Mr. Speaker, the American people have not received

very much information about a major issue in and around the Iraq war,

and the oil industry would like to keep it just that way. Fortunately,

investigative journalism is still being practiced, and I want to share

information uncovered by a reporter for AlterNet, in the United States,

and a major Sunday story this week in The Independent, a newspaper in

the United Kingdom.

The number one Iraq story for all of 2006 on AlterNet, which is an

Internet-based news and opinion site, was a two-part series by a

reporter, Joshua Holland, entitled: ``Bush's Petro-Cartel Almost Has

Iraq's Oil.''

Last Sunday, The Independent carried stories with these headlines:

``Future of Iraq: The Spoils of War, How the West Will Make a Killing

on Iraqi Oil Riches.'' And ``Blood and Oil: How the West Will Profit

from Iraq's Most Precious Commodity.''

Members of Congress are limited in how much information we can enter

into the record at one time, so I will enter into the record The

Independent story. I will also encourage every American to seek out and

read the complete AlterNet story, which is available online.

These investigative reports paint a disturbing picture and raise

troubling questions about big oil's attempting to steal the oil wealth

and resources of the Iraqi people. From the beginning of the Iraq

invasion, more moderate voices, especially overseas, questioned whether

the ulterior motive behind toppling Saddam Hussein was a grab for Iraqi

oil. In this scenario, democracy is a by-product of oil production, not

the real reason for military action in Iraq.

Gaining access to the oil wealth of Iraq has had oil industries

salivating for years. Gaining control of that oil wealth would be a

prize beyond compare for the oil industry. Iraq has the third largest

oil reserves in the world, and there are many oil geologists who

believe that vast additional oil reserves are just waiting to be

discovered in Iraq's western desert. They call it the Holy Grail, and

some believe the untapped riches could propel Iraq from third to first

place in the world's oil reserves.

An estimated 115 billion barrels of oil reserves are under Iraq.

Today's price is $53 a barrel, and that is an 18-month low. The

American people are still suffering from the oil price shocks and

high prices at the pump, and the oil industry is booking record profits

in the billions of dollars every quarter, record profits in a world

that is addicted to oil.

In 1999, Vice President Cheney was running Halliburton, and he said

in a speech that another 50 million barrels of oil would be needed by

the end of the decade, and the key was the Middle East.

This administration and the British prime minister have repeatedly

said that the U.S. invasion was not about oil. But these investigative

reporters say a new law is quietly working its way through the Iraqi

government that would give unprecedented access, control and oil wealth

to Western oil companies. It would happen under what is known as a

production sharing agreement, a PSA.

Here is how The Independent put it: ``PSAs allow a country to retain

legal ownership of its oil but gives a share of profits to

international companies that invest in infrastructure and operation of

the wells, pipelines and refineries.''

The news account continues: ``Their introduction would be a first for

a major Middle Eastern oil producer. Saudi Arabia and Iran, the world's

number one and twoexporters, both tightly control their industries

through state-owned companies with no appreciable foreign

collaboration, as do most members of the Organization of Petroleum

Exporting Countries, OPEC.''

The PSA's would give big oil in Iraq deals that would last for 30 to

40 years. These deals, the news reports point out, would force Iraq to

share its oil wealth with Western outsiders, not their own people. Up

to 70 percent of the profits would go to outside producers in the first

years, and the news media points out that these deals could be enforced

ahead of any social and economic reforms in Iraq and ahead of any

social programs. One person quoted called it ``colonialism lite.''

The President said it is not about oil. The prime minister said it is

not about oil. They said Iraqi oil was for Iraqi people. But the

legislation working its way through the Iraqi government is about

nothing but Western access to the oil and its incredible wealth. The

leaked drafts of the legislation show the West in a role with access

and control, including a provision in the leaked draft document that

would enable Western oil companies to transfer their wealth right out

of Iraq. They don't have to leave it in Iraq at all.

Quoting directly from the leaked draft, ``A foreign person may

repatriate its exports in accordance with foreign exchange regulations

in force at the time.'' In fact, the language is so favorable to

companies that they would be able to take every bit out and sell the

rest to the world.

A vast amount of Iraq's wealth would be up for sale, by foreigners,

to foreigners.

Quoting the leaked draft: ``It may freely transfer shares pertaining

to any non-Iraqi partners.''

The United States has been in Iraq for over 4 years already.

How long will we be there if western oil companies are given free

rein to put a vice grip on Iraq's oil?

If western oil companies get a 30-year agreement, we may call Iraq

the 30-year war.

The President said Iraq was all about democracy. News reports now

give us a picture that say it might have been all about the oil.

Read the news reports and decide for yourself.

I include for the Record the article from The Independent.