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WHY WE PROTEST

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Gulf Oil Company's Operation in Portuguese Africa

As you know, oil and its derivatives are strategic materials indispensable to the development of any territory; they are the nerve-centre of progress, and to possess them on an industrial scale is to ensure essential supplies and to dispose of an important source of foreign exchange.

Apart from this, in the mechanised wars of our times, its principle derivative - petrol - plays such a preponderant part that without reserves of this fuel it is not possible to give the Army sufficient means and elasticity of movement. The machine is the infrastructure of modern war, and machines cannot move without fuel. Hence the valuable support of Angolan oils for our armed forces.



Rebocho Vaz Governor-General of Angola African World Annual 1967-68, p.29

The U.S. and Portugal

A growing number of individuals and organizations in the United States are protesting the "indispensable support" through oil production which the Gulf Oil Company is giving to Portugal in three desperate wars to maintain colonial rule in Angola, Guinea, and Mozambique. Portugal is too poor a country, and too small, to keep her empire without help. This help comes from her NATO allies, from her military alliance with the United States, and from giant corporations like Gulf who help her to exploit the African people and rob them of their natural resources. In protesting the operation of Gulf Oil Company in Portuguese Africa, we protest U.S. complicity in colonialism and military repression.

The Last Empire

The Portuguese have been in Africa for 500 years, though their full control is less than a century old and resistance never completely ended. While other countries yielded to the popular demand (and sometimes to force) for

independence in Asia and Africa after World War II, Portugal merely changed the technical name of her colonies to "overseas provinces" and called them an integral part of Portugal. She claimed a "civilizing mission" and acknowledged as "civilized" only those who were "assimilado," that is, educated in the Portuguese language, culture, and religion. By 1960, Portuguese figures indicated that only 15 per cent of the population of Mozambique could read and write at all, and many had become literate while working in the gold mines of South Africa. In Angola they could claim literacy no higher than 10 per cent. In Guinea, with the population of a million, only 11 Africans had obtained a university education.

A Police State. Portugal itself is a police state, and the colonies are run with even less democracy and greater brutality. The "overseas provinces" are ruled from Lisbon through the Overseas Ministry. All officials are appointed, and top officials are chosen in Lisbon. Censorship, prohibition of trade unions, the single-party system, and the extraordinary powers of the secret police mean that no effective expression of opinion by the people is possible. A passbook containing tax and lebor record must be shown on demand (with the penalty "correctional labor") or stamped to permit travel; this is an efficient control of movement and labor supply.

Nearly all (90 per cent) of the African people still live and work on the land. Portugal actively promotes European settlement through land grants and other concessions, most successfully in Angola. The average land acreage occupied by Europeans is 60 times that of Africans. Seventy-five per cent of Angolan coffee (the chief export, and the chief U.S. import) is produced on 550 European plantations. In the agricultural settlements in Mozambique,

the European farmer is granted 125 acres of land while the African farmer is given 25.

Revolt. All through the 1950's while other colonies were moving towards independence, the growing peaceful protests of the peoples of Angola, Guinea, and Mozambique were met by intransigence and increasing violence. Each country experienced a police massacre which solidified opposition to Portuguese rule. In Guinea, in 1959, 50 striking dockworkers were killed. In Angola, in a protest march in 1960 following the arrest of many political dissidents, 30 were killed and 200 wounded, and two villages destroyed. In Mozambique, in a dock strike in 1956, 49 were killed and in 1960, at Mueda, 500 unarmed people were shot down as they demonstrated. Popular rebellion broke out in 1961 in Angola, in 1963 in Guinea-Bissau, and in 1964 in Mozambique. The African nationalist armies in each of the three territories now control large areas in which they have introduced their own schools, clinics, markets, local governments, and other social institutions. They have pinned down an estimated 150,000 Portuguese troops and forced Portugal to spend half of her national budget for military purposes with consequent rising dissatisfaction and draft resistance at home.

