Oil Hoax Threatened As Hammerblow Against U.S., Europe

Oct. 29 (NSIPS) — While widespread speculation has emerged internationally of at least a 10 per cent to 15 per cent increase in the price of oil to be set by OPEC at its meeting Dec. 15, Rockefeller's international network has mobilized to go for broke with a Mideast war and a full scale oil boycott to destroy any resistance to heavy-handed cutbacks dictated by Rockefeller's Wall Street and European banks.

The multinational oil companies sponsored an internationally attended symposium at the University of Colorado earlier this month. Both a former Trilateral Commission official who attended the meeting and the meeting's coordinator reported that one of the major concerns of the parley was finding a way in which to impose a sharp reduction in the standard of living of the advanced sector to be accompanied by regional energy conservation and self-sufficiency schemes. The symposium, attended by numerous representatives from the Arab oil producing states as well as representatives from the Rockefeller founded Trilateral Commission and the Aspen Institute attempted to reach a consensus for this goal and an oil boycott, thus insuring the continued domination of the world economy by Rockefeller-controlled European and Wall Street banks and the Seven Sisters major multinational oil companies.

To this end, Israeli Defense Minister Shimon Peres has openly endorsed continued Israeli provocations in southern Lebanon which threaten to explode into an Arab-Israeli war. This is precisely the scenario that both the Federal Energy Agency (FEA) and the International Energy Agency (IEA) are ready for. The FEA has full emergency legislation ready to be presented to the U.S. Congress in January 1977 which will prepare the U.S. for a national emergency complete with guidelines for rationing and measures to be followed by the president of the United States when the boycott hits. Similarly the IEA since October has been conducting a simulation exercise of an oil embargo against the 21 member countries of the agency, which includes full monitoring of all phases of fuel transport and consumption. Both the FEA and the IEA were created under Rockefeller aegis in close coordination with Kissinger after the 1973 embargo.

At the same time numerous operations have been launched against the Arab oil producers to provoke the needed energy crisis. Most importantly has been the campaign rhetoric from the presidential campaign making U.S.-Israeli relations an issue. The legislation to break up the Arab boycott against Israel and in particular Jimmy Carter's strong pro-Israeli position behind it has caused strains in U.S.-Arab relations. It is Carter's manipulated pro-Israeli stance that pressured President Ford into the untimely decision to announce a new shipment of U.S. arms to Israel this month, which was met with outrage from the Arab states. The decision to begin the IEA oil embargo simulation on the third anniversary of the 1973 war enraged the Arab oil producers so much that it required a formal apology by the U.S. State Department.

Another side of Rockefeller's manipulation of the Arab oil producers, of which Saudi Arabia is the most powerful given its enormous output, is to advise the oil producers to feed a producer-consumer confrontation with the issues being increasing western inflation and the failure of the north-south dialogue. One of the most influential Arab consultants Arthus D. Little has issued a report predicting a large oil price increase, allegedly due to the skyrocketing costs of imported goods from the West. While Morgan Guaranty in its most recent newsletter reports that it will take at least a 10 per cent increase which will "materially intensify" the balance of payments problems for the U.S., Japan, and West Germany. Indicating the sentiment with the oil-producing sector the Secretary General of OPEC M.O. Feyide said yesterday that OPEC would have been justified during its last meeting in raising the price of oil by 40 per cent; last week the leading price hawk of the cartel, the Shah of Iran, called for a minimal 15 per cent increase.

According to the New York Times Oct. 29, the multinational oil companies are also prepared for the worst from the oil producers and have begun a speculative program of hoarding oil as they did before the last embargo and the last price rise in 1975. American Petroleum Institute reports that oil companies have stockpiled more than 10 per cent above levels earlier this year with the anticipation of making a killing on oil purchased at current prices.

The Soviet daily Pravda this week strongly condemned the practice of stockpiling, whose purpose is only to augment the profits of Rockefeller dominated "Seven Sisters." Europe, which is much more at the mercy of the oil weapon, has begun to take preventive measures to minimize injury caused by another oil hoax. The Italian nationalized firm Montedison has formed an oil company with the Soviet Union and the Italian government has been in the forefront of organizing the European Economic Community around a common energy policy to include an all-European complex comprised of the various nationalized oil companies. This week, leading West German industrialist Gerhard Stoltenberg warned of the threat of another oil embargo which he stated would have murderous effects on Europe's weaker economies such as Denmark and Great Britain.

MIDDLE EAST MONEY: ANTI-ISRAELI BOYCOTT LEGISLATION COULD TRIGGER OIL PRICE RISE

Oct. 29 — The Middle East economic digest Middle East Money in its latest issue warns that legislation against the Arab boycott against Israel, a policy openly favored by Jimmy Carter, could force the Saudi Arabians to block with the "price hawks" in OPEC and raise the price of oil at least 20-25 per cent:

A number of developments in the U.S. are making it more difficult for Saudi Arabia to pursue its present policy. Defense arms purchases are a current snag in Saudi-U.S. relations. The anti-boycott legislation is another issue and could have made it impossible for U.S. companies to purchase Saudi oil.... Saudi Arabia is the West's staunchest ally amongst oil producers, yet recent developments in U.S. policy are exasperating the Saudi government and putting it under pressure. A change in Saudi policy would lead to much graver consequences than might at first be expected.

