

000752 JAN 28 91

January 23, 1991

Mr. Brian Lamb
Chairman & CEO
C-SPAN
400 N. Capitol St., #650
Washington, D.C. 20001

FEB 5 AM '91

Dear Mr. Lamb:

As you can see from my letter to Congresswoman Kaptur, I was very much impressed with her recent speech in the House. I've enclosed it for your reference. Such a frank discussion of oil by a Member of Congress is truly amazing.

I watch C-SPAN a lot. I've lost track of the number of callers who have raised this and similar questions only to be dismissed by your guests as irrelevant. Senator Simpson is the latest example. He dismissed out of hand the caller who, on Saturday, January 12th, challenged the Senator to "level with the American public" concerning the influence of the international oil companies on the American Middle East policy.

May I suggest you invite Congresswoman Kaptur discuss this subject. She has the backbone to discuss this sensitive subject that no one else in the Congress seems to have --- at least to my knowledge.

If you do have her on a program, please let me know. I wouldn't want to miss it.

cc: S. Trahern

Sincerely,
[REDACTED]

[REDACTED]
Enclosures

January 23, 1991

Congresswoman Marcy Kaptur
U.S. House of Representatives
Washington, D.C. 20515

Dear Congresswoman Kaptur:

I want to congratulate you for that outstanding speech you made late Thursday evening, January 10th to a virtually empty House chamber. Your willingness to discuss the subject of oil and how it is the key factor in our Middle East policy set your speech apart from all the others that I heard on C-SPAN. It takes a very brave person to discuss a subject that is so close to the power structure of this country.

The only additional point that could have been made is the reason Germany and Japan are not more supportive of the U.S. in this venture. They both must realize that oil will flow no matter who controls the region. The only question is who will be the supplier. The interests at stake are those of the oil companies and not the American public.

The price of oil is not the problem. OPEC has already demonstrated that international cartels do not work. If more Americans understood this, we would not even be in the Gulf --- even with sanctions.

This story desperately needs to be told to the American public. Most people who are in a position to influence public opinion and who have taken the time to study the situation are afraid to rock the boat. You are obviously an exception. You have my wholehearted support to continue the mission --- I just wish I could claim you as my Representative.

Sincerely,

[REDACTED]

[REDACTED]
cc: Mr. Brian Lamb ✓
Chairman & CEO
C-SPAN
400 N. Capitol St., #650
Washington, D.C. 20001

Enclosure

[REDACTED] Granada Hills, California 91344
[REDACTED]

velopment that may spread as fast as a common cold than nuclear weapons which, as destructive as they are, have more defined limits. These weighty concerns must be factored into any conceivable scenario for a sanctions-only strategy in the gulf and any considerations of just-war doctrine.

No one should be under any illusion that Saddam is engaged in a patriotic struggle, either for his people or a pan-Arab cause. Nor is the American response fundamentally a patriotic defense of our own borders. Rather, it is the fulfillment of a solemn obligation to uphold our own interest, sanctified by treaty, to act in concert with others to uphold the fundamental principles of civilized conduct that are the foundation for a peaceful world order. If force must be used to roll back the Iraqi conquest, it will be an act of law enforcement rather than an act of warfare. In this sense, our troops will be acting as constables or marshals enforcing the law abroad, rather than simply as soldiers of a single state.

Warfare is sometimes described as the scourge of nationalism, but in this instance the use of force is intended to be authorized to defend an international collective security system, to undercut rather than bolster narrow, destructive nationalism.

In the final measure, the decision whether instruments of war will be employed rests more with Saddam than decisionmakers in Washington. As a Member who is probably as apprehensive as anyone about the long-term ramifications of conflict, and the long and obscure vistas war opens up, I am nonetheless convinced that Congress should continue at this point to give the President every benefit of doubt. This is a time for American unity; a willful undercutting of executive branch policies makes further aggression and continued oppression more, not less, likely.

For those of us who believe Saddam has no rational choice except to blink before the 15th, unless America blinks first, I would only suggest that undercutting our President at this critical juncture would drive a stake into international order. If this Congress sends a message of no confidence to the executive branch, it will be sending a message of no mandate to Secretary General de Cuellar in his critical mission to Bagdad. The prospect of a peaceful resolution of the dispute will decrease with Saddam being invited to conclude American leadership is flaccid, lacking in backbone.

On questions of war and peace, there is a societal imperative for caution; but it must be understood that ambivalence is not synonymous with statesmanship and that anxiety is no substitute for leadership. The possibility that this Congress would demonstrate less resolve and adherence to principle than the U.N. Security Council simply defies explication.

We have a number of precise objectives in Kuwait, but the primary one is

surely to achieve all others with the least loss of life, Arab as well as Western. My sense is the President's two-track policy—preparedness for dialog as well as war—holds the best chance to effectuate the will of the United Nations, as well as to achieve long-term peace and stability in the world's most explosive geostrategic cauldron.

In 500 b.c. the Chinese sage Sun Tzu wrote in the classic "The Art of War" that "Supreme excellence consists in breaking the enemy's resistance without fighting." Almost 1,000 years later, the Roman General Belisarius counseled that, "The most complete and happy victory is this: to compel one's enemy to give up his purpose, while suffering no harm oneself."

