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OIL WAR AND OIL IMPERIALISM

I. Revving Up For Oil War in the Middle East

It all began two years ago, when Bill Buckley's *National Review* called for the American invasion of Libya. It was our esteemed publisher, Joe Peden, who first spotted this call as a harbinger of things to come, as the discovery of a brand new post-Vietnam "enemy", rather than the aberrant saber-rattling with which most analysts dismissed the Buckley war-cry. (See Joseph R. Peden, "From the Halls of Montezuma . . .", *Lib. Forum*, April 1973).

Now, of course, Kissinger and Ford are leading the well-orchestrated call for U.S. invasion of the Middle East. This phase began with a note circulated at a meeting of Ford's energy advisers in mid-December 1974 at Camp David. The note read: "Let's try the low-cost option — war" (*International Bulletin*, Jan. 17, 1975.) This is typical economists' jargon, that of course deliberately avoids the question: "low-cost" for whom? For the American boys who will fight and die? For the American taxpayer who will be forced to pay the bill? For the Arabs who get killed (or don't they count?) For people of all countries who might get incinerated in a new world war? Or for the American oil companies who want to extract some of the cartel profits from the Arabs?

The call for invasion also provides an excellent and unwitting support for the Leninist theory of imperialism, and for those of us who (cynically? realistically?) attribute economic motives to American foreign policy in the past decades and generations. For the Leninists, Williamsites, and "economic determinists" have attributed U.S. wars and interventions to desires to grab economic loot, ranging from war contracts to the seizure of raw materials. But what is the Kissinger-Ford war threat in the Middle East but a blatant and outright economic imperialist grab, namely that certain American oil companies are trying to use force to grab oil rather than have to pay the current price asked by the Arab countries? This is in contrast to orthodox historians, who attribute wars to motives of national honor or military strategy. And yet, in the current crisis, it is the Pentagon that is reluctant to pursue the warmongering course. As Drew Middleton reported in the *New York Times* (Jan. 10), "Senior American and Western European military officers consider the seizure of selected Middle East oil fields militarily feasible but politically disastrous." In contrast, as Jack Anderson reports in his column of Jan. 6, it is the civilian policymakers of the Ford Administration who "are calling for a showdown with the oil-producing countries before it is too late. They want President Ford to serve notice upon the oil potentates that present oil prices . . . constitute hostile action

While Drew Middleton reports that the Pentagon's preferred site for a U.S. oil invasion is Libya, (shades of Buckley-Peden!), the most comprehensive plan for U.S. oil invasion was presented, as Joe

Stromberg writes below, by "isolationist" Prof. Robert W. Tucker in *Commentary* ("Oil: The Issue of American Intervention," *Commentary*, Jan. 1975). Tucker advocates American invasion of a "mostly shallow coastal strip" some 400 miles long on the Arabian peninsula fronting on the Persian Gulf. Seizure of such a strip, from Kuwait down Saudi Arabia to Qatar, would give the U.S. control of 40 percent of OPEC production and 50 percent of OPEC reserves. (This is "isolationism"?!) Tucker opines that "since it (the strip) has no substantial centers of population, and is without trees, its effective control does not bear even remote comparison with the experience of Vietnam."

As I. F. Stone demonstrates in his brilliant critique of Tucker in the *New York Review of Books* (I. F. Stone, "War for Oil?", *New York Review of Books*, Feb. 6, 1975), Tucker's thesis, apart from its gross immorality, displays a buffoonish ignorance of the nature and the history of guerrilla warfare. Trees are not necessary; the very name "guerrilla" originated in the successful Spanish struggle against Napoleon by guerrilla bands in the arid and treeless mountains of northern Spain. And has Prof. Tucker never heard of T. E. Lawrence and his scintillating success in Arab guerrilla warfare against the Turks in the treeless deserts of the Middle East during World War I? Perhaps this is yet another indication that "political scientists" are ignorant of history. "Trees" indeed!

Tucker ignores the fact that Saudi Arabia has plenty of people and plenty of weapons — largely supplied by the U.S. itself. In the last two years, the U.S. and other Western countries have supplied \$3 billion of military equipment to Saudi Arabia and the other Persian Gulf states, including the F-14 fighter, the harpoon anti-ship missile, and various SAM systems. It is, in fact, highly ironic that in precisely these states there are no Commies around for the U.S. to wax hysterical about — these states have been among the most reliable American allies. And, while the Pentagon in Middleton's account worries about "political difficulties" in the U.S. and Western Europe, it ignores the important difficulties in the Arabian peninsula itself. For just as there are no Commies in these countries, so there are no reliable American puppets such as Thieu, Chiang, or Rhee. If we overthrow King Feisal or the Persian Gulf emirs, we will have no allies whatsoever in the population, whether among the ruling class or among the populace. Every man's hand will be against us — a perfect requisite for successful guerrilla war.

As Stone points out, "The population is ample and trained enough for a fierce desert guerrilla campaign. The idea that you can slice away a coastal strip of a country's territory, containing most of its wealth, and just sit there, happily enjoying the fruits of occupation and shipping out the oil spurting from its wells, belongs in an anthology of military-

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political delusions." Thus, after we take over the coastal strip, what will we do with Saudi Arabia's capital city of Riyadh? It is only 200 miles from the coast. As Stone writes, "Do we seize it, or leave it as a center of resistance? What about a new capital further inland, or across the Peninsula in Mecca or Medina? How subdue the country without destroying its government and occupying the whole of it? This desert area is bigger than a dozen South Vietnams combined. And how do you protect American lives and property in the rest of the Arab world?"

And what of our client states, Japan and Western Europe? "How do we supply Western Europe and Japan with oil while we repair the blown-up Arabian wells, try to repel guerrilla attacks, and somehow placate the anger in the other oil-producing states? Can this be done quickly enough to prevent the gravest kind of social disorder and economic breakdown in the two areas we are presumed to be defending — Japan and Western Europe . . . ?

And what of the Soviet Union? Even Tucker acknowledges that the Russians would probably move armed forces into Iraq to protect its leading Arab ally. His answer to this? That we should establish "a substantial American military presence in Kuwait" to confront the Russians in Iraq. Tucker and his colleagues are not "realists" but dangerous fanatics, playing with matches in a tinder-box that could set off World War III. They are "crackpot realists." For what if the Russians misread the Kuwait occupation as an "offensive" instead of a "defensive" signal? As Stone points out, "No more need be said to suggest the dangers of an American invasion in an area so close to the Soviet Union. A comparable event geographically would be a Russian invasion of Venezuela or seizure of the oil refineries in the Dutch West Indies.

