

Guyana's Oil or Is It?

The Guyana newspapers carry information daily about the APNU/AFC dealing with various oil companies doing or wanting to do business in Guyana territorial water. Contracts have been signed with undue care (or deliberately so?), and without adequate consultation with the Guyanese public at large. Thus the public have not been well informed. Something as important and significant as this should have been tabled at numerous symposiums, discussions, and talks across the country collaborating inputs from all and sundry.

To be direct, the government is literally and figuratively selling out the patrimony of the people. And the public are fooled with the false notion that 'we gun be rich' – because of oil.

In June this year I was privileged to listen to three presenters at a Guyana Oil Event which sought to ask for Guyana to break its 'resource curse'. The presenters – Dr. Tarron Khemraj, Dr. Jan Mangal and Accountant & Attorney Christopher Ram – did an excellent job to ventilate the apprehensions and contractual arrangements that have been cryptic to most. Khemraj is an academic and he presented as academics do – facts and figures – real and potential; Mangal is an 'oil man' with hands-on experience in the oil business, and he is expertly knowledgeable in this field; Ram is an advocate and he has expounded a lot in newspaper columns (at least 74 to date) to reveal many of the shortcomings of the deals. In my opinion these individuals are highly qualified and well-informed, with clarity and objectivity, and with no axe to grind.

From what can be gleaned in the public domain the Guyanese people are being shortchanged; they are receiving the wrong end of the stick, save for a few who usually get milk and honey and drink lots of soup. Beware! Remember Dwight D. Eisenhower's admonishment: "A people that values its privileges above its principles soon loses both."

Thus far there has been little existential angst about oil in Guyana. Where are the voices that were once loud, resonant and patriotic – stalwarts in academia, business, church, human rights, trade unions, teachers, students? Muted, of course – or muzzled; but why? By their silence they are resigning with acquiescence to the status quo. Think: *The world suffers a lot, not because of the violence of bad people, but because of the silence of good people!* But it's not late, or is it?

From what can be gleaned in the public domain, it is clear to me that the oil contracts have been signed with haste by the Guyana government with insufficient in-depth scrutiny. As in the past (with Barama and Omai) Guyana patrimony is being bartered out. In 2000 in reaction to a proposed *Beal* deal I co-authored (with Leslie) an article in the Guyana Journal titled: "*Those Spinning Wheels and Deals in Guyana*", which exposed the ignominious and ruthless nature of a panoply of foreign investments. (http://www.guyanajournal.com/Deals_gg.html) Now again!

While some prominent individuals, such as Clive Thomas (hi Clive), David Hinds (hi David), and Lincoln Lewis are mouthing that 'we gun be rich', expounding 'cash transfers', 'Direct Oil Benefit',

and such sanctified nonsensical verbiage, they fail to understand that you cannot give what you don't have. Farceur they seem to be, dispensing speeches and writings not unlike pasquinades. I have always had great respect for these individuals, and now... although faithful in friendship, I humbly withdraw....

The oil deals were/are seriously skewed in favor of the oil companies, and to the detriment of Guyana. The Guyanese people are getting the biggest “paachar”, also called “the big stick”. Big corporations and investment companies do what they have done throughout the ages – they invest and do business, only for profit, to make money, to maximize these in all ways possible – for their shareholders, so they say, and not considering the stakeholders, i.e., the people who generate the wealth and who should benefit from the wealth. But this is the nature of capitalism by definition. Poor countries need investments – which they get at a tremendous cost, and to their disadvantage, buckling under pressure because of political and economic strictures. Such scenarios make the investors extremely rich, while the host countries remain in abject poverty. (See examples of poorest countries especially in Africa: <https://www.youtube.com/watch?v=iw7mDNTmFJk>).