It may be a paradox, but I am convinced that the prospect of peace in this medieval Middle Eastern setting is clearly enhanced by preparation for war and the avoidance of political equivocation in Washington. The prospect of war looms more dangerously if Saddam concludes that he has punctured American resolve.

In this context, it is my judgment that Congress best advances the imperative for peace by making Saddam aware that as concluded by Congress which is the reflection of the will and judgment of the American people a police action was with Iraq would be just, although undesirable.

Likewise, the administration must understand the admonition of Sun Tzu that "when you surround an army leave an outlet free. Do not press a desperate foe too hard." As the British military historian and strategist B.H. Liddel Hart warned: "Never corner an opponent."

The prospect of a peaceful resolution of this international drama is real, if both sides can come to an understanding that based on Iraqi withdrawal from Kuwait good faith efforts can be undertaken to deal with disparities of wealth in the region and the problem of displaced people.

Aggression cannot be rewarded, but Saddam as much as any leader in the world has in his grasp the possibility of changing stripes. Instead of continuing to oppress his and the Kuwaiti people, he has the extraordinary opportunity of becoming a champion of the oppressed of the region. Such a tantalizing opportunity as much as the threat of ruination of his own country must bring him to his senses. For reasons of self-interest as well as historical judgment, Saddam is likely to blink. Accordingly, I would urge my colleagues to recognize that good can come from this confrontation, that order can be achieved, that use of force can be avoided, but only if American resolve is not fractured. Accordingly, in the strongest terms, I urge adoption of this bipartisan approach to American foreign policy.

□ 1220

CONFLICT IN THE MIDDLE EAST

The SPEAKER pro tempore (Mr. TAYLOR of Mississippi). Under the previous order of the House, the gentleman from Ohio (Mr. KAPTUR) is recognized for 60 minutes.

Mr. KAPTUR. Mr. Speaker, I wish to express appreciation to the acting Speaker this evening and all of the clerks, and the recording clerks and the teller clerks and the people in the TV crews. We are moving on toward midnight here in Washington, and all of these individuals who are working very late hours are also a part of this debate, and we want to especially recognize them this evening.

I am beginning my ninth year as a Member of the Congress of the United States, and never in that period of time have I asked for an hour in order to express views on an issue such as this. I consider this to be the most important set of votes that I will cast in my congressional career, certainly my congressional career to date. I will be one Member who will be supporting Gephardt-Hamilton resolution, and I am a Member who is not prepared to give the President a blank check in the situation in the Middle East.

Let me speak this evening as one of the Members of Congress who grew up during the Vietnam era, whose friends fought and died in that battle where America lost over 50,000 of its finest young men and women in that conflict, and in an equal tragedy, since that time, another 50,000 have died here at home from war-related illnesses and suicide. Theirs is largely an untold story. They fought an undeclared war, one that split the Nation in two, and left our troops subject not only to the abuses of war, but the equal abuses of coming home to a Nation divided.

The State of Ohio and the district that I represent are patriotic beyond measure. We well understand the meaning of duty. Our Veterans of Foreign Wars, the VFW has the second largest membership in the United States, even though we are not the second most populous State. Ohio's American Legion sends more boys and girls to Boys' State and Girls' State than any other State in the Union, and we are not the most populous State in the Union.

We are home to Wright-Patterson Air Force Base and dozens of other Active and Reserve units. In fact, Ohio leads the Nation in the number of Active and Reserve members of the Armed Forces who have enrolled in the G.I. educational benefits program. Most of our medical and naval reserve units have already been called; others are on standby.

Our citizens have the experience and willingness to serve and fight, but they want to understand why. We as Members of Congress hold a sacred trust with our troops in the field as well as

our citizenry here at home. There must be no doubt about why America moves to war. The reasons must be crystal clear and the objectives honorable. War must be the very last of resorts, not the first.

I appreciate our congressional leadership responding to the pleas inside this body to hold this debate and discussion prior to January 15. I wish it had come earlier, last year in fact, because in many ways decisions made by the Executive have already placed us in a position that if we support our President fully now we automatically approve the deaths of hundreds and thousands of our own U.S. forces. What a position to be in.

Yet, the Constitution demands our involvement, and like the President, we also take on oath of office to protect our Constitution against all enemies, foreign and domestic. We must discharge our duties, and if Saddam Hussein is listening to this debate, let him understand that in America we allow for debate, even in our highest legislative bodies, for we fundamentally believe in the capacity of our people, through their elected representatives, to make their opinions known, to be represented.

In this debate we respect those who disagree with us, but we will defend with our last breath their rights to express their views. That is why the United States is the most stable political republic on the face of the Earth. It is why we love this land and her remarkable people.

The American people have a right to Congress that meets its constitutional responsibilities. This branch of government is not an extension of the executive branch nor its handmaiden. Each of us is elected in our own right and is sworn to the very same oath as the head of the executive branch, our President. Each of us must uphold the oath to protect and defend the Constitution of the United States against all enemies, foreign and domestic.