And even if World War III is avoided, what in the world would be the "costs" of such an invasion? As Stone concludes, "And while we are thus supposedly trying to save ourselves and our allies from high oil prices, what will be the cost of all these military measures? Vietnam has cost well over \$100 billion and the end still is not in sight. This new episode in militarism might easily cost several times as much as the new price of oil." But, of course, its cost will be to the hapless American soldiers and taxpayers, and not to the oil companies.

In the following articles, Joseph Stromberg presents an "Old Right" critique of the Tucker-Ford oil threats, and the great libertarian and isolationist Rep. Howard H. Buffett (R.-Neb.) is represented by a speech he delivered in Congress on March 2, 1944, attacking Harold Ickes' imperialist proposal for an Arabian oil pipe line to be built by the U.S. government. Howard Buffett's hard-hitting analysis is, of course, all too relevant today.

2. Oil on the Brain: An Old Right Critique

By Joseph R. Stromberg

As if to prove the adage that consistency is the hobgoblin of little minds, Professor Robert Tucker of Johns Hopkins University, who obviously thinks big where possible waste of human life is concerned, has emerged in recent weeks in the vanguard of the "kill a wog for petrol" school of foreign policy. He has stolen a march on all but the most ardent Zionists by providing a rationale for US Middle East intervention in an essay published, appropriately enough, in *Commentary* (Jan., 1975). The *National Observer* has reprinted part of the Tucker piece (Jan. 25, 1975), presumably on the ground that such an inflammatory argument deserves wider readership. Most recently, Tucker appeared on William F. Buckley, Jr.'s *Firing Line*, where he and the archinterventionist Buckley deplored the "pacifism" of "post-Vietnam" public opinion,* particularly among the young, and struck a blow for getting "force" back on center stage. To avoid being "asphyxiated" by the Arab nations, we have to be able to think the old unthinkable, even unto the sacred mushroom, putting aside the petty considerations of international law and mere humanity.

This would not seem nearly so bad but for the fact that until now many of us sincerely believed Prof. Tucker to be a true comrade in the cause of peaceful coexistence and isolationism. On the basis of his *The Radical Left and American Foreign Policy* (Baltimore, 1971), which provided a useful and sympathetic corrective to New Left revisionist history, and *The New Isolationism* (New York, 1972), which ably refuted standard arguments for an American role as world gestapo, it was easy to regard

Prof. Tucker as a near relation of libertarian and peace forces. Like the Rational Lady who backed the Crook, Tucker has found The Big "Emergency." This emergency is supposed "strangulation" of the West by the great unbreakable oil cartel, which threatens to raise the price of fuel by a few cents. But as Tucker and Buckley explicitly agree, the real crime of the Arabs is that they wish to modify American foreign policy — using oil as a weapon (unlike Sen. Jackson, who would use trade as a weapon to influence another nation's domestic policy). They unreasonably want America to cease being the main supply depot of their enemies. Briefly, they want America to abandon a policy she shouldn't have in the first place. If Tucker can defect so quickly, one shudders to think who will be next: William Appleman Williams? Staughton Lynd? Murray Rothbard? Presumably not, but the present warlike climate leaves one a little shaky.

The anti-economic reasoning of the "strangulationists" has its obvious attractions. The authors of America's new depression would like nothing better than to pawn their creation off on some unpopular foreign devils. The idea that increased petroleum prices can cause general price inflation is, of course, on a par with the conservative myth that trade unions cause general price inflation, and deserves no respect. Among recent commentators the respected socialist historian Geoffrey Barraclough has stated the case most clearly. Writing in *The New York Review of Books* (Jan. 23, 1975), he scorns the *New York Times* line of Arab guilt for the world economic crisis and revises the eco-freak hysteria about the impending shortage of everything. (So don't rush out and buy *The Last Whole Ramparts*!) The crisis we are in is the logical outcome of advanced state monopoly capitalism. (Of course, Barraclough would abolish the market as the great cure.) Likewise the food crisis: Barraclough shows that there is simply no shortage of arable land in the famine-ridden Third World. Hence the food crisis has purely institutional causes: feudal land monopoly in those countries, and American dumping of agricultural surpluses on their markets (foreign aid — i.e., export subsidies paid by our taxes). The indicated solution, he says, is radical land reform — an eminently libertarian position.

Ironically, Tucker, who is a great critic of Gabriel Kolko, now behaves as if he subjectively believes in Kolko's much disputed "raw materials" thesis, i.e., Kolko's view that US foreign policy is largely determined by a felt need to control the sources of strategic raw materials. Having argued that US policy is not so determined, Tucker now argues that it *should* be! There is more irony in the fact that the impending "scarcity" of petroleum has been ballyhooed before, about as convincingly. In 1943-44 Secretary of the Interior Harold Ickes began prophesying a disastrous shortage — only a few years away — if Congress failed to appropriate funds for an Arabian oil pipeline. This would have been a whopping subsidy to the American oil companies involved, and a real soporific for uneasy rear admirals wondering where their fuel was to come from.

The place of oil in the bitter subsurface Anglo-American imperial rivalry has been brought out in lavish detail by Kolko in *The Politics of War* (New York, 1968), esp. pp. 294-313. Kolko shows how American oil firms and the American state sought to reduce the British to a subordinate role in Middle East economic imperialism. Fortunately, Secretary Ickes' pipeline scheme, at least, was defeated. The libertarians of the day vigorously assailed the scheme. The Old Right anti-imperialist newsletter *Human Events* was quite vehement in its opposition. Writing in the Feb. 23, 1944 issue, Felix Morley commented that the proposal was symptomatic of a "strongly imperialistic" post-war policy. Such involvement in the Middle East would drag America into the middle of Russo-British rivalries in the region (Iran especially) as well as into potential conflict between Arab nationalism and Zionism in Palestine. It was no accident, Morley asserted, that permanent conscription was being urged upon the Congress simultaneously. He summarized a number of reasons advanced for the pipeline, including "the alleged exhaustion of our oil reserves." Ickes was predicting total depletion of known reserves within fourteen years. (Sound familiar?) Another argument possible lack of fuel for the next major war. Morley wrote that he expected that possible "drastic gas rationing" would be advanced as another reason for the pipeline. Morley asked what the Secretary of the Interior was doing anyway, booming a project "as remote from the interior" of the US as geographically possible? He warned against becoming "permanently involved in the perils of this Middle East entanglement," calling for Congressional determination of policy.