The dialectics do not augur well in favor of the poor wherever they may be. The economic playing field is not level. Economists and politicians measure a country's wealth in terms of arcane methodologies – GDP, GDP, and GNI. This is offensively flawed because it lumps all – the billionaires and trillionaires with the extreme poor – the 1% with the bottom majority, and come up with statistical magic numbers – averaging wealth of the nation. A recent report tells the story that the top 1% gained \$21 Trillion in wealth since 1989 while bottom half lost \$900 Billion. (https://www.commondreams.org/news/2019/06/14/eye-popping-analysis-shows-top-1-gained-21-trillion-wealth-1989-while-bottom-half?utm_campaign=shareaholic&utm_medium=referral&utm_source=facebook&fbclid=IwAR1MgPkSaGVfi0kCq9iNe82NRicsKQpHZrMZHkmKUiuIulgmUKNswiLK05E)

What is not usually considered is the HDI (<http://hdr.undp.org/en/content/human-development-index-hdi>). Disparity and inequality are getting more extreme. (According to a *Guardian* report the richest 1% will own two-thirds of global wealth by 2030. (<https://www.theguardian.com/commentisfree/2018/apr/12/wealth-inequality-reasons-richest-global-gap>; Read also Thomas Piketty's *The Economics of Inequality*)

Corruption in most of these oil countries is a major issue. Nigeria, regarded as the top oil producer in Africa, is plagued with extreme poverty. Trillions of dollars are stolen by public officers. It is estimated that the combined “wealth of five richest men (\$29.9 billion) could end extreme poverty at a national level”. (<https://www.iol.co.za/news/africa/nigeria-africas-top-oil-producer-worlds-extreme-poverty-capital-18946270>). Another recent reported example is Sudan's former President Omar al-Bashir who is now enjoying his huge corrupt ill-gotten wealth in a maximum security prison. All the oil producing countries in Africa are deluged in corruption. Officials within and without government are encouraged into the lure of bribery with big money and dark money. Wealthy countries, big corporations and multinationals, and the super rich have no instinct for the wretched of the earth. They have not even considered the advocates for the poor – Amartya Sen, Joseph Stiglitz, Thomas

Piketty and others. They have not even thought on acting on Jagan's *A New Global Human Order?* Maybe it is time for many of us to revisit *The West On Trial*.

Oil is what makes the machinery of capitalism function. Oils is essential to run every aspect of the modern economy, a dependency syndrome, or disease! It is an addiction. It has become a quixotic, warped and surrealistic love affair in the modern world. But it is real; it is dehumanizing; and a sad love affair – a kind of utopian/dystopian paradox.

Wars have been waged for oil, obliterating centuries of civilization. The Middle East is soaked in perpetual wars for oil. Syria and Yemen are prime examples. The clichéd expression: 'What is our oil doing under your sand' is funny, real and awkwardly devastating for the poor (vide Iraq; vide Afghanistan). Children know of nothing else but war and destruction. Wars have been normalized for this purpose! This is capitalism without a human face. And there is a sort of clinical detachment in the modus operandi and mindset of the captains of authority.

The Atlantic observes: The correlation between energy dependence and authoritarianism is clear. "There are twenty-three countries in the world that derive at least 60 percent of their exports from oil and gas and not a single one is a real democracy," observes Larry Diamond of Stanford University. ... The same revenues also generate staggering wealth that facilitates corruption and patronage networks. Together, they consolidate the power of entrenched elites and regime supporters, sharpening income inequality and stifling political reform. The history of the oil-rich Arab Middle East has long been a case in point

[\(https://www.theatlantic.com/international/archive/2012/04/why-natural-resources-are-a-curse-on-developing-countries-and-how-to-fix-it/256508/\)](https://www.theatlantic.com/international/archive/2012/04/why-natural-resources-are-a-curse-on-developing-countries-and-how-to-fix-it/256508/)

This is only part of the story. I have not addressed environmental effects of oil spills – Exxon Valdez, BP in the Gulf of Mexico, and other places such as Solomon Island, Chile, Montara in Australia, Niger delta, Brazil, the Persian Gulf, to name name a few – that have caused irreparable damage to marine ecosystems, the liabilities of which cannot be measured in money.

A jeremiad I'm not, neither am I stygian in nature and in purpose. It is not my style to be rambling needlessly. I do serious things seriously, looking always to causation or etiology in analysis before coming to conclusions. And so I write in all seriousness, not for self-aggrandizement, prevarication and rancor. I earnestly hope for real change.

