

WASHINGTON – Several witnesses testifying today before the House International Relations Committee urged Congress and President Bush to adopt the capital market sanctions introduced by U.S. Rep. Spencer Bachus (R-AL) as a way to end the genocide in Sudan.

In June 2000, a Bachus amendment was approved by the House as part of the Sudan Peace Act. The Bachus amendment would prohibit foreign companies engaged in oil exploration and production in Sudan from raising capital and trading securities in the United States. American companies are already barred from operating in Sudan due to the African country's support of terrorism.

"Oil is fueling the Islamic government's war of genocide and enslavement against Christians and other religious minorities in Sudan," said Bachus. "We have a moral obligation to end this suffering, and my amendment is the only real source of pressure we can put on Sudan to stop the slaughter and abandon completely its support of terrorism."

Among those testifying today in support of the Bachus amendment were Michael K. Young, chairman of the U.S. Commission on International Religious Freedom, John Prendergast of the International Crisis Group and Eric Reeves, a professor at Smith College. Several members of the committee, including ranking member Rep. Tom Lantos (D-CA), Rep. Chris Smith (R-NJ) and Rep. Thomas Tancredo (R-CO), also expressed their continuing support for the Bachus amendment.

"The only way to get Khartoum's attention is to curtail its oil revenues, the only asset that is keeping it from bankruptcy. The United States has at hand the means to do so through capital market reforms recommended by the Commission and included in the House passed version of the Sudan Peace Act," Young testified. "The international oil companies are watching closely. Already deeply involved — perhaps implicated is a better word — they cannot afford to be cut off from U.S. capital markets, the world's most lucrative."

Prendergast testified that he had just returned from the oilfields of southern Sudan earlier this week. "The evidence of death and destruction was omnipresent in every location I visited, in the wake of the Sudan government's efforts to depopulate the areas of new oil exploration in a classic scorched-earth counter-insurgency operation...Pressure on investors in the oil industry translates into indirect pressure on the government. Passage of the capital market sanctions provision of the Sudan Peace Act is thus an important leverage point."

Professor Reeves testified that the sanctions in the Bachus amendment "offer a potent means of bringing U.S. capital market leverage to bear in a way that will help pressure Khartoum. Without such leverage, we have no obvious policy options for moving Khartoum to engage in good faith peace negotiations. If we mean to end the most destructive civil conflict in the world today, we simply must acknowledge the ongoing recalcitrance on the part of Khartoum -- we must see that their larger military strategy entails continued scorch-earth warfare to secure great sections of the south for further oil exploitation. This strategy is viable only with continued oil revenues at present or increased levels."