

IRAQ—OIL VICTORY

Idris Cox

IT is one year since Iraq took over the Iraq Petroleum Company the big oil monopoly which has exploited the people of Iraq for many decades. Nationalisation took place on June 1 last year, an occasion on which there were scenes of jubilation all over the country. All the vested interests in the extraction of oil from the Arab countries of the Middle East prophesied that nationalisation would bring disaster to Iraq. It did not have the 'experts' to direct and manage the extraction and refining of oil; it would not find markets for its crude oil or refined oil; and both crude and refined oil from Iraq would be boycotted in the world market.

Events have confounded these prophets of disaster. It is true that serious attempts were made to sabotage the sale of Iraq's nationalised oil in other countries. There were even steps to involve reactionary Arab oil-producing countries in new 'pacts' which it was hoped would force Iraq to abandon its nationalisation measures. Saudi Arabia's representative (Shaik Ahmed Zaki Yamani) had talks last October in New York with representatives of the big oil trusts on an 'agreement' which provided bigger royalties for Arab oil with greater participation in the control of production. The *Times* 'Business News' (October 26, 1972) commented that: 'Participation on Shaik Yamani's terms is probably the only alternative to outright nationalisation.'

However, Iraq refused to accept this agreement, but it was signed by four Arab oil-producing countries which are under reactionary rule—Saudi Arabia, Kuwait, Abu Dhabi, and Qatar—what are

commonly known as the Gulf states. And so the agreement was signed by these four participants, significantly enough in New York!

Despite the widespread campaign to boycott the purchase of Iraq's nationalised oil, the campaign has produced little or no results. The demand for oil in the capitalist world, as also in the developing countries, is so great that Iraq has been able to take advantage of this situation. Agreement has been reached with the French Government on the purchase of oil; Japan (whose demand for oil is now one third of that of Western Europe) is providing a bigger market; and India is purchasing big supplies—not to mention the expanding market for Iraq's oil in the socialist countries.

Moreover, the Soviet Union and other socialist countries have provided massive economic aid to Iraq, together with teams of oil experts. Assistance has been given for the construction of a giant steel works and other big enterprises, together with technical aid and the provision of technical training in their countries for Iraqi oil workers. Close and friendly political relations have been developed even further during the past year.

The Soviet Union, Hungary, GDR, Czechoslovakia, Poland, and Bulgaria have all helped to break the '*cordon sanitaire*' of the imperialist countries and the oil companies. Their defeat is so obvious that on March 1 this year the oil companies signed an agreement with the government of Iraq recognising the nationalisation of oil, forsaking their claim to be the proprietors of the unexplored oil regions, and withdrawing their objections to Law No. 80 of 1961, which is the basis upon which oil nationalisation took place in Iraq last year.

However, Iraq has by no means solved all its problems of oil production and its sale abroad. Iraq has serious border troubles with Iran and even more so with Kuwait. There are conflicts also between the Gulf States—as between Abu Dhabi and Saudi Arabia over the rights to the Buraimi Oasis. These conflicts are the legacy of British imperialist rule, which before it was forced to withdraw from these territories created the 'emirates federation' in the hope that this would provide a channel for its continued influence.

The Arabian Gulf (formerly known as the Persian Gulf, which is still the name in imperialist circles) borders on a collection of territories ruled by sheikhs who were (and still are) pawns for British imperialism. Nationalisation of oil in Iraq came as a shock, and there will be further shocks to come. Iraq has a stretch of 35 miles of coastline between Iran and Kuwait, and is demanding

two strategic islands at the head of the Gulf as part of its settlement of the border dispute with Kuwait.

In his survey of the problems of the Gulf states, David Hirst, in the *Guardian* (April 4, 1973), admits the frontiers of these states were 'mostly drawn by the British, which are little more than lines on the map. Kuwait's frontiers are more arbitrary than most. In a rational world it would be difficult to justify Kuwait.'

Iraq is anxious to lay a pipe-line across the territory of Kuwait, for this would make far easier the transport of Iraq's nationalised oil to the coast-line of the Arabian Gulf. This dispute is still unsettled at the time of writing, but if there is agreement on this proposal it will be of great advantage for the oil industry of Iraq.

The further success of the nationalised oil industry in Iraq is extremely important for all its people. Left with the legacy of British imperialist domination its economy is still backward, living standards extremely low, and there is still a great deal to be done to enable the people of Iraq to exercise their full democratic rights. It is most urgent that new and better schools are provided, a wider and improved range of social services, still more drastic land reform, and higher wages and better conditions in the factories—together with more democratic rights for the workers in the control and management of industry.

In many respects Iraq is now the most advanced Arab state in the Middle East, but still more radical measures are urgent before it can become strong and powerful enough to withstand the pressure of imperialism and its reactionary Arab neighbours, transform its economy, and raise the living standards of the masses. During a visit to Iraq last November, I was appalled by the scenes of abject poverty in the back streets of Baghdad, and the atrocious housing conditions.

Important steps are being taken to change the situation, and outstanding in this respect is the formation of the National Front of the Arab Baath Party (the government party), the Communist Party, and the Democratic Party of Kurdistan. The process of building this National Front is both slow and painful, but it was never so urgent to make it a reality, not only on the top level, but down below among the masses.

One can understand there are difficult problems to be overcome before this aim is fully achieved. After the 1963 counter-revolution, the Communists in Iraq were hounded from pillar to post, thrown into prisons, tortured and murdered. This went on even after the Baathists came to power in 1967. Considering its aggressive war

against the Kurds, who were demanding the right of self-determination and autonomy within the Iraq Republic (Kurds are one-fifth of the population), the Baath Party realised it could not constantly be in conflict with both the Communists and the Kurdish people—and especially after oil nationalisation when strong democratic national unity was essential.

However, there are still serious differences with the Kurds who claim that the joint agreement of March 1970 is not being put into practice by the Revolutionary Command Council which is wholly Baathist, and that some attacks are still being made against the Kurds. Moreover, there is still discrimination against the Communists. Both the Baathists and the Kurdish people have their daily newspaper, but not the Communists, who are allowed only a 'cultural' weekly paper. As the ruling party, the Baathists are still claiming a dominant position in practice within the National Front. For the proposed National Assembly the number of seats suggested for the Communists is only 10 out of 150.

Iraq is still a long way from being a democratic state, in the sense that its government is freely elected by the democratic vote of its people, from the standpoint of real democratic trade unions, and its popular mass organisations being a real expression of the people as a whole. The discussions for the creation of a broad National Front have been going on for more than a year, and it is clear there are serious risks in losing any more time in striving to achieve this. Measures for the creation of a democratic Iraq are urgent and essential if it is to remain in the forefront of the Arab countries of the Middle East.

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