Congressman Howard Buffett, Republican of Omaha, likewise

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Tax Rebellion In Willimantic

One of the most hopeful events on the current scene was the heroic tax rebellion in the city of Willimantic, Connecticut. Willimantic still has the old New England town meeting system in which any citizen can come and vote on the city budget. Last December 2, an unexpected and wondrous event occurred: the town meeting rejected the submitted budget of \$2.6 million. The citizens insisted that the budget and the tax level was much too high. Twice more, last month, the citizens of Willimantic rejected a submitted budget, first a 3% tax cut, and next a cut of 7%. Then, at the end of December, they refused to grant the city permission to borrow money while trying to work out an acceptable budget. The officials of Willimantic were desperate; good God, the bureaucrats were in danger of remaining unpaid! Unfortunately, the city attorney found an obscure statute allowing for emergency borrowing even though permission had been refused by the public. But the sword of Damocles remained, to hang over the bureaucracy.

Finally, on January 15, the citizens of Willimantic approved a further reduced budget, this time with taxes cut by 9%. It was at least a partial victory for the rebels. Unfortunately, however, the citizens became scared to pursue the rebellion further; when one of the leaders, Richard M. Jackson, proposed a 50% budget cut, it was rejected overwhelmingly. But still, it was a healthy "message" beamed to the bureaucracy. As Mayor David Calchera stated, "there were people here who wanted more than a 50 per cent tax cut, they were so mad."

What were they mad about? As far as we can tell, there were no

libertarians in Willimantic to focus the dissatisfaction and to take leadership and intensify the rebellion. But even without that, the citizens were mad: suffering as they were from a high rate of unemployment (the major employer is the American Threat Company, which had to cut employment severely due to the recession), the lowest per capita income in the state, combined with a massively high tax rate, aggravated by the fact that the 17,000 residents of the city of Willimantic have to pay taxes twice: once to Willimantic and once to the town of Windham, in which the former is included. As a result, the harassed citizens of Willimantic had to pay a property tax rate of \$81 for every \$1,000 of assessed valuation, which compares to \$73.50 paid by the residents of New York City. On top of all that, last fall the city's inefficient and debt-ridden water company raised its water rates by 60%. Then came the great December budget revolt, which arrived even though the proposed budget called for no increase over 1973 levels.

A further prod to anger among the citizens was the fiasco of urban renewal in Willimantic. In 1967, the city began a massive urban renewal project which gutted over 13 acres of downtown land, and since then, has done nothing to replace the destroyed buildings. The downtown has of course since become a disaster area.

And so, the conditions in Willimantic were ripe for the spark of tax revolt. Surely, similar conditions exist throughout the country. Libertarians should be alert for such situations and take the lead wherever the opportunity appears.

(On the Willimantic case see the New York Times, Jan. 17, p. 35) □

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denounced both the specific pipeline proposal and Middle East intervention. Buffett was a fiery and uncompromising Old Right "isolationist," and his remarks are reprinted here in full. Their timeliness speaks for itself.

(from the Appendix to the Congressional Record, Vol. 90, Part 8, 78th Congress, 2nd Session, p. A1036.)

3. The People Should Choose Between Empire and Freedom

By Rep. Howard H. Buffett

(March 2, 1944)

Mr. Speaker, Secretary Ickes plans that the American government shall spend \$165,000,000 or more on an Arabian pipe line. The objective is to provide substantial oil supplies to supplement America's diminishing oil reserves.

This proposal presents squarely to the American people the issue of empire versus freedom. No, I am mistaken; the proposal does not present to the American people the issue of empire versus freedom. The people are having nothing to say about this gigantic long-distance venture into imperialism. Not even the representatives of the people, the Congress of the United States, are given the opportunity of passing on this issue of empire versus freedom. No, the people or their elected Congress are not consulted on this venture. Why not?

A few short years from now, the sovereign Government of the United States may conscript your boy and mine and send them to fight, bleed, and die on the trackless sands of Arabia to defend this pipe line. Why? Because then it will be the patriotic duty of that boy to defend the honor and the possessions of the United States, as represented by this investment. The fighting and the dying is always done by the people. Why, then, should not the fundamental decision on this fundamental issue be made by the people or their elected representatives?

I use the phrase, "empire versus freedom." What does the term "freedom" have to do with empire? Simply this: That to defend this far-away imperialistic economic venture a volunteer army large enough could not be raised. This war has demonstrated that no modern

government commands sufficient confidence of its people to depend on a volunteer army.

It is difficult to appraise properly the evil consequences of this scheme. Perhaps first a comparison would be helpful. Suppose that Russia made a deal with Mexico to finance and develop tremendous oil or other resources in Mexico? How would America regard such a scheme? The probabilities are fairly clear. It would arouse violent opposition in this country, sooner or later, and probably sooner. Similar results can be expected from a United States Government venture in Arabia.

This proposal is advocated on the basis of barrels of crude petroleum it will add to our own diminishing reserves. Against this hazardous addition to our oil reserves must be measured the many-sided effects of this imperialistic adventure on both America and the rest of the world.

The Arabian pipe line would mark a clear-cut change in American policy abroad. It is, of course, a violation of the spirit, if not the letter, of the Atlantic Charter.

It would terminate the inspiring period of America's history as a great nation not resorting to intercontinental imperialism. This venture would end the influence exercised by the United States as a government not participating in the exploitation of small lands and countries.

These traditions are America's greatest asset in international affairs. This venture will destroy them within and without. It would mark the elimination of the fundamentals of genuine morality in our foreign policy.

I am no expert on the economic or military value of this proposed venture. However, it is safe to say that militarily it would be at least as indefensible as the Philippines. From an economic standpoint there is no practical way to judge it because it would probably mean war sooner or later — and no one can measure by any finite standards the monetary and material costs of twentieth-century warfare.

This proposal either should be dropped or should be presented fairly and squarely to the American people or their Congress. Let the people decide.

It may be that the American people would rather forego the use of a questionable amount of gasoline at some time in the remote future rather than follow a foreign policy practically guaranteed to send many of their sons, if not their daughters, to die in faraway places in defense of the trade of Standard Oil or the international dreams of our one-world planners.

*akin, no doubt, to the "post-Watergate morality"!

Foreign Affairs

By Leonard P. Liggio

Last May, the Danish Progress Party, the anti-tax party which was second largest in the parliament, averted a government crisis by supporting a sales tax. In January, 1975 the governing Liberal party called elections, and jumped from 22 seats to 42 seats. The largest party, the Social Democrats, gained seven seats to total 53. The Liberal premier, a former pastor, called the elections when he could not get support in parliament for wage and price freezes. His gains in the elections came at the expense of his supporters and was considered cannibalism by political commentators. The conservatives lost six seats, the Radical Liberals lost seven, and the Progress party lost four of the 28 seats gained in the December 1973 elections. Led by Mogens Glistrup, the Progress party can be the balance of power between the Socialist and the Liberal coalitions. But, can one be surprised that despite the good showing of 14 per cent the Progress party's vote for increased taxes rather than abolition of taxes cast it some credibility? A few weeks after the election, the Liberal premier resigned after losing a vote of confidence by one vote.

