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Coalition Provisional Authority Regulation No 3, 18 June 2003.

This policy, however, was not extended to the oil sector—at least in public declarations by the US government—probably for fear of confirming Iraqi public opinion that the US and UK had invaded Iraq for its oil. See Section 6.1, Coalition Provisional Authority Order No 39, 19 September 2003.

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June 2004; and Regulation no 11 (CPA/REG/18 June 2004) seeking to secure outstanding

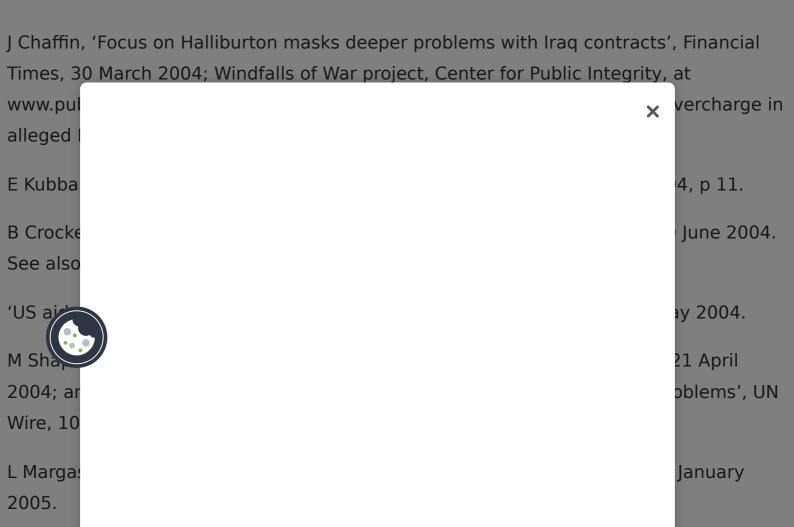
contracting liability under the dfi beyond 30 June 2004, at the cpa website, accessed 18 August 2004. At least an additional \$1.1 billion in frozen Iraqi assets held by non-US UN members could be released to the Iraqi government.

SR Weisman, 'US is quietly spending \$2.5 billion from Iraqi oil revenues to pay for Iraqi projects', New York Times, 21 June 2004.

Arguably the Iraqi budget will benefit from a continued oil revenue stream, while donor commitments are bounded in time (2003–07/08).

For example, Deputy Defense Secretary Paul Wolfowitz emphasised to Congress that: 'There's a lot of money to pay for this [reconstruction] that doesn't have to be US taxpayer money, and it starts with the assets of the Iraqi people'. House Committee on Appropriations Hearing on a Supplemental War Regulation, 27 March 2003, emphasis added.

Only \$140 million had been budgeted from US appropriated funds for this purpose and the Commander's Emergency Response Program was essentially financed by Iraqi funds.



The delay in its creation was the result of sharp disagreement over the extent of its mandate between the cpa and iamb members (the UN, World Bank, imf, and Arab Fund for Economic and Social Development). Press releases from http://www.iamb.info/pressrel.htm; and 'Racing the deadline: the rush to account for Irag's public funds', Revenue Watch 6, Open Society Institute, April 2004.

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Coalition Provisional Authority Order No 59, 1 June 2004.

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Critiques

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Coalition Provisional Authority Order No 77, 18 April 2004. This move was seen by some as a delaying mechanism to protect the reputation of the UN from the oil-for-food programme scandal until UN-supervised elections could be undertaken. See B Pisik, 'Iraq oil probe to take many months', Washington Times, 28 May 2004; and M Rubin, 'The growing gap. Bremer has alienated Iraqis', National Review Online, 21 May 2004.

Many critics question the 'sovereignty' of interim Iraqi authorities, pointing to continued reliance er, Ayad X Allawi, h of the and Britain. (dubious See pres Tripp, A Rigaud, I Thi ey to the TI Palley, people r 'Combat ds: oil and n the the case

not be relied on to distribute the money honestly. See 'Oil revenue accountability in

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Iraq: breaking the resource curse', Briefing 5, Iraq Revenue Watch, New York, 2003.

The Transitional Iraqi Government (post-elections in early 2005) can request the UN Security Council to review this policy. UNSC S/RES/1546, 8 June 2004.

See Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, 21 November 1997; and www.eitransparency.org/.

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Additional information

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