When I was privileged to be sworn in as a Member of Congress, I promised myself that I would never be a party to any undeclared war. The Vietnam experience was too divisive and lacked the national will to carry forth national policy.

Today we are afforded our constitutional rights to debate war before it happens, and so we should.

I speak tonight on behalf of every mother, every wife, every father, every husband and relative who has a loved one serving our Nation in the U.S. military. All of them must be assured by our actions here in the Congress and the President's actions that all diplomatic and peaceful means toward resolution of this conflict have been exhausted before the war option is triggered.

How can anyone in this body honestly say that all diplomatic means have been exhausted? Our Secretary of State spent all of 6 hours in a meeting the other day. One cannot even con-

clude that any negotiations even occurred. It was another press event at which ultimatums were delivered by both sides.

Our troops deserve finer and more committed efforts. Even as we speak, diplomats from around the world are trying to find a keyhole through which negotiations can begin. In the meantime, the economic sanctions are locked in place. They will take time to be fully felt. It is no secret, over one-half of Iraq's GNP is tied to its ability to sell its oil, and it is unable to do that. Sanctions will exact a heavy toll as the months proceed and allied cooperation on these sanctions is the one area where we can say our allies are helping us fully. They certainly are not helping us with the money to pay for this massive deployment, nor with significant troop strength, combat troop strength that is battle-hardened.

Letting the economic noose tighten slowly around Iraq is a much more credible posture for the United States at this juncture than becoming an aggressor nation ourselves to respond to Hussein's aggression. War should only be a last resort. The lives of our people and civilians in that region are much too precious.

During this debate, it is important to place on the record reasons about why America should be involved in this conflict. Of late I have become more and more concerned that the debate has centered on the how of it all. We read about perhaps air strikes will happen first, and then perhaps ground forces. And then we read estimates of how many will die, 500, 1,000 10,000 perhaps more. The Department of Defense has ordered 50,000 caskets just in case, and now over 16,000 body bags. We see on TV our troops being immunized and donning gas masks. What we do not hear enough about is why we are there, and for how long and the causes for which we are fighting.

□ 2330

First, we heard that America was there to deter aggression and restore the legitimate Government of Kuwait. That did not ring to the American public, so a new rhetoric was forthcoming. America, it was said, was there to preserve key resources. Oil was never mentioned outright, but other words were: Jobs, economic security, and then the real clincher, the American way of life; then later the administration began talking about Iraq's nuclear capability and its potential threat in the future.

I would like to examine each of these issues. The President says that America must stop aggression. If this is so and America is the world's policeman, why did not America intervene and stop aggression when the U.S.S.R. invaded Afghanistan or Hungary or Czechoslovakia in years past? If the Soviet Union soon occupies the Baltic States which long for democracy, will America stand up for those subjugated

peoples, or how about when Turkey invaded Cyprus? Where was America then? Or when Israel invaded Egypt, or when China moved into Tibet, or, in fact, where was America during the Iran-Iraq war? We seemed to be on both sides of that one depending on what month it was. Or how about when Syria went into Lebanon as recently as a few days ago? Where was America then in standing up to aggressors? Why does America now see only this particular Iraqi aggression as in its vital interests?

There is only one common denominator that explains President Bush's rush to war, and that is oil, on which the Western World for too long has become increasingly dependent.

Although some of the oil companies have been nationalized, the distribution and marketing of Middle East oil is a Fortune 500 company activity. What are the interests of Aramco and British Petroleum and Shell and Exxon and Gulf and Texaco and Mobil and Chevron?

It is surprising how very little has been written about the role of the international oil companies, and the silence is deadening. Yet we can read very clearly in economic reports that come out. In December of last year, the New York Times reported that as a result of the Middle East situation there was an average fourth quarter gain of 64 percent in forecasted new profits for the 12 major oil companies. The companies included Amoco with a 57-percent increase in profits, Arco, a 61-percent increase in profits, British Petroleum, whose major interest is in Kuwait, a 112-percent increase in profits, Chevron, a 113-percent increase in profits, Exxon, a 41-percent increase in profits, Mobil, a 42-percent increase in profits, Phillips, a 265-percent increase in profits, Texaco, a 110-percent increase in profits, and Unocal, a 500-percent increase in profits.

Fourth quarter earnings for oil companies have significantly increased. Big oil companies have sold crude at about \$30 a barrel in this quarter, or \$10 a barrel more than in the corresponding quarter a year ago. That is a 50-percent increase.