Taxes and the economy have been the basis of the crisis which continues to befall Italy. The short-lived government of Mariano Rumor, composed of Christian Democrats, Republicans, Socialists and Social Democrats, had fallen over the need to reduce government spending. Last fall, the president of the Senate, former premier Amintore Fanfani, was called upon to form a government. Fanfani was a leading Catholic intellectual whose social ideas paralleled those of corporatism. He has been a strong supporter of NATO and the US, and follows the usual path of being very socialistic domestically and anti-communist internationally. He headed the first "Opening to the Left" government, and as foreign minister served as UN General Assembly president during the beginning of the US aggression in Vietnam and undercut efforts in the UN to end the aggression. Returning to Italy, he became secretary general of the increasingly failing Christian Democratic party. Fanfani led the attempt to end the newly passed divorce law; but despite the support of the Vatican, including the silencing of bishops and abbots opposed to changing the new divorce law, Fanfani's efforts were defeated. This led to his inability to form a government last fall, and the calling on foreign minister Aldo Moro. Moro, in a previous stint as premier, had attempted to include the Communist party as part of the coalition, but was blocked by Fanfani. Moro is in favor of rigid economy in government, and balanced budgets, but is viewed as leader of the left-wing of the Christian Democrats because he is not a tool of the U. S. Moro, as foreign minister, greatly improved Italian-Soviet relations and created much good will among Middle Eastern nations. Moro succeeded in forming a new cabinet, which left out the socialists and the social democrats since he could not also include the communists. The Republican party is strongly opposed to increased taxes and to inflation, as well as committed to civil liberties. Its leader, Emilio Colombo, is Treasury minister.

Its earlier strong ties with Middle Eastern countries, based on its long-standing oil policy independent of US interests, is gaining the Moro regime investments from Iran and Saudi Arabia. Led by the Governor of the Bank of Italy, Guido Carli, a leading monetary expert, Italy is undertaking a severe criticism of US economic policies. Carli has been attacking the US for exporting its own inflation; the US's exporting of its own Vietnam War-based inflation has generated anti-American feelings in Italy. Carli is able to build on a national reaction to increasing US interference in Italian domestic affairs. Carlo Donat-Cattin, a leader of the Christian Democratic party, quoted US ambassador John Volpe as pushing for an early election to create a coalition including the NATO-loving Liberals and excluding the Socialists who are united with the Communists in the trade union movement (the Catholic unions are also united with the Communist unions). Donat-Cattin detailed this in an interview in the Genoa daily, *Secolo XIX Nuovo*.

The New York Times has noted that Carli "is now opposing proposals by Secretary of State Kissinger on how to avoid further damage to the industrialized nations from the energy crisis on the grounds that they are inflationary. Mr. Carli also says that the situation and interests of the United States and Western Europe in the oil crisis are basically different and that interdependence between the two should be reduced rather than

increased . . . Mr. Carli said that the Kissinger project was aimed at blocking all possible financial outlets so as to force oil producers to purchase United States Treasury bills with their dollar surpluses. If they did that, Mr. Carli observed, the oil-producing nations would pile up, 'though in the form of dollars, pieces of scrap paper that they wouldn't know how to spend whose future conversion into real resources is endangered by continuing inflation.' "

Similarly, in France, there has been increasing reaction to President Giscard d'Estaing's apparent bowing to American pressure and abandoning of the independent foreign policy of the late Charles de Gaulle and the late Georges Pompidou. Furthermore, Premier Jacques Chirac surprisingly gained the post of secretary general of the Gaullist party. This is likely to modify that party's healthy anti-Americanism. However, Michel Jobert, Pompidou's foreign minister, is striving to set up an alternative for the supporters of an independent foreign policy. Jobert had engaged in the famous clash with Kissinger a year ago in Washington. Jobert's Movement of Democrats has gained national support and is planning to run candidates in the next national elections.

Similarly, the US faces increased independence from Japan as a result of the election of Takeo Miki as prime minister. Miki has been a member of parliament since 1937, holding posts of foreign minister, minister of international trade and secretary general of the Liberal-Democratic party. The party was formed under the pressure of the United States out of a conservative party and a laissez-faire party, and the election of Miki prevented the break-up of the party. Miki had outspokenly broken with the past four prime ministers. Miki had demanded less reliance on the US and the recognition of China. He is an advocate of peaceful coexistence with the Soviet Union, an opponent of large Japanese military forces, an opponent of sending Japanese armed forces abroad (as urged by the US during the Vietnam War), and a defender of the "no war" clause of the Japanese constitution. In addition to a strong supporter of diplomatic and trade relations with China, Miki is the Japanese leader closest to the Arab nations. In late 1973, he toured the Middle East to emphasize Japan's friendliness to the Arab states upon whom Japan is totally reliant for oil.

The recent Kissinger outburst threatening US invasion of the Middle East sounds like the death rattle of a dying Empire. The very ability of the US to carry out the purely physical aspects of such an invasion is open to question. There are no allies between Long Island and the Suez (except Israel) where US planes carrying paratroops could land and re-fuel. Germany, France and Italy drew the line in October 1973; Greece and Turkey have done so since the Cyprus crisis. Spain and Portugal have said no. The only hope for US geopoliticians is the Soviet Union. Would it allow US use of its Black Sea airfields for an invasion of Araby? Despite the dependence of the Soviet Union on the US, it is unlikely to do that, but one can never rule out the willingness of the Soviet Union to serve the US. (US-Soviet relations might have been close even had the Soviets permitted Nixon and his cohorts a place of exile in Yalta!)

Drew Middleton, in the New York Times of January 10, presented the Pentagon's assessment of Kissinger's threats. The Arabs would have warning — from the Soviets — of impending US invasions, and could destroy the oil fields. But, the real problem for the military officers is maintaining intervention once it had begun. The US does not have forces trained for desert warfare, and would face a Lawrence of Arabia guerrilla war. Western military leaders in NATO indicated that NATO would be destroyed by any American military action against Arab oil. The reaction of Iran and Saudi Arabia, the two largest oil suppliers, would be violently anti-American. The US has been giving and selling billions of dollars of high efficiency hardware to these two countries as the most conservative in the Middle East. Yet, the threats of US aggression have caused Iran to move to an anti-US position. Iran is now giving financial and military aid to the Arab states. Although a Moslem country, Iran follows a different form of Islam. However, it has allied with Saudi Arabia's desire to gain the independence of Moslem holy places in Jerusalem.