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Having related concerns about Guyana oil, I now like to say categorically that am I against all of it. Some reasons are implied above. The evidence for moving away from oil, coal and fracking are overwhelming. These and their associated industries are responsible for global warming as a consequence of CO₂ emissions. Many countries are adopting new technologies for alternatives. Copenhagen for example has reduced emissions by 42% since 2005 and not worse off for this – “a

25% growth in its economy over two decades. Copenhagen's experience is a model for other world cities." (<https://www.theguardian.com/cities/2019/oct/11/inside-copenhagens-race-to-be-the-first-carbon-neutral-city>) At the same time time others are hell bent to exploit and despoil the earth regardless of the outcome. And they spend nearly \$200m each year lobbying to delay, control or block policies to tackle climate change", despite the fact that they account for a third of all carbon emissions. (<https://www.theguardian.com/environment/2019/oct/09/revealed-20-firms-third-carbon-emissions>)

A tipping point is soon approaching. The time is now for minimizing extractive industries. Time out: Stop, Think, Connect, Act. Of course there are the deniers, some blindly following and acting out their evangelical convictions, while the the 'smart' ones "have continued to expand their operations despite being aware of the devastating impact on the planet". To be clear fossil fuel companies are aware of the impact since at least the 1950s. (https://www.theguardian.com/environment/ng-interactive/2019/oct/09/half-century-dither-denial-climate-crisis-timeline?CMP=share_btn_link)

The Guardian is on a mission to draw attention to the serious issue of climate change and what it portends. Yet the deniers are refractive to reasonableness despite the overwhelming evidence. (https://www.theguardian.com/environment/2019/oct/17/climate-science-deniers-environment-warning?CMP=share_btn_link)

While Rome burns Nero fiddles. So it is with the climate change deniers. Brazil is just one example of political and evangelical excesses, and intransigence, in spite of overwhelming scientific evidence and call to halt the current trend.

What is obligatory now is political action to tackle the oil, coal and gas companies for fairness, social and environmental justice. What is obligatory now is mass mobilization to prompt political action. (https://www.theguardian.com/environment/video/2019/oct/08/who-are-the-worlds-biggest-climate-polluters-video?CMP=share_btn_link)

It is heartening and promising to see young (and older folk folks also) worldwide confronting the issue of climate change. The power of ONE, a la Greta Thunberg – how positive, how affirmative, how constructive! There are others, namely, Vandana Shiva, Rachel Carson, Wangari Maathai, David Attenborough, Chico Mendes, Ridhima Pandey, many others worldwide. Movements like Extension Rebellion offer hope that all is not lost. It is heartening and promising to see young people – students – in Guyana recently becoming campaigners in the climate issue. (<https://www.kaieteurnewsonline.com/2019/10/03/school-age-guyanese-stage-climate-protest/>)

The best things in life are free – air, water, sunlight, earth. These are taken for granted in a benign manner; yet we are destroying these.... We, all of us, breathe the same air, marinate in the rain, luxuriate in the sunlight, and get our gustatory sustenance from the earth. Yet we, human, Anthropocene, are destroying life-sustaining nature – the quintessence of existence – epitomizing cognitive dissonance.

Renowned naturalist David Attenborough's heartfelt message '*Just don't waste*' (https://www.theguardian.com/tv-and-radio/2019/oct/19/just-dont-waste-david-attenborough-advice-bbc-seven-worlds-one-planet?CMP=share_btn_link) is a reminder of our negligence to Mother Earth (dharti mata). Why should we destroy our mother?

Let us all be mindful. All life, all of civilization depend on six inches of top soil. Think about it! Protect and care mother earth, or face the dire consequence. There are alternatives – energy generated by wind, water, and solar is feasible and earth friendly. In Guyana the Amaila project was “expected to deliver a steady source of clean, renewable energy, and was envisioned to meet approximately 90 per cent of Guyana’s domestic energy needs while removing dependency on fossil fuels.” (Guyana Times, June 8, 2019) It is still not too late to give serious consideration to the Amaila project. Because of its geographic position Guyana can be a model for solar, water and wind energy, if only there is the political will and a new mindset – a transformative policy, manifesto and programs – for social justice.

I like to end with these admonitions:

Alanis Obomsawin: When the last tree is cut, the last fish is caught, and the last river is polluted ... you will realize, too late, that wealth is not in bank accounts and that you can't eat money.

Thurgood Marshall: Where you see wrong or inequality or injustice, speak out, because this is your country. This is your democracy. Make it. Protect it. Pass it on.

Matthew 16:26: For what will it profit a man if he gains the whole world and forfeits his soul? Or what shall a man give in return for his soul?

Marcus Tullius Cicero: Non nobis solum nati sumus.

Mahatma M.K. Gandhi: You must be the change you wish to see in the world.

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