As well, the inter-Arab oil conflict inherent in this invasion of Kuwait by Iraq concerns control of oil and access to the Persian Gulf. In the book entitled "Oil Turmoil and Islam in the Middle East," the author discusses the dominant role of Saudi Arabia over her neighbors as a source of potential envy, conflict, and unrest in the Arab world. To quote,

Saudi Arabia's apparently boundless wealth fuels Saudi influence in the Arab world, often to the consternation of her neighbors. Saudi wealth and predominant share of the Organization of Arab Petroleum Exporting Countries' proven reserves give King Fahd control over any decision concerning the collective use of Arab oil. If the share of oil exporting nation's reserves controlled by Saudi Arabia's political allies is added to the Saudi share, the conserva-

tive bloc in that region controls fully 75 percent of all of those Middle Eastern countries' total reserves. In comparison, the so-called radical oil producers, which include Iraq, Libya and Algeria, control only 19 percent of Arab reserves, seventy-five percent versus nineteen percent. Production capacity also strengthens the conservative bloc's hand. From 1973 to 1975, the conservative bloc produced an average of 70.3 percent of the Arab exporting nations' total output. The Saudi share alone averaged nearly half. Saudi Arabia is the only member able to increase production significantly. At any time the Saudi fields could increase production by 3.5 to 4.5 million barrels per day. Out of their additional production capacity, all of the other nations' of 7.5 million barrels per day, the radical states combined can produce only 2 million barrels per day, only about one-third of it, which obviously weakens their bargaining position in their own inter-Arab union.

In summary, it is ironic that while the radical states have consistently advocated the use of the oil weapon, it is the conservative states which control the issue. The inter-Arab tension is historic and growing.

The Arab Petroleum Exporting Countries could never use politically their oil wealth without the cooperation of the Saudi-led conservatives. Without Saudi consent, the oil weapon is quite like a large artillery piece without ammunition. Therefore, the conservative bloc can render impotent any maverick attempt by the radicals to impose an oil policy similar to that of 1973.

The conservative members actually control the use of oil for itself and the other Arab States. The conservative bloc's influence on the use of the oil weapon is manifest in its foreign currency reserves. The reserves allow the petroleum exporting countries to cut production drastically for several months without significant loss or suffering.

If the radical states, Iraq, Libya, Syria, attempted to reduce production significantly, the consequent impact on their domestic economies would likely lead to civil unrest and to political instability.

The combination of factors such as oil production, reserves, surplus capacity and surplus capital makes Saudi Arabia and its conservative allies the only states capable of determining when, whether, how, and for how long oil could benefit Arab foreign policy. It is not hard to understand what is at the base of the simmering unrest in the region of Saudi Arabia and her allies, and that unrest is all tied to oil money and the control of it.

If we look at maps of that part of the world and each of those nations, they are largely deserts with the population concentrated in the areas where oil is drawn, refined and ultimately shipped.

In fact, if we look at the eastern edge even of Saudi Arabia along the gulf, the largest concentration of United States citizens living outside the United States works for Aramco on Saudi Arabia's eastern border.

For the last several decades, America has become more and more dependent on Middle East oil. Germany and Japan are even more dependent, but it is interesting that these nations are nearly silent on the war option that this Congress is considering but quite vocal on using diplomatic and economic sanctions for a long period of time.

For our Nation which has failed to develop energy independence to now ask our troops to fight for continued access to a diminishing oil resource halfway around the world, in my judgment is morally wrong. I would rather take the billions of dollars the United States is investing in the deserts of the Middle East and judiciously bring money, our money, and our troops back home.

Our Nation that landed a man on the Moon in 10 years can be energy self-sufficient by the 21st century, just 10 years from now.

□ 1140

America saw this crisis coming. This is not news to us.

Over 15 years ago, Senator Frank Church of Idaho, magnificent American, held hearings in the Senate on the role of multinational oil companies and concluded that if the world failed to set up international institutions capable of resolving Middle East oil-related disputes and distributing those profits fairly, the world was headed for armed conflict. Then, in the late 1970's, at the height of the U.S. energy crisis, President Carter warned the energy challenge was the "moral equivalent of war." Some Members may be old enough to remember that phrase. However, during the decade of the 1980's the Reagan-Bush administration failed to follow-through on developing an energy policy for America. They did not lead this country for our people. They fought this Congress on filling the strategic petroleum reserve, and they fought Congress on developing alternative fuels. They resisted conservation efforts in everything from home construction to energy-efficient engines.

So now, our people, our neighbors, are being asked to send their relatives, America's troops to make up for political blindness at the highest levels of this government. Oil is not worth the loss of life of one person from my district or any other district in this country. Let's spend those billions of dollars being wasted in the desert, let's spend them here in America to develop our clean coal technologies, our agriculture and alcohol fuels, hydrogen and solar power, and create thousands of jobs here at home in communities from coast to coast, where people are looking for work.

Even if the United States invaded Kuwait tomorrow and took all of it, all of its oil, how many years of oil lie under the ground of Kuwait? Only 30 years. While here in America we have over 1,200 years just in recoverable

coal reserves that can be mined and separated into clean fuels with the new technologies available to us. Of course, the oil companies do not want to do that, but this is certainly within the capacity of the Nation which landed a man on the moon.

Now, this is a time of deepening recession in America, and we know that 75 percent of America's world trade deficit is due to oil and auto imports. Over half of our energy is imported. At the same time as we do that, we have States like Texas and Louisiana and Oklahoma, and Members can go all the way from Lorain, OH, and Denver, CO, and all the mining States around this country in deep recession where people are in need of work. The answer to the energy problem lies within our own borders. Not sending America's best to fight a desert war for a dwindling resource.

