

INVESTIGATION

Dick Cheney's Halliburton & Nigeria's missing millions

In this exclusive report, we examine how international companies and politicians ran Africa's biggest corruption scandal on the back of a \$6bn gas export project

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US Vice-President Dick Cheney is embroiled in Africa's biggest corruption scandal following an admission of guilt by his business associate Albert Jackson Stanley in September for coordinating over \$180m of bribes on behalf of a consortium led by Halliburton, the US's biggest and most profitable oil and gas services company.

According to documents obtained by *The Africa Report* as well as eye-witness accounts, Halliburton and three other companies paid the bribes to win a contract to build a \$6bn liquefied natural gas (LNG) export project on Nigeria's Bonny Island. Run by Nigeria LNG (NLNG), this is Africa's biggest industrial project and should be its most profitable.

Nigerian investigators have discovered that their country has lost hundreds of millions of dollars through over-priced contracts and bribes linked to the project. And in August, Nigeria's House of Representatives heard evidence suggesting that the country could be losing billions of dollars through the under-pricing of its gas exports. The current average spot market price for gas is about \$8 for a million British Thermal Units (MMBTU), with some customers paying as much as \$23 per MMBTU. Yet consultants linked to the multinational

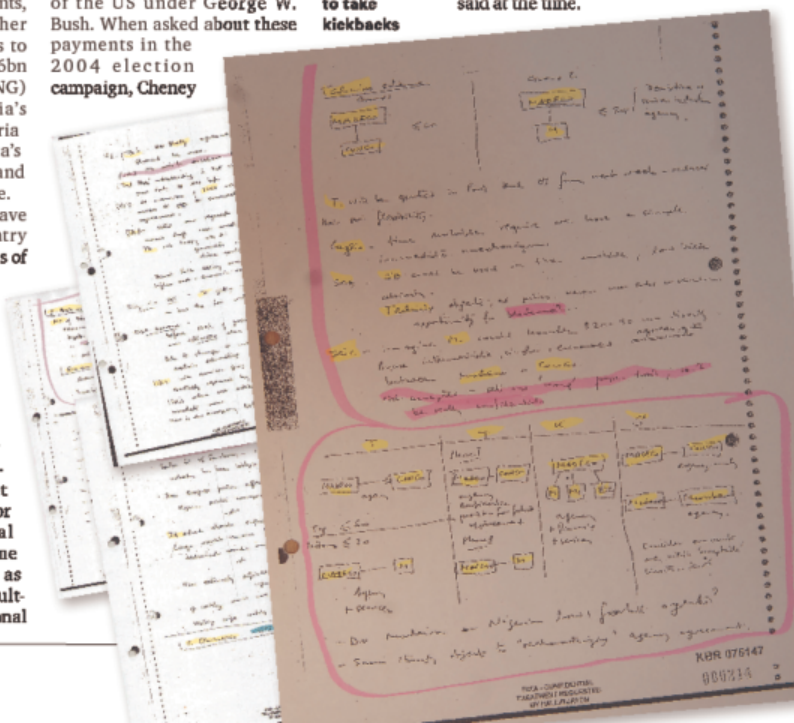
companies involved in the gas project negotiated supply contracts for Nigeria to sell the gas at between 70 cents and \$3 per MMBTU.

Stanley's guilty plea to the US Department of Justice on 3 September states that many of the bribes on behalf of Halliburton were paid when Cheney was chief executive and chairman of the company from 1995-2000, immediately prior to his election as Vice-President of the US under George W. Bush. When asked about these payments in the 2004 election campaign, Cheney

THE CHODAN NOTEBOOKS
Over 500 pages that document the conspiracy to bribe Nigerian politicians and allow Western businessmen to take kickbacks

dismissed the allegations as "a smokescreen" and said "the charges are false". Stanley has also admitted taking \$10.8m from the bribe fund for his personal benefit.

It was Cheney who appointed Stanley as president of Halliburton's wholly-owned Kellogg Brown & Root (KBR) subsidiary in 1998: "We took Jack Stanley to head up the organisation and that has helped tremendously," Cheney said at the time.



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FRONTLINES INVESTIGATION
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