
Chad: The World Bank, weapons and oil "development"

By mid 2000 the World Bank approved a polemic 650-mile oil pipeline project to link the Doba oil fields in southern Chad with the Cameroon's Atlantic coast. The project, led by Exxon-Mobil, and sponsored by Chevron and the Malaysian state-owned company Petronas, is the largest of its kind in sub-Saharan Africa. In spite of the strong opposition by local and international organizations, which feared the impacts of the megaproject on people and the environment, the Bank finally approved the project, claiming that oil revenues would help to alleviate extreme poverty in Chad and that the environmental impacts of the megaproject could be mitigated (see WRM Bulletin 35).

However, it didn't take too long to show that the decision was a big mistake. Even though the Bank had argued that a special accounting system for oil revenues would be established so that those incomes were spent on education, health and other social services, the government showed almost immediately what it understands by "development". In fact, last November Chadian President Idriss Deby declared that he had used \$4.5 million of the government's first oil receipts to buy weapons! "It is patently obvious that without security there can be no development programs," Deby said.

Organizations that campaigned against the Bank's involvement in this project have proven that their concerns were well founded and that it will increase local peoples' problems. Not only will they suffer from the impacts of oil exploitation, but also from the increased "security" that the government will provide --with more weapons-- to the oil companies against its own people. Arms traders, corrupt government officials and oil companies will greatly benefit, and the World Bank --whether it likes it or not-- will be backing all of this. If it wants to at least preserve its image, the Bank must immediately withdraw its support to this project, which is totally contrary to its social and environmental mandate.

Article based on information from: Douglas Farah and David B. Ottaway, 'World Bank Reassesses Chad Pipeline Deal', The Washington Post, 5/12/00