Even if America took control of Saudi Arabia, of Kuwait and Iraq, and all of their oil, we still have more recoverable, twice as much, just recoverable coal reserves underground in this Nation, if we but have the will to develop it. Our goal should be to take care of our business here at home as soon as possible. Let us put America back on a sound economic and energy footing so we can remain the standard bearer of liberty throughout the world, and do so not by the force of our arms, but by the greater power of the ideal of our democratic republic, the oldest functioning democracy on the face of the Earth.

Now, America has no treaty obligations in the Middle East akin to the Versailles Treaty which bound us to Western Europe's defense after the First World War. Rather than coveting oil, America rather must ask what is our proper role in a region where we have systematically seen the collapse of the old order—the oil-rich monarchies that kept the oil flowing from the Middle East for most of the century. Of late, we have seen much change. Recall with me, we have seen the Shah of Iran deposed, much to the surprise of most of the West. We have seen the President of Egypt, Anwar Sadat, assassinated. One week he was on the cover of Time magazine as Man of the Year, and shortly thereafter, dead in his own land. We have witnessed kings in that region overthrown in Libya and Iraq. Saddam Hussein overthrew a king. We have seen unrest in Sudan, and certainly in Israel, and we saw for 8 years in the 1980's Iran-Iraq war in which over 500,000 of their citizens died.

This is the time of America to recognize that the old order in the Middle East, based on kingdoms, not democracies, is being torn from within by power pressures for change. Before going to war, America must ask how deeply, and for how long does the United States intend to police inter-Arab politics to preserve the old order. What is America's obligation to bolster

the power of monarchies in the Kingdom of Saudi Arabia, and for the Emirate of Kuwait?

Fundamentally, the Middle East needs an inter-Arab version of NATO to resolve the continuing disputes in the region which will continue whether America is there or not. America cannot be the sentry at the gate for all the upheavals that will be forthcoming in that region in years hence, but we can be a constructive force, with our allies, to forge a Middle East version of NATO.

Let me continue for the record.

The President likens this conflict to World War II. But unlike World War II, the United States has no Treaty of Versailles binding us to mutual security pacts in the region. In World War II, America fought to preserve democracies. In this instance, we are doing just the opposite. We are fighting to preserve kingdoms and emirates because of our dependence on their oil. We are fighting to preserve governments that have invested the bulk of their revenues outside the nations in which their leaders reside. Saddam Hussein is likened to a Hitler. But just last July our own government told him the United States would not intervene in inter-Arab border disputes, and just a few years ago the Reagan-Bush administration officially recognized the Government of Iraq, and the Bush administration fought the Congress as recently as last summer on trying to place sanctions on Iraq for its human rights abuses. During the Iran-Iraq war United States Arms were channeled to Iraq by the Reagan-Bush administration. So which Iraq is it that the administration now claims we must fight against? Did the Iraqi nation change its stripes, or did we?

After World War II the United States waited in Europe and supported NATO for over 40 years—to stem the tide of Soviet expansion. Why must we now choose the war option rather than patient, deliberate sanctions? In World War II, Hitler systematically rolled over the industrialized nations adjoining him. Though Hussein is an aggressor, he has been turned back in his adventures, by Israel, by Iran, and will be turned back in Kuwait as well.

If he is a Hitler, he is certainly much less successful, and he is not an industrial power as Germany before and during World War II.

We know for the 8 years of the Iran-Iraq war, the Reagan-Bush administration supported Iraq and Saddam Hussein. In fact, up until last August. Members of this Congress tried to enlighten the Bush administration of the human rights abuses going on in Iraq, but our repeated warnings fell on deaf ears. Then, all of a sudden last August, the administration began calling Hussein a new Hitler. Why was he not a Hitler in July or a year ago, or when President Reagan and Vice President Bush recognized the nation of Iraq. When did he change? Within 1 month, we saw the administration trying to

transform the desert dictator into a Hitler. Somehow it does not ring true when the United States Ambassador to Iraq, April Glaspie and our own Deputy Secretary of State John Kelly told Congress and Hussein both back in July that the United States would not interfere in inter-Arab border disputes, and then within hours, the United States had deployed 200,000 troops. Two months later, 200,000 more troops. And on a dime, the administration reversed itself and said the situation was vital for U.S. interests.

By contrast, the United States waited in Europe and NATO for over 40 years.

□ 2350

We withstood the insults of Stalin, Khrushchev, Brezhnev, and so many other dictators. The world loves America, not because of the strength of her arms, though security is essential in today's world, but more because of the force of the idea of freedom and our liberties. It is these ideas to which emerging nations aspire. Let us not be distracted by those who would use force as a first means in this most recent test of national wills. Those with the will to wait out sanctions will be victorious in the end, and thousands of lives will have been saved. This is a lesson for America to teach the world.

Now, on the nuclear threat, some say it is Iraq's nuclear threat that America should fear, but America has withstood nuclear threats to date, all of them. We acknowledge this is a dangerous world. We also know mutual assured destruction is the only answer other than total disarmament by all powers to withstand a nuclear threat. Our ultimate posture must be that nuclear decimation by one power will be met in equal or greater force by another. It is this mad system which holds the violence in check.