Until October 1973 Saudi Arabia had found a powerful Israel a barrier to
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radical Arab Nationalism. Saudi Arabia aided Syria and Egypt in October 1973 only after they had made unexpected gains. After the Six Day War of 1967, US Secretary of State William Rogers sought to implement UN Resolution 242 calling for immediate return to pre-1967 borders. But, with Black September 1970 and King Hussein's massacre of the Palestinian guerrillas, and the elimination of Jordan as a major sector of their conflict with the Israeli regime, Rogers' plan was dropped and Kissinger moved into the dominant position with a plan to recognize the 1967 conquests. Jewish settlements were introduced in the conquered lands and according to Abba Eban (*New Republic*, March 23, 1974), General Ari Sharon spoke of Israel conquering everything between Khartoum and Algeria, and Teheran and the Persian Gulf. After the Arab success in October 1973, Kissinger shifted to the Rogers plan, which is no longer operable, as indicated by the total recognition of the Palestinian cause at the Rabat conference.

Yet, the kind of "stability" that Kissinger is aiming for in the Middle East — one which gets the administration off the hook through the 1976 election — is likely to ensure the continuity of the conflict and more US dollars poured into the area. (There is almost no doubt that the Soviet Union was pleased to turn over the Egyptian situation to US funding as it would bankrupt the Soviet Union to try to supply arms and domestic development funds to Egypt; but the US taxpayer gladly takes on the task!). The mere creation of a Palestinian state on the basis of UN resolutions would only continue the path of conflict and confrontation. What we must do is go outside the current state of the question, which permits no solution. As the present state of the matter is illegal in international law as a violation of the initial UN trusteeship plans, it would be useful to go to the original plans as a starting point. This was the concept of a single Palestinian state, composed of two commonwealths or cantons based respectively on the European Jewish and Arab Jewish populations, and on the Christian Arab and Islamic Arab populations. Within the original concept of a single political entity, the growth of the Jewish homeland and of the Palestinian nation could follow the original expectations of the trusteeship and of the leaders of the respective communities.

Noam Chomsky, the MIT professor and moderate analyst of the Middle East problem, explained some of the basic issues in an article in the October, 1974 *University Review*:

If short-run stability is imposed, the most that the Palestinians can hope for is a mini-state subject to Israeli and Jordanian control. Israel will remain a Jewish state, that is, a state based on the principle of legal and institutional discrimination against non-Jews. . . . Thus, more than ninety percent of the pre-1967 territory of Israel is, by law, owned in perpetuity by the Jewish people. Non-Jewish citizens may not lease, rent, or work on these lands. The Law of Return grants automatic citizenship to Jews, and excludes Palestinians who fled or were driven from their homes. All-Jewish settlement areas are developed, with no protest from liberal opinion; imagine the reaction if all-White settlement areas were designated by law in New York City . . . Internally, Israel can hardly avoid religious domination of social life, regardless of popular feelings about the matter, since some principled basis must be established for distinguishing the privileged majority from other citizens or from stateless Arabs in Israel — a growing category, since statelessness is inherited, contrary to standard practice in the Western democracies.

A relevant recent development regarding Palestine was the recognition of the Palestine Liberation Organization and the establishment of an official representative by India. Although African, Asian and some European nations had PLO offices, the Indian government was the first non-Arab and non-Communist government to grant diplomatic status. The PLO emphasized the long tradition of Indian nationalist support for the rights of the Palestinians. The founder of Modern India, Mohandas Gandhi, published a famous dialogue on the insistence of Zionist organizations on establishing a Jewish state in Palestine, though already inhabited by another people. They did so rather than choose an uninhabited part of the world where they would neither be aggressors nor unwelcome, especially as several such offers had been made to Jewish

organizations. Gandhi was anxious to avoid the great problem faced by India due to two different religious groups. For this he was criticized by Moslem extremists and assassinated by a Hindu extremist.

Gandhi's point was well taken, as the attempts to set up a separate Moslem state of Indian Moslems have not succeeded. A hundred million Moslems have lived in India for a quarter-century; among those that selected to set up a Moslem state — Pakistan — the majority revolted, to set up their own state independent of the north-west Moslems. Bengal is a Moslem state closely allied to India, while Pakistan remains the tool of western imperialism for which it was created, first, by the British as they left India and now by the US. The PLO representative to India noted that Pakistan, as a religious, Moslem state, "will not solve the problems of Moslems," and that "to establish a state on the basis of religion will not solve communal problems planted by other forces." The PLO representative declared: "India can do a great deal for us in convincing Jews and world Jewry that a secular, democratic state in Palestine is the only solution. India has its own experience in creating this kind of state." Regarding the Palestinian cause, he added: "This is not a struggle against Jews. It is a struggle against Israel." However, the PLO delegate indicated that the PLO had not asked India to end the Israeli consulate in Bombay as demanded by members of Parliament and by the popular weekly *Blitz*. Indians are struck particularly by the refusal of Israel to accord the rights of Jews to many Indian Jews on the grounds that they can never be Jews according to the racial concepts of the Orthodox rabbis (who also exclude Conservative and Reform Judaism from Israel).

The partitions of India and Palestine by the British colonialists have had the same effects — conflict, division, continuity of political influence — that occurred in Ireland. Just as the Jordanian monarchy and its English-officered Arab Legion and the Pakistanian army were a means of maintenance of English imperial influence, so the partition of Ireland following the Irish Revolution attempted to use the different populations for English political purposes.

