

Petroleum Association of America (IPAA), were exemplified in the final keynote address by Oklahoma Governor David Boren. Boren was introduced as "a future President" and was otherwise considered by conferees to be "a straight Democrat." After opening with the well-worn litany that President Carter is to be praised for identifying "the problem," Boren then "took off the gloves" to attack the Carter-Schlesinger energy plan for not stimulating production of nearly enough energy and for leading to the curtailment of private freedoms and the end of the "free enterprise system." Having said this, however, Boren then reverted in his conclusion to the suicidal political tack of praising Carter and Schlesinger for their "sincerity and intelligence," qualities in which those individuals compare unfavorably to the hyena and the computer.

Practically all conference participants were committed to growth and development, some individuals being among the nation's outstanding representatives of the American Whig tradition. This commitment, however, was interpreted almost strictly in terms of the parody of industrial capitalism that "free enterprise" has become under monetarist hegemony.

Politics of the Conference

The conference itself, organized by a combination of Phillips University, the Oklahoma State Energy Office, the Enid Chamber of Commerce and related oil and gas groups, aimed at convincing representatives from non-producing states that the industry's position (for deregulation) was not simply self-serving, but represented the only way to increase energy supplies and meet consumer needs. This central message was pursued relentlessly in workshops, speeches, and debates with pro-Carter-Schlesinger government officials, and, in fact, proved persuasive to state energy commissioners from industrial Pennsylvania and Ohio, farm representatives from Kansas, and utility and other industrial customers who joined in supporting deregulation in the final conference statement.

What both groups failed to see, however, was the trap into which they had fallen by accepting the economic ground-rules of the present monetary system and the ultranominalist political categories of "producer" and "consumer." As this publication has documented, the capital shortage and profits squeeze of the oil industry is not due to price control and related government regulations or the inevitable escalation of costs associated with secondary or new exploratory recovery as primary factors. It is due rather to the inflated costs and financing charges directly resulting from the exponential growth of fictitious capital in the dollar speculative bubble. Not recognizing that fundamental causal factor, the industry has joined in helping to cut its own throat by jumping on every piece of nonsense concocted by the "enemies of free enterprise" for the benefit of credulous conservatives, especially the nostrums that "the era of cheap energy is gone forever," that "the security of the country depends on breaking the grip of the OPEC cartel," and that the long range solution to energy needs will be provided by solar energy!

In the main public event at the conference — a debate on deregulation — Dr. Phil Gramm, a leading conserva-

tive economist from Texas A and M, excoriated Lee White, formerly of the Federal Power Commission, for representing "the bureaucrats" who were strangling the workings of the market place, that all-powerful essence of capitalism, the base of the American system so presciently understood by the "revolutionary" Adam Smith. Unfortunately, Prof. Gramm did not know that for Alexander Hamilton, the actual co-author of America's system of *industrial* capitalism, Smith was just another British monetarist faker. Nor had Prof. Gramm, despite all his laudable scholarly efforts at uncovering Fabian humbuggery, ever heard of the Tri-lateral Commission, the authors and sponsors of all the monetarist, anti-industry policies Carter is inflicting on the U.S.

For all their shortcomings, however, the "wildcat" energy producers and their Whig allies represent one of the purest American expressions of commitment to technological progress and "getting the job done." Enid itself sits at the edge of one of the potentially greatest gas fields in the world, if advances continue to be made in drilling to record depths. Development of this field is a challenge the independents are itching to take on. And nothing but the highest forms of patriotism — in the Humanist tradition — were expressed by outstanding speakers such as former astronaut Gene Cernan and University of Texas chemical engineering professor John McKetta, who properly identified the unique legacy and potentiality of the U.S. to lead world development.

Perhaps most importantly, the conferees with whom this writer spoke were almost all people who care enough about their nation and humanity to listen and carefully consider new and more coherently formulated ideas on what must be done. Response to the Fusion Energy Foundation perspective on rapid fission-fusion development and to the Labor Party program for a new monetary and credit system spread sufficiently quickly that a major Associated Press article went out from the conference featuring the writer's warning of the war danger associated with Carter's policies.

There is, in short, no question but that a political labor movement moving for Carter's impeachment and putting the U.S. in the lead for world development would find overwhelming support among the riggers, farmers, businessmen, and scientists of independent oil and gas industry.

— Dr. Morris Levitt

West German Press Reports Mexican Reactor Order

The June 8 visits of West German Foreign Minister Hans Dietrich Genscher and President Walter Scheel to Mexico could lead to Mexico's order of a nuclear reactor from West Germany according to several West German press and radio sources in the last week. Although the report has not been confirmed in Mexico, the daily newspaper of the West German capital, the *Bonn General Anzeiger*, interpreted such an order as an attack on President Jimmy Carter in its June 8 issue, "Mexico is interested in nuclear deals with West Germany, since the

country wants to free itself and the rest of Latin America from U.S. domination." Reports of the deal were also carried in the daily *Die Welt*, June 4 and in June 8 radio reports.

