

Suit against Chevron gets go-ahead

U.S. jury to decide if company responsible for attacks in Nigeria

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Chevron Corp. can be sued in a U.S. court for a subsidiary's alleged collusion with the Nigerian government in attacks that killed and wounded villagers protesting the oil company's practices, a federal judge in San Francisco has ruled.

U.S. District Judge Susan Illston had previously ruled in 2004 that the lawsuit against the San Ramon parent company could proceed, saying a jury should be allowed to decide whether Chevron's control over its subsidiary was so extensive that the company should be held responsible for any wrongdoing.

Chevron sought reconsideration, citing a U.S. Supreme Court ruling later in 2004 that limited the scope of the Alien Tort Statute, a law passed by the first Congress in 1789 that allowed foreigners to sue in U.S. courts for international human rights violations. The company also argued that evidence uncovered since Illston's original ruling dispelled any connection between the parent company and the bloodshed in Nigeria.

Illston disagreed in a ruling Tuesday that moves the suit a step closer to trial. It was filed by nine Nigerians who blame the company for attacks on them and their relatives.

In the first incident, in May 1998, military police stormed a Chevron Nigeria offshore oil rig that had been occupied by more than 100 people protesting the company's hiring and environmental practices. Two people were killed. The plaintiffs said the company summoned officers to the platform and supplied their helicopters.

The other two attacks took place in January 1999 in villages near oil facilities. The plaintiffs said at least seven villagers were killed and many others wounded by soldiers carried in a helicopter and boats leased from Chevron.

Chevron has denied that either it or its subsidiary played any role in the attacks.

The 1789 law under which the suit was filed has been the basis of a series of legal actions against U.S. multinationals for allegedly working closely with abusive foreign governments. In its 2004 ruling, the Supreme Court dismissed a lawsuit in California over the U.S.-ordered kidnapping of a murder suspect in Mexico but said foreigners could still sue for violations of "binding, customary international law," such as torture and summary executions.

Illston said the ruling would not protect a parent company from responsibility for abuses by a

subsidiary, if the parent had closely controlled or approved the actions.

She also said the new evidence cited by Chevron -- for example, that the parent company did not directly pay Nigerian security forces, that many of the parent company's phone calls to Nigeria during the period lasted only a few seconds, and that the subsidiary does not supply crude oil to Chevron refineries -- was largely available to the parent company before her earlier ruling and did not change her conclusions.

Plaintiffs' lawyer Theresa Traber said Wednesday that the ruling is a defeat for the company's efforts to "keep an American jury from scrutinizing its role in the deaths and destruction our clients suffered at the hands of its paid security forces."

Chevron did not comment on the ruling but criticized the suit.

"The lawsuit is brought by Nigerian militants who took over Chevron's offshore barge and drilling platform, holding more than 100 hostages for three days, threatening sea piracy and violence if Chevron Nigeria did not give them jobs and money," the company said. "It was perfectly reasonable for Chevron Nigeria to seek assistance from local authorities to help secure the safety of innocent workers. We continue to believe the Nigerians have no basis in fact or in law to claim that their rights were violated when government forces rescued the hostages."

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