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COMMENTARY

Sudan's Enablers

 By **JODY WILLIAMS** and **MIA FARROW**
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We met in Abeche, eastern Chad, in February of this year. We were both working for the United Nations, focusing on the violence in Darfur and how it has spilled over into local and refugee populations in Chad and the Central African Republic. We had something else in common as well: Both of us had been inadvertently funding the atrocities we were trying to stop.

This funding came through our investments in companies such as Fidelity, which has major holdings in PetroChina and Sinopec -- two Chinese oil companies that have poured billions into Khartoum's coffers. At least 70% of Sudan's oil revenues have been used by Khartoum to purchase attack helicopters, Antonov bombers and small arms used to kill and inflict immeasurable suffering upon the population of Darfur.

After discovering our indirect complicity in Khartoum's crimes, we moved our pension plans into investment companies that are not enabling mass atrocities. We also resolved to become more involved with the various efforts to divest from companies doing business with Sudan.


Fidelity has not been the only, or even the largest, U.S. firm enabling the slaughter in Darfur. Earlier this month, Warren Buffett and Berkshire Hathaway, which has roughly \$3 billion invested in PetroChina, voted not only against divesting, but against taking any shareholder action on the issue.

Mr. Buffett points out that only PetroChina's parent company, China National Petroleum Company (CNPC), operates in Sudan. Since subsidiaries generally do not have control over parent company operations, Mr. Buffett argues that targeting PetroChina for CNPC's transgressions is misguided. But PetroChina and CNPC are two faces of the same entity. The management of the two overlaps: The president of CNPC is the president of PetroChina, and the CFO of CNPC is PetroChina's CFO as well. Billions of dollars are routinely transferred between the companies. PetroChina is CNPC's largest customer and accounts for at least 63% of CNPC's total assets. Furthermore, PetroChina was explicitly set up to shield CNPC from investor scrutiny and complaints about the underwriting of atrocities in Sudan.

Mr. Buffett states that the real problem in Sudan is with China, not CNPC and PetroChina. But China's interests in Sudan are represented almost entirely by CNPC/PetroChina, which exports between 50% and 80% of Sudan's oil to mainland China.

Finally, Mr. Buffett claims that if PetroChina/CNPC withdrew from Sudan, Khartoum would take its oil business elsewhere. But the more likely result of pressure from Mr. Buffett would be that China, which has nothing to gain from withdrawing its oil interests, would instead use its leverage to pressure the Sudanese Government to halt the atrocities in Darfur.

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Mr. Buffett has been justly lauded for his generous contributions to the Bill and Melinda Gates Foundation. But it is difficult to comprehend how a man can be a true humanitarian while offering billions of dollars to a company that is underwriting Khartoum's crimes. Only China invests more money in PetroChina/CNPC than Berkshire Hathaway.

How many more Sudanese villages will be destroyed? How many more hundreds of thousands will be displaced? How many more women will be raped? How many more families will be torn apart? How many more children will die of violence, disease and hunger? How much longer will the shareholders of Berkshire Hathaway ignore their moral responsibility to discontinue their support of a company so intimately connected to crimes against humanity?

Ms. Williams, recipient of the Nobel Peace Prize in 1997, recently headed a U.N. Mission on Darfur. Ms. Farrow recently returned from her fourth trip to the Darfur region.

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