Both Mexico and West Germany have signed the Nuclear Non-Proliferation Treaty, while Mexico has an outstanding reputation in Latin America for supporting nuclear energy for peaceful uses only. A nuclear deal between West Germany and Mexico would serve to discredit Carter's assertion that nuclear development in the Third World must be stopped to prevent these countries from acquiring nuclear weapons.

Japanese Fight on Nuclear Reprocessing Plant Continues

June 7 — The U.S. government is insisting on joint U.S.-Japanese operation of the experimental nuclear reprocessing facility at Tokai-Mura as condition for allowing U.S.-enriched uranium fuel to be reprocessed in the Japanese facility the Japanese press reports. The demand, part of the Carter Administration attempts to halt world development of reprocessing technology under the guise of hindering the proliferation of nuclear weapons.

According to the *Mianichi Daily News*, officials of the Japanese science and technology agency have expressed fears that the U.S. proposal, if accepted, might restrain Japan's future nuclear policies. The U.S. State Department delegation, led by Assistant Secretary of State Lucy W. Benson, is reportedly trying to separate the issue of Tokai-Mura, whose operation is due to begin next month as an experimental facility, from the overall Carter attempt to halt international reprocessing and fast breeder technology.

The Director General of the Japanese Science and Technology Agency, Sosuke Uno, has publicly warned the U.S. government that scheduled operation of the Japanese first nuclear reprocessing plant at Tokai-Mura is a "matter of life and death" for Japan's energy supply program. By terms of the treaty under which the U.S. government presently supplies enriched uranium for Japanese power reactors, Japan must obtain U.S. approval for all nuclear fuel waste disposal, including reprocessing. The Carter Administration is currently withholding delivery of enriched uranium as a form of economic blackmail to force the Japanese to abandon plans to go ahead with its nuclear reprocessing and fast breeder development. Uno went on to stress that "if the U.S. says 'no' to our plan, it will seriously hurt friendly Japanese-U.S. relations," according to the *Mianichi Daily News*.

What's Behind Carter's Plan to Bid Purchase International Oil?

On June 14 the Rockefeller controlled Federal Energy Agency will begin to 'bid purchase' oil directly from producers, thus bypassing oil companies to build up the U.S. strategic stockpile. For the June round alone the target will be 16 million barrels of crude. This means that the

U.S. government will offer to purchase the crude from producers through sealed bids at the best price. The plan is designed ultimately, once it fully evolves, to accomplish three deadly and interrelated tasks: destroy the political integrity of OPEC, enact divestiture targeting those U.S. oil companies not allied with Rockefeller (such as Gulf oil), and to thus disrupt the Arab-European dialogue based on technology for oil.

Today's *Washington Post* reports that not only does the FEA want to initially acquire the 16 million barrels of crude beginning this month through the bid purchasing, but that next week the FEA will purchase 2 million barrels on the international spot market. A congressional aide to Congressman John Conyers (D-Mich.) stated that the June 14 bid purchasing round will set a precedent. By this he was referring to the ultimate enactment of Conyers' recently proposed call to Congress that all imported oil come exclusively through Schlesinger's still pending energy department, bypassing the oil companies. The method of purchasing crude through sealed bids from sellers to 'bring down the price' is in reality a cover. In fact, it is designed to pit one OPEC producer against another in winning the rights to sell crude to the U.S., and destroy the cartel. According to the *Washington Post*, Carter will in December call for the total crude strategic stockpile to be increased from the present 500,000 barrels to 1 billion barrels by 1980. Already it is estimated that the U.S. may be buying up to the rate of one million barrels a day in the course of the build up.

The crucial element in this ploy is the response of the Saudis. Knowledgeable oil experts say that Schlesinger had 'delicate' meetings with both Saudi Crown Prince Fahd and oil minister Sheikh Yamani during their visit to the U.S. in late May. Numerous press sources indicate that one topic of discussion was whether Saudi Arabia would be amenable to contributing to the stockpile. Institute for Policy Studies connected Washington sources revealed the pitch which Schlesinger and Company would throw at the Saudis, of the variety that 'state to state' deals between the U.S. and the oil 'Comecon type' arrangements.

Announce Italian-Soviet Energy Conference

June 6 — The Soviet Committee for Science and Technology and the Italian-Soviet Association have announced a major Italian-Soviet energy conference sponsored by the Italian Center for Nuclear Research and the state National Center for Nuclear Energy (CNEN). The conference, to be held in Italy in November will promote the realization of "the greatest potential of scientific research and technology as well as industrial technology which could be available to Italy," in the words of Italian Communist Party Deputy member of Parliament, Ludovico Maschiella.

In related discussions, the Italians are negotiating new trade deals involving Italian high technology capital goods such as steel piping and drilling equipment in return for Soviet coal, petroleum and enriched uranium.