectarian lines. Baghdad is currently divided up into sectarian cantons, sealed by concrete walls.

The US's "Awakening Councils"—known as the Sawa movement—is a network of paid off tribal militias working in the service of US interests in Iraq. The Sawa councils, located mainly in Anbar province are being groomed for local government under long-term US occupation. Incentivisation for separation has been dressed up in the language of economic and political empowerment, namely the creation of a separate central so-called 'Sunni' state with authority over the development of its oil and gas reserves, of which there is estimated to be a considerable amount in the Western desert where the Akkas Gas Field lies, only a few miles from the Syrian border and currently targeted for control by Shell.

## War Zone, Carbon Comfort Zone

The privatisation of Iraqi energy by both the International Oil Companies and regional, occupation-supporting and supported elites represents a win-win situation for the US and UK occupation authorities. Guaranteed security of supply and stability of contract, enshrined with treaty status through the Oil Law and protected on the ground by Iraqi militias, paid by oil revenues, and Private Military Security Companies—US and British, yet employing local staff, all backed up by permanent US military bases under the current 'Status of Forces' and 'Strategic Framework' deals on the table.

The result could be a triple-lockdown preventing local resistance rising up against these "facts on the ground" in the making, fracturing a potential resistance which could have forced a change in government and provoked a possible abdication from contractual responsibilities (known as the "obsolescing bargain"—a state claiming of decisive

power over the use of resources exercised recently by Venezuela and Bolivia). In this context, Iraq's oil industry would become highly militarised, as it has become in Nigeria, Colombia and Saudi Arabia, protected by concentric circles of concrete and aerial and land surveillance.

The financial gains to be made through development of oil and gas reserves risks an entrenched dependency on fossil fuels for the accumulation of capital and growth at the expense of alternative energy sources and development. This is a common process known in the industry as "Dutch Disease," a form of "putting all ones eggs in one basket" which renders the economy at high risk of external market shocks or shifts in the energy market.

The entry and the establishment of IOCs on Iraqi terrain, owning reserves for three decades, would not just entrench sectarian divisions, conflict, repression of the population and peoples' movements, but with it, the military occupation.

As well as the military occupation, the economic occupation of fossil fuel resources by corporations, would entrench a reliance on fossil fuels and both the physical structures and industries they fuel and rely upon for transformation of the energy into fuels and the related market structures, commodities and systems it supports.

In short, Iraq can be seen as a major refuelling zone for free-market corporate capitalism. A war zone but a carbon comfort zone for the dwindling IOCs which seek 'energy security' for their own reserve tallies and energy fiefdoms.

## **Iraqi Oil Workers – A New Social Movement**

Iraq's oil industry was the only industry which kept going during the wars, sanctions and uprisings in Iraq. The prohibitive sanctions regime imposed and enforced by the United Nations Security Council remained in place for 13 years. Barely any spare parts, fertilisers and materials could be imported into the country. Whilst many private sector companies slowly went bust and public sector key business began to mechanically fail and become decrepit, the oil sector, despite also being worn down and partially damaged due to the Iran-Iraq war and subsequent gulf wars, remained onstream and ongoing.

This consistency meant that oil workers in a mass sector such as Oil and Gas, kept coming to work and socialising and working with purpose, whilst many other public sector workers found themselves still paid and going to work but without any actual meaningful work to

engage in, no industrial power or sense of personal fulfillment and usefulness.

The tool of collective bargaining, of strikes to resist oppressive employers or the government, was absent. In the case of the oil sector, it was one probably the most repressed and highly surveilled industry in the country. Workers talk of union officials carrying guns and issuing threats against workers in the sector. Your union official could have you killed. And your boss really was most probably a fascist. Both in cahoots with one another, the reality of “workplace organisation” was one of state unions acting as a second line of regime defence and surveillance, behind the existing lines of security forces and secret agents.

But repression in the workplace did not impede workers’ sense of purposefulness, power and responsibility. Oil was and still is the backbone of the Iraqi economy and oil revenues under the oil for food programme were literally putting food on tables of Iraqi households up and down the country. Oil workers were and still are incredibly highly conscious of their own power and necessity to the economy. This power was underscored by ‘heroic’ and “mujahedeen”-like (resistance fighter-like) grassroots reconstruction efforts by workers themselves, to paraphrase Iraqi Federation of Oil Unions president Hassan Jumaa Awad.

Workers threw out KBR subcontracted workers and banned military contractors from worksites in the summer of 2003. They knew the company represented “Dick Cheney” and “The American Occupation” and they wanted to retain control of their workplaces and do the reconstruction necessary themselves.

In the Iraqi Drilling Company alone, 12 drilling rigs were reconstructed using black market and cannibalised parts from other equipment to repair rigs which had been damaged and looted following the 2003 war. Celebrations would be held following the completion of autonomous reconstruction. Ingenuity, invention and tenacity flourished under the sanctions.

Management and worker relationships in some sections of the industry became co-operative and mutually respectful—with workers themselves—senior technicians and engineers—managing maintenance and reconstruction processes through and in spite of the wars and sanctions in a “collective war-effort” approach.