When the Republic of Ireland was created in 1922, it was composed of three of the four provinces of Ireland, plus three counties of the fourth province, Ulster. The remaining six counties of Ulster were included in a new entity — Northern Ireland. The Republic of Ireland contained a population which was 95% Catholic and five percent Church of Ireland (Episcopal or Anglican). The Church of Ireland was not only respected and supported, but members of it were given a majority on the Supreme Court and large representation in the Senate of the Irish Republic, in order to give a sense of security to the Anglican population. Recently, an Anglican, son of an IRA martyr, was elected president of the Irish Republic. Most of the counties of Fermanagh, Tyrone and Derry — west of the Bann River — have Catholic majorities with Church of Ireland minorities. Similarly, south Armagh and south Down, adjacent to the Irish Republic, have Catholic majorities. It would have been possible to have included these in the Irish Republic in 1922, leaving an overwhelming Presbyterian majority in Antrim (and Belfast), northern Armagh-Down, and northeast Derry (around Coleraine). But, the English army demanded the western and southern areas as a defense in depth sector in case of invasion from the Irish Republic, so that the war could be fought in the Catholic areas of Northern Ireland. As Northern Ireland is divided by population into thirds — Catholic, Church of Ireland and Presbyterian — the Catholic demands for equal rights gained support among the Anglicans although opposed by the hard-core Calvinists. The introduction of the British army — for whatever motives — gave a boost to the Irish Republican Army faction led by the Provisional Sinn Fein Party (the Official Sinn Fein Party and its IRA have developed a non-violent, political program of civil disobedience and political struggle) because the IRA alone defended Catholic urban neighborhoods against British army invasions. This defense by the IRA gave them a huge popular support which they otherwise would not have had.

However, this popular support for the IRA (Provisionals) was on the verge of being undercut last spring by the formation of a coalition government composed of the moderate Catholics and the Anglicans. It was made up of the Alliance party which combines Catholics and Anglicans, the Social Democratic Party of Northern Ireland which is the main Catholic political party, and the Anglicans in the Unionist Party (which used to be the dominant party under the system reducing the Catholic electorate). This coalition had every chance of gaining complete support from the Catholics and totally eliminating the IRA from popular support. It would have given the Catholics equality of rights in education,

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housing, employment, health, etc., within the Ulster entity. A paper formal conference system between the prime ministers of the Republic and of Ulster would provide for conferences between the two parts of Ireland. The extreme Presbyterians opposed this (moderate Protestant leaders in Belfast have been assassinated for supporting the coalition concept). However, the coalition found its real enemy in the officer corps of the British army in Ulster, and, through threats of mutiny among the officers, the coalition government in Ulster was overthrown in mid-1974. The most hopeful attempt to solve the Irish problem had failed. The result was to give popular strength to the Provisional IRA, so that, after the Christmas truce, the British representatives in Ulster, through the intermediary role of Irish Protestant clergy in both parts of Ireland, had to recognize the political role of the IRA. During the Christmas ceasefire, the English leaders missed a major chance to end the violence by releasing a large number of the illegally jailed Catholics, but it freed only a few. In addition to freeing large numbers of jailed Catholics, Prime Minister Harold Wilson seems about to agree to further talks with the IRA for the gradual withdrawal of the almost 15,000 British occupation troops from Ulster.

The question of communal divisions continues to plague Yugoslavia. The Kingdom of Yugoslavia was created by the Western Allies after World War I under the dominance of Serbia. The Serbian dynasty had come to the throne only after 1900, after assassinating the whole of the previous royal family, and then had expanded in the Balkans, under the auspices of Tsarist Russia, incorporating Macedonia before World War I. Then, it desired to expand to the sea by incorporating the non-Serbian Croats and Slovenians who were Catholics and Latin cultured rather than Orthodox and Greek cultured like the Serbians. For this purpose, the Serbians assassinated the heir of the Austro-Hungarian Monarchy and started World War I. The events leading up to this are well detailed in the work of the revisionist historians: Sidney B. Fay, *Origins of the World War* (2 vols.) and Harry Elmer Barnes, *Genesis of the World War*.

The dissident Yugoslav writer, Mihajlo Mihajlov, has an article in the February 3 issue of the *Welfare-Warfare*, socialist-militarist journal, *The New Leader*, entitled: *Disentangling History — The Mihajlovich Tragedy*. Mihajlov starts off on a bad foot to disentangle history by stating that the Kingdom of Montenegro, which was aggressively annexed by Serbia after World War I, had "fought on the Axis side during World War I." Not only was there no Axis during World War I, since the Axis only came into existence in the late 1930's, but Montenegro was an ally of Serbia, fighting on the side of Russia against Austria-Hungary. The royal family of Montenegro, which went back many centuries, was deposed in favor of the upstart Serbian dynasty.

But, the major area of opposition to incorporation into the Allied-created Yugoslavia was Croatia. Croatia was the historic kingdom on the Adriatic Sea with a long and glorious cultural tradition tied to Italy, Austria and Western Europe. Although most Croats were Catholics, many of those living in Bosnia were Islamic, as a result of conversion during the Turkish rule. Thus, in Bosnia a third of the people were Moslem while a quarter were Catholics and about forty-percent were Orthodox. Yugoslavia has a large Moslem population (about 15%), which facilitates relations with the Moslem world and gives Yugoslavia a leadership role of the non-aligned powers. In the total population, Orthodox account for about forty percent and Catholics about thirty-five percent. But, religion and nationality overlap — Catholic equalling Croatian and Slovenian and Orthodox equalling Serbian, Montenegrin, Macedonian and Albanian.

Mihajlov harkens back to the beginning of World War II. The Yugoslavian government was split between supporters of an alliance with Germany and its Balkan allies, and an alliance with England and its power in the Mediterranean. The pro-German group allied with the Germans and attempted to settle the deep nationalities crisis by setting up a Serbian and a Croatian state. The extreme Serbian royalists, led by Draza Mihajlovich, carried out a guerrilla war against the Serbian and Croatian governments allied with Germany. Mihajlovich's Chetniks were lionized in the literature and movies of England and America. But, although strongly supported by England, the Chetniks were more interested in preparing for England's victory and restoration of the Serbian domination: they carried out campaigns to destroy the Croatian nationalist movements. Josef Broz Tito, having fought in the

The Day-Care 'Shortage'

A few years ago, the new feminist movement began to raise the cry of a nationwide "shortage" of day-care centers, with a corollary clamor for government to sponsor, subsidize, or operate a fleet of such centers so that mothers could work in jobs and careers. To economists, the outcry was a peculiar one; the free market never suffers from shortages, as supply always rises to meet demand. The answer clearly was: either the demand for day-care centers was far less than the feminists claimed, or — more likely — that somewhere government was deliberately restricting the supply and thereby itself creating the shortage.

That the latter hunch is correct is made clear by a recent hysterical campaign by the New York City Health Department. The Health Department has now issued a frenzied statement that "illegal" private day-care centers are "spreading like a cancer throughout the city" (*New York Sunday News*, Jan. 26, 1975). Aha! Literally "hundreds" of such centers have appeared through the city, unlicensed, dedicated (horrors!) to the making of a profit. But never fear, the Health Department is in the process of cracking down on this rash of illegality.

