

**Opening Statement of Senator Dick Durbin
Chairman, Subcommittee on Human Rights and the Law
Hearing on “Extracting Natural Resources:
Corporate Responsibility and the Rule of Law”
September 24, 2008**

This hearing of the Judiciary Committee’s Subcommittee on Human Rights and the Law will come to order. The subject of this hearing is “Extracting Natural Resources: Corporate Responsibility and the Rule of Law.”

Human Rights and the Law Subcommittee

This might be our last hearing of the 110th Congress, so I would like to begin with a few words about the Human Rights and the Law Subcommittee. I would like to thank Senator Patrick Leahy, the Chairman of the Judiciary Committee, for establishing this Subcommittee and giving me the chance to be its first Chairman.

We have accomplished a lot in a short period of time. We have held the first-ever Congressional hearings on the law of genocide, child soldiers, crimes against humanity, sexual violence in conflict, and the U.S. government’s enforcement of human rights laws.

As I said when I became Chairman of this Subcommittee, we have focused on legislation, not lamentation. Last year, Congress unanimously passed and President Bush signed into law the Durbin-Coburn Genocide Accountability Act, which makes it a crime under U.S. law to commit genocide anywhere in the world. Just last week, Congress unanimously passed the Durbin-Coburn Child Soldiers Accountability Act, which makes it a crime and violation of immigration law to recruit or use child soldiers.

Today we are breaking more new ground. This is the first-ever Congressional hearing on the human rights responsibilities of American oil, gas, and mining companies.

High oil prices and instability in oil-producing countries

In recent days, we have been reminded that we live in the age of globalization. The state of the U.S. economy – and the actions of American companies – have repercussions around the world. That is especially true for the extractives industry, i.e., oil, gas, and mining companies.

American families, small businesses and farmers are struggling with the increase in oil prices. The untold story is that people on the other end of the oil supply chain are also suffering. We import about two-thirds of the oil we consume. American companies drill much of this oil in countries with high levels of corruption and poor human rights records. This can lead directly higher oil prices for Americans.

Oil and human rights in Nigeria

Nigeria, the fourth largest oil supplier to the United States, is a case in point. The country consistently ranks among the most corrupt in the world and senior officials have been implicated in human rights abuses and the theft of oil revenues.

Despite generating billions of dollars in oil revenues each year, the Niger Delta is the poorest region in the country. Today we will hear how human rights violations, extreme poverty and environmental destruction have fueled tensions between local communities and oil companies in the Niger Delta for decades.

The emergence of an armed conflict in the Niger Delta in 2006, with militants taking oil workers hostage and profiting from the trade in stolen oil, has sharply decreased Nigeria's oil production and driven oil prices up.

Extractive industry responsibility to respect human rights

This is not a black and white issue. There is no doubt that American oil, gas, and mining companies operating in countries with poor human rights records face difficult challenges in protecting their employees and operations.

However, when American companies choose to go into these countries, they assume a moral and legal obligation to ensure that security forces protecting their operations do not commit human rights abuses.

Let me be clear: governments are primarily responsible for protecting the human rights of their citizens. However, extractive companies also have an important role to play in preventing human rights abuses, and, as we will hear today, they have fallen short of this obligation on more than one occasion.

Human rights obligations of American extractive companies

Today we will examine:

- the legal responsibilities of extractive companies to protect human rights;
- voluntary industry standards for preventing human rights abuses; and
- whether Congress needs to consider additional legislation in this area.

The United States has long been a leader when it comes to the legal responsibilities of U.S. companies to protect human rights when they operate in foreign countries. The Alien Torts Claims Act, which was a part of the original Judiciary Act of 1789, allows civil suits in U.S. courts for human rights abuses that take place in a foreign country. We will hear about some of these cases today.

Voluntary initiatives related to security and human rights

The United States has also played a leadership role in establishing the Voluntary Principles on Security and Human Rights. This important initiative brings together governments, companies and nongovernmental organizations to developing human rights standards for the extractives industry.

However, as we will hear today, the Voluntary Principles are difficult to enforce. It is also troubling that oil-producing governments like Nigeria are not part of the process. This hearing

will help us evaluate the effectiveness of the Voluntary Principles and consider whether Congress should make any of these standards mandatory.

Conclusion

Protecting human rights abroad is the right thing to do. As Martin Luther King said, “Injustice anywhere is a threat to justice everywhere.” In a globalized world, we have even more at stake. American families are harmed when human rights abuses and instability in oil-producing regions result in higher oil prices. Our reputation suffers when U.S. companies are complicit in human rights abuses committed by security forces.

I hope we can all work together to address the critical human rights challenges extractive companies operating in repressive countries face.