The shared experience by Iraqi oil workers, particularly in the South, where the bulk of the industry lies and where a major uprising took place in 1991 has been formative for creating the conditions for a social movement.

The Kurdish uprising in '91 had some success, in terms of an autonomous zone being created, free-from Ba'ath dictatorship repression yet under the control of the US authorities and the two main Kurdish ruling class parties—the Kurdish Democratic Party and the Patriotic Union of Kurdistan. The South on the other hand, suffered a brutal crackdown and those who fought had to keep their heads down and carry on, under every more precarious and surveillanced and grief-heavy conditions.

## Shared Resistance

But the shared experience of resistance, repression and economic responsibility/power, created undercurrents of organised resistance, unspoken and intuitive relationships between people of a depth that was sensual in its most intuitive, mentally and spiritually intimate sense, compounded by religious faith, these unspoken, evident, truths of collective experience created the conditions for trust, self-organisation and a unity of purpose and conviction that has resulted in powerful union organisation which goes beyond workplace issues of wages, health and safety, compensation and managerial repression and into the realms of a spiritual quest to guard Iraq's resources from tyranny, be it corporate neo-liberal capitalist or dictatorship capitalist.

Nationalism is a major facet of this resistance identity, in the sense of a 'national good', and unsectarian agenda. Mature political forces are now trying to steer, hijack and co-opt the union, present since the union's inception but more pronounced and better armed now.

Even so, the union has even rejected calls for localised compensation for pollution caused by the oil industry for fear of coming across as sectarian – it was Iraqi exile activists which urged union leaders to cover this in their demands as a pre-requisite for improvements of conditions.

## Privatisation in Islam

The IFOU has a mixed political leadership including communists and muslims. The membership is overwhelmingly Muslim and the community of the Mosque is an essential relationship of support for the union and a part of members' community, and collective as well as individual consciousnesses and conscience.

One of the many points of agreements between the two ideological strands of belief is a definition of privatisation and capitalism as inherently anti-human and exploitative. One union leader—who has recently been ordered out of Basra by the Iraqi Oil Minister and into a different oil company in Baghdad—explained the following to a group of workers some years ago, as an Islamic interpretation of privatisation:

In any production process of work, you have the following: The human being, energy, the means of production, and capital. In capitalism or privatisation, the pinnacle principle, the most important goal is Capital, in second place of importance the means of production, thirdly energy and in the very last place - the human being. In Islam, as we know, it is the human being that has the most value and is at the top of all priorities.

Some interpretations of Islamic or spiritual principles, as the following is not exclusive to Islam, value meaningful work or education as a means of self-betterment; as a means to evolve and become a better human being. The right to this evolution was cited in a statement of demands against the Oil Law signed up to by all of Iraq's unions in 2006 but which also forms a central tenet of the IFOU's organising principles:

Since work is the qualitative activity that sets apart the human experience, and it is the source of all production, wealth, and civilization, and the worker is the biggest asset to the means of production (we honour humanity), we demand that this law includes an explicit reference emphasizing the role of all workers in matters of oil wealth and investment, to protect them and build their technical capacity, both in and outside Iraq.

Environmental protection is rooted in Islam. The Quran states that humanity is to act as "caliph" to the rest of nature, co-existing with it rather than dominating it, and working to preserve and maintain global ecology. It states that humanity should make gardens instead of working to satisfy greed.

This is not to say that the IFOU has an environmental policy or that there have been discussion about or an understanding of the contribution the oil industry makes to global warming and the science behind it. Far from it. By and large, oil in Iraq is seen as liberation, an asset which if managed properly, for the collective good, can free Iraqis from poverty, lift up the working class, educate, house, clothe, feed and progress generations ahead to have better lives than they ever have, if the revenues are steered into the public sector and finally out of the hands of dictatorship and private capitalist gain.



Oil and the industry is a source of pride, identity, and advancement. So how can an ecological critique of capitalism and the oil industry evolve under these conditions of consciousness and a culture of dependency and intertwined identity with oil? There may be a social movement dedicated to keeping oil out of the hands of the multinationals, but what if it simply wants to keep it pumping and selling and fuelling catastrophic climate change only under workers control, even under the most egalitarian, and ideally horizontal conditions, this reliance on oil can appear as a brick wall and a death sentence for ecology under different terms and conditions but on with the same ecological and ultimately capitalist facts on the ground.

Or is it?

## Joining the Dots After Shock

Do we dismiss social movements in this critical sector because their interests seemingly do not cohere fundamentally with our own? I would argue that there is a coherence, and the space, crucially, a potential of the creation of a space for an eventual coherence and co-operation of sorts.

Who are the “we”? The “we” is the ecological justice and anti-capitalist movement. A movement which at times appears to be converged in its critique of climate change as a consequence of industrialised capitalist expansion and economic growth but in some ways avoids it publicly or does not “join the dots” in a global production and consumption and energy ownership sense.

Focusing on local, domestic carbon emissions, is no bad thing and essential for motivating the personal sense of responsibility necessary for engagement and involvement in social movements. But de-carbonisation in the UK, necessitates a de-carbonisation of UK oil companies, still in the top five of the FTSE 100 and responsible, in the case of BP, for twice the annual carbon emissions of the UK domestic energy use.