Gulf and the War in Angola

Cabinda. Gulf is now prospecting for oil in Mozambique, but its major operation is in Angola. Gulf started looking for Angolan oil in 1954 and made its first strike in Cabinda in 1966. It is the sole concessionaire in Cabinda, a small enclave between the two Congos north of Angola but ruled by Lisbon as part of that colony. It is the most profitable oil area in Portuguese Africa and will probably rank among the first six oil producers in Africa;

until the Cabinda strike, Portugal had to import oil from the Middle East.

The <u>Wall Street Journal</u> has estimated Gulf's expenditure on exploration and development at \$130 million by 1969; <u>World Petroleum 1969</u> reported expansion plans at a probable cost of \$76 million which would bring production up to 150,000 barrels a day by the end of 1970.

Financing the War. Portugal's profit on the Gulf operation, in addition to the availability of the oil, is considerable. Under a 1968 agreement between Portugal and Gulf, Gulf made advance payments when Portugal was hard pressed financially by escalation of the three wars. Payments include surface rents, bonuses, income tax equivalent to 50 per cent of profits, a 10-cent royalty payment on each barrel of oil, and certain concession payments. Total payments in 1969 were approximately \$20 million, about half the Angolan budget allocation for military purposes. In the contract Portugal retains the right to take all the crude oil produced, or its equivalent in refined products, should her military or political needs dictate it. In 1969 Portugal consumed 78,000 barrels, so that the anticipated output of 150,000 barrels should leave a considerable amount for export. (With the increased production profits to Portugal will also increase.) This strengthens Portugal again by strengthening her neighbor and supporter South Africa, who lacks only oil for sufficiency against possible world sanctions.

<u>War in Cabinda</u>. The close relationship between Gulf and war operations in the Cabinda area is revealed in a book, <u>The Terror Fighters</u>, by a South African journalist, A. J. Venter, wholly sympathetic to Portugal. He writes of Cabinda:

After the initial onslaught which followed close on the heels of the March 1961 attacks in Northern Angola, the insurgents were successful in occupying more than 90 per cent of the enclave.... They were successful in routing the ill prepared Portuguese militia and police and stopped just short of the capital, Cabinda.

He describes the crucial importance of air support (he saw U.S. built planes) to Portugal's long struggle to re-establish control. Of Gulf itself, he says,

Although they were obliged to suspend operations during the worst of the terrorist raids in 1961, machine gun muzzles were barely cold before they moved in again.

Eight years later "it is still necessary to travel in the interior with some means of protection." (From Venter's comments it is clear that guerrilla activities continue in Cabinda.)

<u>Portugal Defends Gulf.</u> When Gulf struck oil in 1966, Portugal moved additional troops into the area and intensified its "resettlement" program which involved building new villages (strategic hamlets) with unusual amenities such as schools and water supplies, and moving the African population into them; in 1967 Cabinda received the largest allocation for rural re-grouping projects.

The Gulf contract with Portugal itself stipulates that the government

agrees to undertake such measures as may be necessary to ensure that the Company may carry out its operations freely and efficiently, including measures to permit the company the use of and free access to public land and such measures as may be necessary to prevent third parties from interfering with the company's free exercise of its contractual rights.

Further, the authorities agree "to provide military guards to protect the oil fields if special security measures prove necessary." Venter describes oil camps "surrounded by 8-foot barbed wire and spotlights" in fortified

isolation from the community. All this "defense" is, of course, directed against the African majority which, in turn, naturally views Gulf as part of the Portuguese enemy.

Portugal and U.S. Support

Gulf is not the only visible sign of the U.S. alignment with Portugal in her African wars, and the Gulf operationseems to the African people quite consistent with what else they know of the United States. Its actions speak louder than its voice which officially conderns colonialism and supports the right of people everywhere to freedom and independence.

Military Aid. The United States has a direct military alliance with Portugal and supplies Portugal with funds, knowledge and materiel. And although it stipulates that U.S. military equipment is not for use outside the NATO area (i.e. in Africa), repeated proof of its use in the colonial wars has brought no embargo from Washington. The U.S. maintains a permanent Military Assistance Advisory Group in Portugal (some of whom visit Africa) and operates a large base in the Portuguese Azores. Further, the U.S. proposed and ensured Portugal's membership in NATO, and other NATO members, particularly West Germany, now aid the Portuguese military effort more directly than does the United States.