In short: the numerous requirements imposed by the New York city government are so onerous and costly that the supply of day-care centers is severely restricted, and so black-market, illegal centers have had to appear in response to consumer demand. Some of these requirements are: licenses from the Health Department; certificates of occupancy from the Buildings Department; and passing inspection by the Fire Department. The paternal city authorities are worried both because the fees charged by the private centers are "too high" (the fees "can go sky high") and also too low: they can make money "even if they only charge \$25 a week." (Tsk! Tsk!)

It is OK, for some reason, for mothers to hire private baby-sitters, or even to use a local neighbor as a personal day-care center. These, too, are of course unlicensed, and yet the authorities do not seem to worry here about licensing, health, safety, building codes, or the proper educational facilities. Yet, for private day-care centers, defined as an outfit that takes in more than five young children and meets more than 5 hours a

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International Brigades of the Spanish Civil War, organized the Croatian resistance — the Partisans — under communist leadership. But, having an "internationalist" perspective, the communists also included anti-monarchical Serbs, Montenegrans and Macedonians. Since the Chetniks were tools of the English foreign office, the US gave its support to the Partisans and by December 1943 forced Churchill to support Tito too. Mihajlov correctly notes that this was not desired by Stalin, who distrusted Tito's militant nationalism and who preferred his agreement with England. Stalin urged Tito to join with the English aligned forces led by King Peter and Mihajlovich. After the war, Tito continued his clearly anti-Soviet policies, and eventually established close ties with the US while formally calling himself non-aligned. In 1946, Mihajlovich was captured, tried and shot. Tito defeated him because he offered a modernizing, non-unitary approach to solve Yugoslavia's nationality crisis in place of Mihajlovich's Orthodox religious approach, his Serbian domination over the other nationalities, his massacres of Croats and Moslems. Although there are many problems remaining in regard to the nationalities question in Yugoslavia, Tito eliminated the most serious and dangerous ones, as Mihajlov emphasized. Although Yugoslavia has made great strides toward a market economy, in the last few years brakes have been put on that development. Advocates of increased personal freedom in economic and cultural areas have been labelled "anarcho-liberals," and "anarcho-liberalism" has been the major target of attack by the official press. The one hopeful development is the re-emergence of Edvard Kardelj, 64, as the heir apparent to Tito. Kardelj initiated the struggle against Soviet influences and the introduction of market approaches to economic problems, as well as general concepts of freedom in Yugoslavian politics. But, in recent years, it was thought he was losing influence as chief theoretician of the League of Yugoslav Communists. But, Kardelj has become the authoritative spokesman recently, and was elected the representative of the Republic of Slovenia to the collective presidency comprised of one member from each of the national republics. In place of Tito, he would be the natural leader of Yugoslavia. □

Sense On Oil — At Last!

Those of us who have combed the media for some sign of sense on the oil program have been prey to an aura of unreality. For, in the thousands of words on the subject, **everyone** has blithely assumed that we **must** cut oil imports into the U.S. by 1 million barrels per day. The bizarre problem is not simply that all the media are espousing some form of statist program; the really grotesque point is that no one has bothered even to defend the seemingly self-evident assumption that oil imports must be cut. Whatever dispute there is, has occurred only within that matrix: as the Ford administration takes the "market" view (ye gods!) that a high tariff and tax must be placed on oil imports and production, while the Democrats counter with the even more socialistic view that oil and gasoline use should be cut by a totalitarian scheme of rationing. As a result, the only alternatives placed before us are one or another form of statism.

In this blighted atmosphere, good sense has now come from a wholly unexpected quarter — from columnist Joseph Kraft, who has never been distinguished for clarity of thought or for libertarian acumen. And yet, Kraft's column for February 3 (New York Post) is a searching and brilliant critique of the unexamined axiom of the million barrel a day cut in oil imports. Kraft begins his column by posing what he calls "the million-barrel question": what do we gain, and what do we lose by trying to force a million-barrel cut in oil imports? Kraft answers that "the loss turns out to be staggering, both in its impact on this country and its allies." On the other hand, the "gain", which Kraft correctly sees as "totally foggy", "seems to rest on some obscure foreign policy point bootlegged past the White House by Henry Kissinger."

Kraft goes on to note that both Ford and the Democrats accept the million barrel axiom, Ford trying to attain the goal by oil tariffs and taxes, and the Democrats by rationing and a tax on gasoline. He then points out that Ford's proposals involve a double burden: adding to inflation by raising prices of petroleum and petroleum products, and intensifying recession and unemployment by cutting production and demand for oil and for other products. To counterbalance these tangible losses of the Ford program, he then asks, what are supposed to be the gains? Kraft notes that "that question has not been systematically posed by the President's domestic economic advisers." In fact, "John Sawhill, the former Energy Administrator, testified the other day that he did not even know the basis of the million-barrel-per-day target." Kraft then notes that the State Department has come up with a kind of rationale for the import cut: that this will spur oil independence in the United States, and especially in Western Europe and Japan. "But," Kraft comments, "both of these points are subject to serious questions." For one thing, "oil at present seems to be plentiful" — so why the hassle about the oil "shortage"?

We noted, in the January *Lib. Forum*, that oil has been rapidly becoming a "surplus" commodity. More evidence on this has been piling up. Reports in the oil press note that several countries — Kuwait, Saskatchewan, and Ecuador — have recently reduced oil production because of a paucity of demand at the current price. The oil tanker trade is also in the doldrums for the same reason. A recent *Oil Daily* reported that "with less oil being demanded and with more tankers around to carry it, the market has collapsed, pushing charter rates through the floor and leaving dozens of ships totally without work." The article goes on to say that there are now four and a half million tons of tankers now awaiting oil cargo in the Persian Gulf. Furthermore, in recent months, new and large scale oil finds have been made: a huge strike in the North Sea off Norway; an important find off the coast of Brazil; discoveries in Mexico and off the China coast. All this highlights a speech last year by J. K. Jamieson, chairman of the board of Exxon Corporation. Jamieson predicted that oil consumption would decline by 2% over 1973, and that the decline would continue this year. This speech highlights the memorandum in the files of Standard Oil of California, discovered by Senate investigators in the late 1960's. The memorandum warned of an "excess supply" of oil in the early 1970s unless something were done to curtail production. And, just the other day, a report was issued by the OECD (advanced Western countries), predicting a reduction of oil consumption in these countries by 1980.