“The Carbon Web” of Oil Companies’ inter-dependent relationships with banks, consultancies, law firms, educational and cultural institutions and unions, spins out further than the UK, it is global, and unravelling it and its monopolisation of energy commons, means responding to it where it is strongest, at its front lines, and its point of re-inforcement and also where it is at its weakest and being challenged and contested.

Discourses on climate change have veered at times into changing individual behaviours (aviation, personal responsibility for flying) which

are positive in themselves but can fall short of expanding into an enunciated public articulation of the role of aviation in economic growth ideology. The war on Iraq opened the oil control motive in Iraq in the public imagination. As with the enduring image of the gouged out Canadian tar sands, the war opened up, with mine-like exposure, the possibility for challenging government and IOC ideologies of 'energy security' and a fossil fuelled free-market growth for the next 30 years in this country, and debates of resource sovereignty, oil grab and US imperialism in Iraq.

The moment of war was mined by numerous groups for political advantage precisely because of the psychological shock it dealt to the public imagination and the possibility for new ways of seeing that came with it. The shock may be wearing off here, but militarised energy security policies and their neo-liberal context are still shocking Iraq and need re-exposure and integration into the climate change narrative. We cannot talk about ecological justice/climate justice/just transition without including oil producers—state and grassroots—in energy consumption, ownership and movement.

The ecological movement has steered well clear of the struggle of oil workers in Iraq. Which self-respecting climate change activist wants to throw in their lot with those busy pumping the black-stuff out of the ground? "Oil Workers" are the last workers' taboo, along with "miners" if we see a resurgence of the industry in the UK as planned by government. How can one support those who want to speed up climate change and are at the physical frontier of the raw perpetuation of it? These are some of the questions and contradictions at play when Iraq and oil come together. Why? Because these people are some of the most powerful in the world. As oil is a strategic commodity, those in a position of physically producing are also in a position to influence a change and a shift in its' production.

The Iraqi Federation of Oil Unions is one movement in this strategic position and has proved itself a force that the likes of Shell, BP, Exxon, Indian and Chinese oil companies and oil-addicted governments of the world cannot be ignored.

## Alienating Allies?

To ignore the potential in the oil workers movement as a space where conditions to combat the growth of the oil industry at its grassroots, is to lose hope, is to lose one of the most visceral and paradoxically organic relationships in the production of the industry and its power and to close the door on some of the most important people that

ecological liberation and anti-capitalist movements need to be engaging with.

Narratives of a just transition, debates on climate change, and introductions of the concepts of ecological debt, of keeping oil in the ground in return for compensation, whilst problematic alone, are unlikely to be even attempted or uttered in Iraq, with any impact, if international oil companies gain control of Iraqi oil for the next 30 years. I am not arguing that these debates will happen if big oil and the Iraqi ruling class don't come to control Iraqi oil, nor am I arguing that revolutionary workers control of Iraq's oil is even likely, but our movement is about revolutionary potential and the creation of space and possibilities and about solidarity.

## Taboo Today, Turbulence Tomorrow

Despite a close personal relationship with leaders of the Iraqi Federation of Oil Unions, I myself have never had a debate about climate change with them. The subject of fossil-fuel energy and climate change and the contribution of oil to it, is a taboo. Those seeking to tarnish the international solidarity and critiques of the oil grab agenda have labelled activists working on the issue as cynical and self-interested environmentalists who want to keep Iraq's oil in the ground with no interest in supporting Iraqis to develop. Raising these issues now risks feeding into this narrative.

My own support work with the union was and still is based on reinforcing their strategic position as a grassroots resistance force to the occupation and US imperialism and the refuelling of capitalism. I didn't suddenly shed my ecological beliefs, and I still believe that there is hope and a necessity to be able to speak about climate change with workers movements at the crucial point of the production but that this potential and power can only develop if those workers and related popular movements have control of energy. Keeping these spaces open demands solidarity and support.

## The Fire Sometime...

The fire in Iraq is the ongoing military occupation and the corporate and state struggle for control of Iraqi oil. Maybe if there were no counter-forces at the grassroots fighting this fire, we would have no space and human relationships to engage with and support, but there are.

Iraq is a tipping point in terms of the control and supply of energy to imperial powers and imperialistic oil companies fading and ascending, vying for power through strategic control of supply and the power to re-produce and perpetuate that power.

As we read, this struggle over the last bastion of easy oil on the planet is ongoing and the outcome undecided. If the major IOCs and their governmental ruling class partners succeed, the space for movements to challenge these interests will be severely restricted and their opposition and organising on the ground in Iraq, severely repressed. There is still everything to fight for, and it is a fight, not for "more oil" or "an oil industry in workers hands but still for the oil industry" it is a fight with a *long-term* view and its a fight in defence of this strategic space of resistance, energy and *alliance* for an ultimately different world beyond capitalism and one of a shared sustainable energy commons. A world where a narrative and practice of ecological co-existence and a non-exploitative energy commons evolves as a popular narrative of liberation.