Economic Interest. Although the military need for the Azores base and the Portuguese alliance is challenged on technical, nonpolitical grounds by some current analysts of the military establishment, the growing economic involvement of giant corporations like Gulf in the Portuguese colonial economy is

forging new and stronger links between the United States and Portugal.

And this is being done at the expense of incurring hostility of the people of the colonies, and in Portugal as well.

Questions and Answers

1. If the Gulf Oil Company didn't have the Cabinda oil concession, wouldn't some other company from some other country?

Perhaps so, and we oppose any exploitation of the natural resources of a country for the benefit of others, and any force that aids colonialism. But Gulf is a U.S. company and we therefore have a particular responsibility to try to change a policy which we believe to be wrong politically, economically, and morally.

2. Isn't the Gulf Oil Company helping the people of Angola economically through its operation?

It is helping the government a great deal but that isn't the same thing. Little trickles through to the people in the form of social services or local improvements, or directly as wages. Cabinda is a "boom town" development, with the inflated costs, and scarcity of housing and other essential commodities, that connotes. This hurts the people, for only skilled technicians get "boom" salaries to match costs. Gulf is reported to have employed about 2,000 people; of these about 500 are from the United States and another 1,000 from abroad, leaving only 500 possible positions for "Portuguese" Angolans. With full operations, total employment has decreased.

3. An individual company can't set foreign policy; shouldn't the U.S. government speak and the company follow its lead?

We believe that the U.S. government should support United Nations policy by ending both military and economic involvement in the Portuguese colonies. The government's failure to do so does not absolve Gulf of responsibility for its actions. Gulf may have decided to invest in Angola purely as a money-making proposition, but it is not "neutral" or able to refrain from participating in internal politics. Gulf is strongly supporting Portugal, a colonial power, in a war against "rebellious" subjects, and (aside from the war) in maintaining control of country without even consulting the inhabitants. It should get out, and its stockholders who do not wish to defend the Portuguese empire should insist that it do so.

4. Doesn't Gulf serve a useful function in training Angolans for modern life and industry?

Very few Africans are employed in the Gulf operation, though an additional number are employed by various other U.S. companies. But even if many were employed with adequate salaries and on-the-job training and upgrading, this would not compensate for the aid Gulf gives to the people's primary oppressor - Portugal. Every question must be viewed in the light of the bitter eight-year struggle for independence Angolans are waging despite the enormous handicap of an underdeveloped people challenging a nation with modern arms and industry supported by the NATO countries. To offer training to a handful of people in the face of this struggle is not even a bribe, but only an insult.

5. Doesn't the involvement of modern Western corporations in a colonial economy exert a moderating influence on the government?

The slight change in Portuguese policy came when it first let the outside investors in, changed the name of colonies to provinces, and moderated some features of dictatorship. It did this when it entered the United Nations in an effort to forestall reporting on the colonies and finally surrendering them, and the change was a response to strong anticolonial pressure, not to friendly support and financing. The incredible violence - including massacres - with which Portugal met the outbreak of nationalist resistance, without any suggestion that negotiation or compromise was possible, indicates her inflexibility. The Western corporations, especially Gulf, are helping Portugal continue a war which she would have had to abandon if dependent on her own resources. Far from a moderating influence, they are her lifeline.

6. Do you really expect Gulf Oil to abandon its profitable Cabinda operation?

Probably not, while profits continue high, and the United States continues to ignore United Nations resolutions, and Portugal, which needs Gulf, maintains control. But that does not mean that we have no responsibility to do what we can to change the situation, or to expose the role of Gulf.

What Can Be Done?

Find out now how you can work with the campaign against Gulf Oil, and with other activities to break the United States-Portugal alliance. The American Committee on Africa has background information on Gulf and other U.S. corporations functioning in the Portuguese areas, the U.S.-NATO-Portugal alliance, and the African liberation movements. Write to ACOA for more information.

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