

Bush Iraq Oil Policy: “Crony Capitalism” at its Worst

By [Sherwood Ross](#)

Global Research, July 05, 2008

5 July 2008

Region: [USA](#)

Theme: [Global Economy](#)

Eight universities were in the running to get the Bush Presidential Library but Hunt Oil Co. head Ray Hunt, of Dallas, an economics major from Southern Methodist University, co-chaired the SMU search effort and came out on top. His long time pals-ship with “The Decider” may have had more than a bit to do with it.

Hunt has done a lot for Bush and vice-versa. Bush named Hunt in 2001 to his President’s Foreign Intelligence Advisory Board, and reappointed him five years later. Hunt also sits on the National Petroleum Council that gives industry advice to Bush’s Energy Secretary.

An oilman’s oilman, Hunt is a member of the board of the American Petroleum Institute and has been showered with awards from the petroleum sector, including “All-American Wildcatter.” Success in Oilville doesn’t get any headier than that.

Now it turns out Hunt Oil clinched a separate deal last September with Iraq province Kurdistan he might not have won if he were not Bush’s Good Buddy. Some folks think, according to a front page New York Times report July 3, the deal “runs counter to American policy and undercut Iraq’s central government.” Baghdad reportedly is furious over it.

Hunt got this free pass to explore Kurdistan’s oil riches last September 8 when he inked an exploration pact, one likely to give him a share of the boodle of any future gushers. “Hunt would be the first U.S. company to sign such a deal,” a State Department official told the Times. And according to reporter Jay Price of McClatchy News Service, the Iraqi oil minister, speaking for Baghdad, “called the Hunt deal illegal.”

The Hunt deal, though, may resemble the national oil law Bush seeks to push through Parliament. This law, writes Antonia Juhasz, an analyst for watchdog Oil Change International, would “allow much (if not most) of Iraq’s oil revenues to flow out of the country and into the pockets of international companies.”

In an Op-Ed of March 13 last year in The New York Times, Juhasz wrote if the Bush-backed bill became law the Iraq National Oil Company would have exclusive control of just 17 of Iraq’s 80 known oil fields, “leaving two-thirds of known—and all of its as yet undiscovered—fields open to foreign control.”

By contrast, Iran, Saudi Arabia and Kuwait, “maintain nationalized oil systems and have outlawed foreign control over oil development,” Juhasz said.

Allowing the separate Hunt Oil deal—whose details Hunt and the Kurds will not divulge—will surely benefit the Kurds but fleece most Iraqis, hence the anger in Baghdad. This gives the lie to Bush’s statement of March 16, 2003, that “We will make sure that Iraq’s natural

resources are used for the benefit of their owners, the Iraqi people.” If you count hundreds of thousands of labor union members as people, which Bush may not, there is a loud outcry in the streets against Bush’s oil policy.

Meanwhile, the Times reports, the Administration is defending help the U.S. provided in drawing up no-bid contracts between Iraq’s Oil Ministry and five western oil firms to operate in other Iraqi oil patches. The U.S. said it provided purely technical help writing the contracts and played no role in choosing the winners. Believe that one, if you can. But why no bids again? Whatever happened to free enterprise?

This is the same crony capitalism that gave Halliburton, formerly headed by Good Buddy Vice President Cheney, a controversial, multi-billion no-bid contract to truck oil into Iraq. Halliburton subsidiary Kellogg, Brown & Root(KBR) also got named sole source contractor to douse any oil well fires that might break out in Iraq.

KBR landed that no-bid plum even though Army Corps of Engineers contract chief Bunnatine Greenhouse found there were other qualified bidders. She was demoted for not signing off on it.

The Hunt and Halliburton deals offer vivid proof that “crony capitalism,” not the free market brand, is being practiced divvying up Iraq’s oil resources and the other spoils of war. This has long been Bush’s modus vivendi. The Wall Street Journal once noted his Harken Energy Co. acquired exclusive offshore drilling rights from Bahrain in 1990 even though it had never drilled a single well. How did Harken get it? Well, Bush’s father at the time occupied the White House.

Maybe when SMU puts all the Bush papers on display about why he attacked Iraq—a war that so far has killed a million souls—it will include the fine print of the contract Hunt signed with the Kurds. It will show how high Hunt could rise with a degree in economics from SMU, and how far Bush would go to sell out the Iraqi people in order to favor a Good Buddy. Is there anyone who still does not believe the Iraq war is about oil? #

Sherwood Ross is an American writer that covers political and military issues. Reach him at sherwoodr1@yahoo.com

The original source of this article is Global Research
Copyright © [Sherwood Ross](#), Global Research, 2008

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: **[Sherwood Ross](#)**

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in

print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca