

War of the Words

by Heidi Bachram in the Red Pepper magazine
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You could be forgiven for thinking you were listening to an Orson Welles-like radio broadcast when hearing President Bush's recent State of the Union address. It seemed aliens had landed, kidnapped the President and replaced him with Julia Butterfly when he uttered phrases like "America is addicted to oil" with the intention to "dramatically improve our environment" and "move beyond a petroleum-based economy". SUV drivers were discovered quivering in car seats across the country.

Don't panic, Georgie hasn't gone green. US policy is still firmly rooted in good old-fashioned unsustainability. Take for instance a little known treaty called CAFTA. The Central American Free Trade Agreement, aggressively pursued by President 'kick-the-oil-habit' W. Bush and friends, now threatens a nearby country's efforts to be genuinely oil-free. Costa Rica currently has instituted a pioneering oil and mining moratorium, achieved through people power in 2003. Results of elections in February "even though the opposition are crying foul" seem to favour ex-President Oscar Arias as the winner. The central issue in this election was Costa Rica's participation in CAFTA with Oscar Arias supporting full ratification. The trade agreement would mean certain death for the oil moratorium as the law is deemed a 'barrier to trade'.

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Oilwatch is one of those who campaigned for the oil moratorium and is now fighting CAFTA. Alicia Casas of Oilwatch explains, "The moratorium doesn't have the same legal importance as CAFTA and it will be difficult to defend. And even if we did save the moratorium, CAFTA threatens other resources, like water, energy and public services. It makes it easier to exploit resources faster for short-term growth but this has nothing to do with quality of life or distribution of wealth. Everyone knows the agreement will make the rich richer and the poor poorer."

To compound the contradiction between Bush's State of the Union commitments to breaking oil-addiction and his administration's policies, his old company Harken Energy are at the centre of the Costa Rican story. Harken bought Costa Rican oil concessions before the moratorium was in place. Once it took effect, the company attempted to take the government to a World Bank tribunal for \$57 billion in damages "more than three times Costa Rica's annual GDP. The Costa Rican government managed to keep the case in local courts because they had not ratified CAFTA, which would have allowed Harken to bring the case to the World Bank for settlement instead. But if Costa Rica ratifies the free trade agreement and the oil moratorium is repealed, Harken has a new way in to the country's rich oil resources.

Alicia Casas however does see one opportunity from the Bush speech, "There is now more space for criticism of oil expansion and people are talking about oil dependency more." But she warns, "It's not only about getting rid of oil - it's about energy consumption. Will it be the same unlimited energy for economic growth or is the oil issue about questioning the amount of consumption and the economic model behind agreements like CAFTA?"

Such pressures to open up trade further threaten already weak environmental agreements such as the Kyoto Protocol. Charly Poppe from Friends of the Earth Europe, agrees: "There are very concrete pressures behind the governments and this is all represented as regulating international trade but in reality it is deregulation. It's a wider trend promoted by strong actors and companies who have an interest in deregulation and who have the power to lobby the governments to do that."

So fear not US oil giants, Bush is still firmly on gas-guzzling ground. The State of the Union is still status quo for America as the President said in other parts of his speech: "Keeping America competitive requires us to open more markets for all that Americans make and grow. We want people everywhere to buy American." Alicia Casas couldn't agree less, "There is

still wide consensus in Costa Rica that the oil moratorium should stay in place and we will fight to keep it. Natural resources are about sustaining life. We will not let corporations threaten our sovereignty. But like the panicked masses did when Welles made his famous War of the Worlds broadcast, you can take the wet towel off your head, unload that gun and get out of the cellar because the emergency is over. The world is as we know it, Bush is not environmentally-friendly, neoliberalism is on track and people all over the globe are fighting back. Well " at least until the aliens land...

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