

TALKING POINTS - EXXONMOBIL WAR BOYCOTT

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- EXXONMOBIL AND OTHER MAJOR OIL COMPANIES STAND TO MAKE HUGE PROFITS ON IRAQ OIL AGREEMENTS DRAFTED BY THE STATE DEPARTMENT PRIOR TO THE INVASION OF IRAQ according to the "Crude Designs" report published by Platform in the UK last November. It appears there is still time for a boycott to have a positive effect, as none of these contracts have yet been signed, though it is reported that negotiations are underway with the new Iraqi government. The U.S. drafted contracts could bring the oil companies profits on investment ranging from 42% to 162% compared to the minimum of 12% return that is considered more normal. Contracted access to one of the major southern Iraq oil fields could double ExxonMobil's oil reserves, doubling the worth of the company. In January, 2003, the Coalition Provisional Authority CPA appointed former senior executives from oil companies to help set up the framework for a longer-term oil policy in Iraq, with Gary Vogler of ExxonMobil, being one of the first advisors. ExxonMobil is on the board of directors of the International Tax & Investment Centre (ITIC), with is seeking Production Sharing Agreements in Iraq. Before the war started, ExxonMobil was in the hunt for Iraqi oil and it continues this quest during the occupation.

- \$7 BILLION OF EXXONMOBIL'S 2005 RECORD PROFIT OF \$36 BILLION CAN BE CONSIDERED WAR PROFITEERING. Dean Baker, co-director of the Center for Economic and Policy Research, said that as much as 20 percent of EXXONMOBIL's record \$36 billion 2005 profit, or about \$7 billion, is "a ball park number" for what can be considered war profits for the oil giant. This is an estimate of the amount of profit that is essentially unearned and is traceable to oil prices that have been inflated because: (1) the Iraq War has severely depressed Iraq oil production and (2) because of fears that the Iraq War may spread, possibly affecting oil production in Iran and Saudi Arabia. Noble Prize winning Joseph Stiglitz has also said that the war, in inflating oil prices, has brought huge profits to U.S. oil companies. Tyson Slocum, Acting Director of Public Citizen's Energy Program, says that ExxonMobil accumulated a war profit in 2005 "in the billions".

- EXXONMOBIL's recently-retired Chair and CEO Lee Raymond appears to have had a major role in US policy making - including planning for access to Iraqi oil and promoting the war against Iraq. Mr. Raymond has personal access to Vice President Dick Cheney; for example, he met with him privately 10 days after the first Bush inauguration. Shortly after that Cheney's energy task force began drafting an energy policy. The Vice President went to court to keep the energy task force work secret, but the few papers forced out by law suits have included maps of Iraqi oil fields. Two months before the 2003 invasion of Iraq,

Mr. Raymond became the vice chair of the board of the American Enterprise Institute, possibly the foremost "think tank" in engineering the Bush Administration Iraq War Policy, and central in promoting the war. Mr. Raymond continues as vice chair of AEI's board after his 12/31/05 retirement.

- CONSUMERS FOR PEACE HAS WRITTEN TO EXXONMOBIL asking that the firm endorse the goals of the ExxonMobil War Boycott campaign and engage the full force of its lobbying effort in advancing these goals. The goals are: (1) immediate withdrawal of all U.S. troops and mercenaries from Iraq; (2) impeachment of George W. Bush and prosecution of U.S. officials for war crimes and crimes against humanity. ExxonMobil has not responded to a certified letter except with the postal receipt. Consumers for Peace has written to the nine other firms selected for boycott because of their involvement with ExxonMobil through its board of directors, asking that they endorse the above goals. Of the nine, only Novartis has responded, declining to meet the request. The other firms affected are: Campbell Soups; Carlson Companies (Radisson Hotels, TGI Friday's); Corning Inc. (Steuben Glass); Metlife; Pfizer; Verizon; Wells Fargo; and Wyeth.

- APART FROM APPLYING PRESSURE TO END THE IRAQ WAR AND IMPEACH MR. BUSH, THE PURPOSE OF THE BOYCOTT IS TO MAKE IT CLEAR THAT WE WILL NO LONGER ACCEPT GOING TO WAR FOR OIL. As the competition for oil and other energy sources increases, the temptation to use force to maintain control over oil will increase. The war alternative, one can argue, can be viewed a major factor in delaying the U.S. from seriously addressing petroleum overconsumption, for example through gasoline rationing. The war alternative forestalls urgently needed action to protect the environment.

- There has been some controversy over the "war for oil" premise, with some saying this idea is too simplistic. However, it is becoming more clear that the struggle between nations - between the U.S. and China for example - for assured access to oil reserves is intensifying. Without oil, the Middle East would not have had such keen attention from Washington since the early 1900s. A State Department official under Colin Powell said that while oil wasn't specifically mentioned in State Department pre-war planning, everyone knew in the back of their minds that Iraq reportedly has the world's second largest oil reserves after Saudi Arabia.

- A BASIC PREMISE OF THE BOYCOTT IS THAT THE INVASION AND OCCUPATION OF IRAQ ARE ILLEGAL ACTIVITIES, VIOLATING THE U.S. CONSTITUTION AND INTERNATIONAL LAW. The boycott is leveled at a major firm that appears to be complicit in this illegal behavior and is clearly a beneficiary. It is also directed at nine firms connected with ExxonMobil that benefit from this connection. Novartis is one such

firm. While the Novartis website states that the firm will not benefit from violations of human rights, it has sent representatives to Iraq investment conferences even as the killing in Iraq escalated. At no point has ExxonMobil, or any of the firms associated with it, come forward to disavow connection with the illegal acts of the United States in Iraq. ExxonMobil has not offered to direct its war profits to relieving the vast suffering caused by the war.

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