Subject: Oil For Food Program Scandal
Posted by elektratig on Thu, 02 Dec 2004 11:13:04 GMT
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The Oil for Food scandal is all over the news, but I have not seen a description of how the scam actually worked. Has anyone seen such a description? In a typical transaction, what was the cash flow, how were the funds raked off, etc.?

Subject: Re: Oil For Food Program Scandal
Posted by Manualblock on Thu, 02 Dec 2004 14:07:36 GMT
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As far as they can tell so far the scandal was one of underappraised bids followed by kickbacks through Arab and Jordanian Banks in the form of vouchers that would allow the contract holders to purchase a quantity of oil from Iraq through the oil for food program. The role of the U.N. was as acting monitor to make sure the goods traded for oil would not be used for weapons and that the Iraqi's recieved fair value pricing for their oil. The sanctions committee insists it had no means to monitor the complicated business transactions that occurred. After a company bid on a contract; the regime would pick the lowest priced offer then demand a percentage to complete the deal. The percentages would arrive in the form of cash payments to the Iraqi oil ministry.Saddams people would raise port duties to astronomical percentages citing extremely difficult transportation requirements. Sometimes one tanker would pay 60% greater fees than another depending on whether that countries representative was freindly to the regime. For the most part the Iraqi's would get cheap non-working machinery or drugs that were expired in return for vouchers. These vouchers would allow the holder to purchasse oil contracts at a low balled price then sell them on the world market for the real price. The Russians and Arab countries were some of the worst offenders. France took advantage some too but we in the U.S. seem clear on this one and the Italian Prime Minister is a hero for absolutely refusing to allow his people to capitalise on the Iraqi's misfortunes.Thats the way I hear it. J.R.

Subject: Re: Oil For Food Program Scandal
Posted by Manualblock on Thu, 02 Dec 2004 15:20:36 GMT
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Sorry; but it looks like we are not guiltless after all, it has come out on the news we knew about 50 billion in payments to Turkey and Jordanian companies. Shoulda known.

Subject: Thanks MB -- and Here's a Link I Found
Posted by elektratig on Thu, 02 Dec 2004 22:23:29 GMT
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Googling turned up the link below, which seems to be a reliable primer.
Oil for Food Primer

Subject: Re: Thanks MB -- and Here's a Link I Found
Posted by Manualblock on Fri, 03 Dec 2004 01:14:15 GMT
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Excellent link E; Kofi is ineffective; sort of a Jimmy Carter of the international Aid business. However other than mismanagement; He as well as his son have not been proven to have personally profited from this debacle. But he should resign.I need to know more about the Hudson Institute, is that a conservative think tank?

Subject: Re: Thanks MB -- and Here's a Link I Found
Posted by elektratig on Fri, 03 Dec 2004 09:59:19 GMT
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MB,I don't know anything about the Hudson Institute either, although I too am guessing it's a conservative think tank. The author, Claudia Rosett, seems to be quite reputable, a veteran of the Wall Street Journal and affiliates -- and she's a Yalie to boot!e (boola boola)
Claudia Rosett Bio