America cannot really stop Iraq, nor China, nor Pakistan, nor the dozens of nations that will seek to operationalize this terrible technology as we move into the 21st century.

We must be diligent in moving to limit and disarm where possible, but in the end our ultimate weapon is our own ability to wreak havoc on would-be aggressors. Such is the world we have helped to create.

As far as the importance of the U.N. resolution, let me commend the President and the Secretary of State for seeking allied support. This is essential and the first test of the new world order; but those nations who signed that commitment have a largely verbal commitment. They do not have combat troops in place in any manner similar to the U.S. deployment, nor have they committed real money. Even Japan and Germany, whose economies are chugging along, have not met their early obligations expected as of this month.

This Congress cannot fulfill its responsibility by approving a blank check resolution such as the U.N. resolution or the administration's proposal. It simply puts too much faith in an uncertain future that no one at this point can predict. We must preserve our congressional prerogatives.

Now, the President says that the United States must restore the legitimate governments in the region. We all desire this; but an equally important question is how legitimate are any of these governments in the eyes of each other when their borders were largely drawn by the colonial powers who physically vacated the region over the last 20 years and who were more interested in oil than in democracy. It was they who initially let the big oil companies draw the borders between these nations and then drained the oil fields for generations, ignoring the fact that the politics of the region might catch up to the economy someday.

One of the fundamental problems of the Middle East is that certain families became extremely wealthy and did not invest enough of their oil profits in their own homelands. They put their money in Western banks, they sent their children to frolic in the jet set capitals of the world while the vast majority of the people there remained poor.

Let us look at Kuwait, a most interesting nation to check the balance sheets on. Kuwait's economy, and some have called Kuwait a large oil well, is dominated by the Kuwait Petroleum Co., which is effectively a holding company with a large number of subsidiaries involved in the production and distribution of petroleum and natural gas.

Another source of Kuwait's power is the large worldwide investment portfolio which is believed to yield revenues equal, if not larger, than income from petroleum exports. And where is that portfolio invested? The Kuwait investment authority is located mainly in the United States and Great Britain. Thus we see Britains rush to join the gulf effort. The Kuwait investment authority holds nearly 10 percent of British petroleum.

The New York Times reported back in December that the fourth quarter profits for B.P. are estimated to increase 112 percent this year.

Kuwait also holds investments in the United States which total nearly \$50 billion in assets overall. These investments include a \$3 billion portfolio of stocks and securities managed by Morgan Stanley. Undisclosed portfolios managed by Citibank and Chase Manhattan, gold reserves at the New York Federal Reserve Bank, a stake in the partnership led by the Gordon Investment Corp. that plans to buy Columbia Savings and Loan \$3 billion junk bond portfolio.

Kuwait's investment in Britain includes 10.5 percent of the Midland

Bank, 11 percent of Travel and Financial Services concern of Hogg Robinson. They are the owner of the St. Martins Property Corp., builders of London Docklands Development. They also hold gold reserves at the Bank of England.

Kuwait's investment authority holds \$8 billion in stocks and securities in Japan, and the Kuwait Petroleum Corp. also has European holdings of more than 4,500 service stations in Hungary, Italy, Britain, Scandinavia, Belgium, Luxembourg, the Netherlands, and four oil refineries in Europe. Not bad for a nation of less than 2 million people of which only about one-third were ever allowed to vote within the nation of Kuwait in the first place.

Is it any wonder to see that revolutions, both religious and military, have plagued the region in most recent years. The region's indigenous politics is just emerging and subject to violent change. The world will not be able to contain those pressures.

The United Nations would best focus its efforts on how to create a Middle East multinational peacekeeping structure as part of the solution to this situation and to resolve other border disputes.

In talking with the citizens of my district, I have listened closely to what they have been saying to me. They want to support our President, but fundamentally they do not believe in an early rush to war. They want to give tough sanctions a chance to work.

Many have said to me, "MARC, don't let America become the bad guy in the Middle East."

They say to me, "Why aren't our allies paying their fair share of the cost of this? Where are their troops?" They ask me.

Many have said that dying for oil is not worth the price.

In fact, I am getting these little canisters in my office now from citizens saying, "No blood for oil."

Many have asked me how they can conserve in their households, in their buying of automobiles, how they can cut down on their energy consumption per year. Frankly, more women have asked me that question than men, but I have been surprised at how many people in my district have asked me that question. They do not want their neighbors to die in the Middle East.

Others have said to me that they are willing to pay more for gas if it will save lives.

For the record, I will enter some of their other statements for history.

In sum, let me say that I support our President so long as our troops remain in a defensive posture. Saddam Hussein must leave Kuwait and we should give tough economic sanctions sufficient time to work, but 4 months just is not realistic.

We should develop our own energy-sufficiency, and I await the President's State of the Union Address in this regard, and we should set a national

goal to make this Nation energy self-sufficient by the 21st century, and if we set our minds to it, we could do it.