FORMER U.S. AMBASSADOR: PRICE RISE CRIMINAL

A former U.S. ambassador to the Mideast commented this week:

If these guys are planning a big price increase and planning a war in the Mideast to go along with it then they are all criminal and insane and we are all in trouble.... That will be the end of the world.... An Armageddon.

Ford-Carter campaign rhetoric around breaking up the Arab boycott against Israel is weakening the Saudis ability to resist pressure from within the cartel for a price hike ... and therefore, the Saudis might be willing to go along with an embargo and a big price rise.

BOULDER MEET ATTENDEE: OIL EMBARGO WILL EASE COOPERATION

The following is an interview with a former Trilateral Commission official who attended the Boulder, Colorado international energy symposium two weeks ago:

NSIPS: What do you think the impact on Europe and the U.S. will be if the price goes up even 15 per cent? ... Many feel it would be a big strain on these countries.

A: Well, I suppose in those countries with a high balance of payments the rise would be problematical. You know it is very difficult to define a breaking point on these matters. Everyone thought that following the 1973 increases it would cause more stress on consuming economies than it really did. Given that the recovery is shaky and inflation is still growing higher in the west, yes, this kind of an additional cost — well it will be rather uncomfortable.

NSIPS: Don't you think that there could be political repercussions from the Europeans?

A. Repercussion? ... What could any country in Europe do? I think they can't do very much. The problem is that Europe has really done nothing about its continued dependence on Arab oil. This would heighten the need for energy independence.

NSIPS: How do you propose such independence?

A: There must be some form of indexation ... some negotiated rise in prices linked to alternative energy sources. But anything that looks like this is anathema to the U.S. and Europe. You see I have been saying that it is all a question of timing. The timing of price rises often comes in relation to economic development in the advanced sector ... the influence of time could make the cooperation of the West more forthcoming.

FEDERAL ENERGY AGENCY PREPARES FOR OIL EMBARGO

The following is an interview made available to NSIPS from an FEA spokesman:

"We have just prepared and sent to Congress a plan which can be taken off the shelf for use by Congress in the event of an oil import disruption by the Arabs. The plan will be presented to the next session of Congress (in January - ed.), but if there is an oil boycott, it can be used sooner through either the president convening an emergency session of Congress or the president using emergency powers."

The spokesman admitted that the most likely trigger for such a boycott would be an Arab-Israeli war. He added that the FEA plan provides for every domestic contingency including fuel rationing.

BROOKINGS: PRICE INCREASES DISASTROUS

A senior fellow from the Brookings Institution, Charles Schultz, stated a price rise by the OPEC nations of more than 20 per cent "will require reorganization of the economy of the United States," a 15 per cent increase will be "disastrous" for Europe, and he concluded that a 10 per cent increase will be barely "assimilible."

Schultz's name has come up as a prospective Secretary of Defense under a Carter Administration. He is a supporter of Project Independence, a plan for U.S. domestic energy self-sufficiency, using labor-intensive methods for which the Humphrey-Hawkins bill is the model.

Pravda:
Oil Stockpiling Hurts Europe

Oct. 27 — The following is an excerpt from an article on oil price increases entitled "Tyranny of the Monopolies," by economic commentator Yuri Kharlanov:

PARIS, Oct. 26 — "Speculative Purchase of Crude Oil" — Under this headline, the paper Les Echos features the information that the largest oil companies of the capitalist world are creating gigantic stores of fuel. The organ of French business circles remarks that these purchases are in anticipation of a rise in oil prices, which is expected at the end of the year.

The Paris journal Nouvel Economist writes that about a hundred tankers belonging to such companies as Exxon, Mobil, Texaco, or to others leased from them, are standing right now in the biggest oil port of Saudi Arabia, Ras-Tanura. Frequently the tankers stand there for two weeks before their reservoirs are filled.

"The oil firms," writes the journal, "are creating super-supplies, in order to receive their super-profits for oil sales when the day comes."

According to press reports, the reservoirs of the oil-refining factories in Europe belonging to the "Big Seven" U.S. and British oil firms are overflowing, at the same time that the factories themselves according to the paper LeMonde, are utilizing no more than 60 per cent of capacity.

Le Monde indicates that this is not the first time that the "Big Seven" have set up an artificial scarcity of fuel in order to raise prices for their product. It is not only the consumers that suffer from this, but also the national oil firms of Italy, France, and the Federal Republic of Germany, which are often forced to buy crude oil from the oil cartel. Some of these West European companies — the French Companie Francais de Petrol, ELF-Akitani, the Italian ENI, the Belgian Petrofina, and the West German VEBA — recently came out with an official memorandum to the "Common Market" commission, demanding that measures be taken against the competitors. The memorandum describes in detail how the companies belonging to the "Big Seven" avoid taxation and conclude illegal agreements in order to ensure their monopoly position on the West European market.