And so we begin to see the true nature of the oil "crisis" and the new

axioms of oil policy. We are suffering not from an oil "shortage", which exists only in the fevered imagination of the media, but from an oil "surplus", i.e. that the current OPEC cartel price of \$10-\$11 per barrel is too high. The Ford program is a program to intensify the cartel, to restrict the supply of oil further and to raise the price: short, to protect the oil cartellists from the powerful forces of market competition, to prevent any fall in oil prices, and to raise those prices still further by U. S. government coercion. And, of course, to cut the American oil companies into a larger share of the world cartel pie. All at the expense of the consumers, here and abroad. One important tipoff on this policy was President Ford's bald-faced proposal to place a compulsory minimum floor on the price of oil. How stark a cartellizing program can we have?

The excuse, of course, is to protect alternative sources of energy from the competition of oil, when its prices will decline. In short, use government coercion to protect the oil cartel, and then include the alternative sources in on the cartel as well! The point should be clear: despite all the hoopla about alternative sources of energy, be they nuclear, solar, or hot water, they are still inefficient and uneconomic, even at the current high price of oil. Oil and coal are still the best sources

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week, somehow these often absurd and restrictive requirements become absolutely mandatory for the alleged safety and educational nurture of the children. As Edith Clute, of the Health Department, puts it, "Parents must look for the license in any center. If there is none, they should try to think of an alternative like family day care, or a grandmother to take care of the youngsters or a babysitter. Adequate care is more than health and safety. Qualified staff members who have expertise and understanding are very important." Licenses, furthermore, are granted only after careful scrutiny by "department experts who are certified by the state as early childhood education consultants."

So then, how come that babysitters, grandma, or Mrs. Jones down the block don't have to be "qualified staff members"? Why is the consumer trusted to look out for her children in the former case, but not in the larger day-care centers? The answer should be clear: because the former do not compete directly with the licensed private centers. The licensed centers have been granted a monopolistic privilege by the city, and no direct competition is to be brooked from cheaper, and unlicensed competitors. The high prices and restricted supply granted to the monopolistic centers have to be protected by the coercive arm of government.

This "cynical" or realistic hypothesis may be checked by investigating the source of the current furor. It stemmed from a "rash of complaints" — some from grumbling parents, to be sure (who, however, could easily exercise their option of removing their children), but others from what a *News* reporter describes as "legitimate" centers. So here we have, in microcosm, the essence of the "welfare state": privileged monopolists find their privileged income being reduced by free competition, and they call upon the friendly government authorities to use their coercive powers to outlaw the competition. The "welfare state" is the monopoly state. And it is a state that produces "shortages" wherever it goes. ■

"The artificial creation of expenses by those who deem a public debt a public blessing will easily suggest plausible pretenses for taxation, until every class is burdened to the utmost stretch of forbearance, and the great body of the people reduced to penury and slavery."

— Mercy Warren, 1805

Sense On Oil —

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of energy, and they will continue to be for a long time to come. Our policy should be a pro-consumer and pro-freedom policy: to encourage oil imports by eliminating all tariffs and quotas, and to encourage domestic oil production by abolishing proration laws and oil price controls, and by opening up the vast oil reserves on the government-owned public domain to private homesteading and private property rights — and therefore to private production. All the U.S. government has to do is to cease forthwith its various measures crippling the importation and production of oil, coal, and natural gas.

But back to Joe Kraft. Kraft goes on to cite a recent series of studies, by the World Bank, the U.S. Treasury, and Morgan Guaranty Bank, debunking the widespread hysteria about the "recycling" of dollar assets accumulated by the oil producing countries. What will the Arabs do with all those dollars? Well, what can they do except buy American products or invest in American assets; so much for the "missing dollars". Kraft notes that all these recent reports show "that the vast dollar assets accumulated in the past year by the petroleum producers are being distributed in normal and manageable ways on investment, consumption and foreign aid." Therefore, he notes, "the danger of what Kissinger calls strangulation by the oil exporters seems very, very remote." And what about Western Europe and Japan, whom we are supposedly "saving" from the Arabs? Kraft asks: Are they "hooked on the idea of an American lead in cutting oil consumption? Or wouldn't they much prefer a healthy American economy where they can buy and sell with ease?" Absolutely! Kraft concludes on an excellent and challenging note:

"In any case, the basic question wants to be examined in a systematic way. It is not enough just to take it on Kissinger's authority that the country ought to curtail consumption of oil by a million barrels a day in the next year. Given the weak state of the American economy and the dependence of foreign countries on U.S. prosperity and the current surplus of oil and the apparent manageability of the petrodollar problem, the burden of proof on the million-barrel question lies upon Kissinger and his men at the State Dept."

The Morgan Guaranty Trust report, mentioned by Kraft and appearing in the January issue of its *World Financial Markets*, stresses the recent (1) reduction in the demand for oil from the OPEC countries, and (2) heavy buying of products by these oil producing countries from the industrial nations. While oil consumption has been declining, imports into

the OPEC countries rose by 70-75% in 1974. Already, Algeria is heading for a balance of trade deficit, and Venezuela and Iran are heading rapidly in the same direction. So much for the "missing petrodollars"!

Of course, our strictures on the absurdity of the media do not apply to our favorite libertarian-ish columnist, Nicholas von Hoffman. In his January 28 column (*New York Post*), von Hoffman points out that the word "crisis" has been semantically redefined; once, it used to mean "an acutely painful or dangerous situation demanding immediate action." In that ordinary language sense, "there is no energy crisis, although the White House proclaims it, the Congress debates it and the press accepts it. If we continue to buy foreign oil as we have been no catastrophe will befall us. There is no emergency." Von Hoffman goes on to make the trenchant and crucial point that, for the first time in the history of the world, there is a great agitation for the rationing of a product (gasoline) which is in sense in short supply. As von Hoffman puts it, "if Senate majority leader Mansfield (D-Mont) and his liberal Republican allies get their gas rationing law passed, it will be the first time since the days of the royal salt monopolies that the state will have attempted to ration a universally needed commodity available in abundance. For not only is there presently no oil shortage, but the large oversupply is bursting the rivets of the world's storage tanks." Von Hoffman concludes that "imperialist fantasies such as energy or raw material 'independence' aside, no reason exists either for the President's oil import taxes or his opponents' rationing schemes. The problem isn't economic, but psychological." Hooray! ■

"Let the history of the federal government instruct mankind that the mask of patriotism may be worn to conceal the foulest designs against the liberties of the people."

— Benjamin Bache.

"The one bright moment in the Taft Administration, in fact, came when Dr. Taft was given his drubbing in November, 1912. Turning out such gross incompetents, to be sure, does very little practical good, for they are commonly followed by successors almost as bad, but it at least gives the voters a chance to register their disgust, and so it keeps them reasonably contented, and turns their thoughts away from the barricade and the bomb. Democracy, of course, does not work, but it is a capital anaesthetic."

— H. L. Mencken

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