We should work to transfer the Armed Forces currently in the Persian Gulf into an international peacekeeping force and downsize America's commitment slowly as the sanctions take effect and we are able to replace our troops with those from other nations as well.

□ 2400

And we should support the President in all diplomatic initiatives and other government-to-government efforts to reach settlement in the region.

I think that doing this we would exhibit to the best of our ability what President Dwight Eisenhower not so many years ago wisely counseled and described as "patient courage."

Mr. Speaker, I submit the additional comments I referred to previously.

WAR CANNOT HAPPEN WITHOUT BODY BAGS

The Washington Post-ABC Poll shows that 68% of the American public think the Congress should be more actively supporting the President's policies in the Persian Gulf. Of the same people interviewed for the poll their support for the use of force diminishes as soon as casualties are mentioned. When asked if they would support the use of force if it meant the loss of 1,000 American lives, 44% favor the use of force and 53% oppose. When asked if they would support war if it meant 10,000 casualties 35% favor the use of force and 61% oppose force. One is forced to conclude that support for the President is support for war. War does not take place without body bags.

Who is fooling who? The Defense Department just placed an order for 16,099 body bags with a company in Philadelphia. Why is the Defense Department not leveling with the American public and telling us how many casualties to expect.

JOB

Secretary of State James Baker has stated that one of the reasons we are in the Persian Gulf is to protect jobs. It is estimated that 3,000 U.S. nationals were employed in Kuwait. Should President Bush risk the killing of 3,000 soldiers to save 3,000 workers? Does that make sense?

The cost of Operation Desert Shield is estimated to be \$1 billion a month. A few months ago the Bush Administration claimed that we were involved in the Middle East to protect jobs. One billion dollars would be more appropriately invested in the United States to develop new jobs.

What is the point of fighting over oil fields when in a war they will be destroyed thus driving up the price of oil again.

KUWAIT INVESTMENT AUTHORITY

Kuwait's economy is dominated by the Kuwait Petroleum Company which is effectively a holding company with a large number of subsidiaries and partially owned companies involved, directly and indirectly, with petroleum and natural gas. Another source of economic power is the large and presumed worldwide investment portfolio of Kuwait, which is believed to yield revenues equal if not larger than income from petroleum exports.

All main industrial activities in Kuwait are related to oil, natural gas, or the booming construction industry. Efforts to foster other industries have been hampered by the small size of the domestic market and lack

of natural resources other than hydrocarbons.

The Kuwait Investment Authority is located mainly in the United States and Britain, thus we see Britain's rush to join the Gulf effort. Kuwait Investment Authority holds 9.8% of British Petroleum. The New York Times reported on December 26, 1990 that the fourth quarter profits for British Petroleum are estimated to increase 112%.

Kuwait also holds investments in the United States which total \$45 billion to \$50 billion in assets overall. These investments include a \$3 billion portfolio of stocks and securities managed by Morgan Stanley; undisclosed portfolios managed by Citibank and Chase Manhattan; Gold Reserves at the New York Federal Reserve Bank; a stake in the partnership led by the Gordon Investment Corporation that plans to buy Columbia Savings and Loan's \$3 billion junk bond portfolio. (Washington Post August 6, 1990)

Kuwait's investment in Britain includes 10.5% of Midland Bank; 11.3% of travel and financial services concern Hogg Robinson; Owner of St. Martins Property Corp., builders of London docklands development; Gold reserves at the Bank of England.

Kuwait investment authority holds \$8 billion in stocks and securities in Japan; 72% of Torras SA, a Spanish industrial holding company with interests in 170 different companies in chemicals, paper, food and financial services; 37% of Dao Heng Holdings, holding company for one of the six biggest of 30 or so local Hong Kong Banks.

The Kuwait Petroleum Corporation also owns Santa Fe International, a California-based engineering and oil exploration company purchased in 1981 for \$2.5 billion and has European holdings of more than 4,500 service stations in Hungary, Italy, Britain, Scandinavia, Belgium, Luxembourg, the Netherlands and 4 oil refineries in Europe.

OIL COMPANIES FOURTH QUARTER PROFITS

On December 26, 1990, the New York Times reported that as a result of the Middle East situation an average fourth quarter gain of 64% is forecast for 12 companies. The companies included Amoco (57%), Arco (61%), British Petroleum (112%), Chevron (13%), Exxon (41%), Mobil (42%), Phillips (265%), Texaco (110%), and Unocal (500%).

Fourth quarter earnings for oil companies have significantly increased. Big oil companies have sold crude at about \$30 a barrel in this quarter, or \$10 a barrel more than in the corresponding quarter a year ago. This is a 50 percent increase.

"Talk and negotiation are the only ways we can really solve problems. The President should temper his words and soften them. Otherwise, he will only create unnecessary tensions and risk an armed conflict."

"As a democracy we must have discourse and debate and it cannot be stifled because the Administration feels it will expose a divided or unsupportive American people. I am unsupportive and I expect the truth is that the nation would be deeply divided by war."

"He (President Bush) has not communicated to the American people the reasons why we are in Saudi Arabia. Regardless of the cause, I feel it is not worth losing American lives. Can the President go to war without a national debate? Without Congress' consent? And just what are the goals in the Gulf? I believe he has gone too far, too fast. I know I speak for the majority of Americans when I say our hope is for our service people to return home unharmed."

"I hope you and the other Congressmen and women will consider all of the alternatives to war. I wouldn't want my brother to

get drafted and killed in another Vietnam. Would you?"

"According to the Constitution the power of declaring war belongs to Congress. I hope as a Member of the Congress you will remind the Executive Branch that they don't have the power to declare war. Tell George Bush we don't want another Vietnam."

"The statements that we do not want war, and yet the continued exchange of threats makes me wonder if we might not be looking for an excuse to engage the Iraqis in battle."

"As a father of three sons, ages 21, 19, and 18, I also have a deeply personal stake in the decisions you make."

"The irony is that both our own rhetoric and Iraq's rhetoric have fed upon the other and have consequently dragged us both further into the mire of non-communication and closer to military confrontation. Recent positive action by both countries (the call for face-to-face negotiations, the release of hostages) have lost momentum in the face of dogged insistence upon rhetoric."

"We should remember to try to give peace a chance. The military option should be the very last resort. The United States must exhaust all possible negotiations before ever rushing into war."

"Congress must be able to have a say in this matter. As the Constitution so clearly states, Congress represents the American people. Therefore, only Congress can express the will of the people. President Bush must consult with Congress before taking any other action. It is the only way we citizens can either provide or deny our support."

"Since Iraq invaded Kuwait I have not heard one person say we should go to war over it. I honestly do not believe that war would be supported by the U.S. population. A serious energy policy would get a lot more support."

"We feel that there has been an insidious movement to divert attention away from domestic problems by calling up the troops and sounding the call to battle. We can hardly afford the costs of maintaining our armed forces in Saudi Arabia and ought to withdraw. This President may need to lose face in order to establish once and for all that, while the President may be Commander-in-Chief of the Armed Forces after war has been declared, he or she may not threaten or attack another country without the consent of Congress."

"It appears that George Bush is single-handedly leading us into a war that is not what most citizens feel is justified or necessary . . . U.N. Security Council approval of the use of force does not make it right for us to take the offensive and attack Kuwait. War does not solve anything, and in this case, bombings would destroy the oil anyway."

"I hope that you as a Member of Congress will consider all alternatives to military force, and make sure that George Bush realizes that he does not have the authority or support of the citizens to declare war. This country cannot afford another situation like Vietnam. Diplomacy and withdrawal should be the words rather than war."

The SPEAKER pro tempore (Mr. TAYLOR of Mississippi). Under a previous order of the House, the gentleman from Oregon [Mr. DeFAZIO] is recognized for 60 minutes.

[Mr. DeFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS of New York addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. JOHNSON of Connecticut (at the request of Mr. MICHEL) for today on account of official business.

By unanimous consent, leave of absence was granted to:

Mr. DYMALLY of California (at his own request) for the week of January 7, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GILMAN) to revise and extend their remarks and include extraneous material:)

Mr. FIELDS, for 60 minutes each day, on January 10 and 11.

Mr. DORNAN of California, for 5 minutes, today.

(The following Members (at the request of Mr. WASHINGTON) to revise and extend their remarks and include extraneous material:)

Mrs. UNSOELD, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Ms. KAPTUR, for 60 minutes, today, and on January 11.

Mr. SCHEUER, for 30 minutes, today.

Mr. PEASE, for 60 minutes, on January 12.

(The following Members (at the request of Mr. WELDON) to revise and extend their remarks and include extraneous material:)

Mr. McEWEN, for 60 minutes each day, on January 10, 11, and 12.

Mr. BURTON of Indiana, for 60 minutes each day, on January 11 and 12.

Mr. LEACH, for 60 minutes, today.

Mr. WELDON, for 60 minutes, on January 11.

(The following Members (at the request of Mr. SIKORSKI) to revise and extend their remarks and include extraneous material:)

Mr. DeFAZIO, for 60 minutes, today.

Mr. OWENS of New York, for 60 minutes each day, on January 10, 11, 12, 14, 16, and 18.

Mr. SIKORSKI, for 5 minutes, today.

Mrs. UNSOELD, for 5 minutes, on January 11.

Mr. SCHEUER, for 60 minutes, on January 12.

Mr. POSHARD, for 60 minutes, on January 11.

Mr. FALEOMAVAEGA, for 60 minutes, on January 11.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. WASHINGTON) and to include extraneous matter:)

Mr. STARK in three instances.

Mr. RICHARDSON in two instances.

Mr. MAZZOLI.

(The following Members (at the request of Mr. GILMAN) and to include extraneous matter:)

Mr. CHANDLER.

Mr. DUNCAN in two instances.

(The following Members (at the request of Mr. WELDON) and to include extraneous matter:)

Mr. DANNEMEYER.

Mr. McEWEN.

Mr. GALLO.

Mr. BEREUTER.

Mr. SMITH of New Jersey.

Mr. GINGRICH.

(The following Members (at the request of Mr. SIKORSKI) and to include extraneous matter:)

Mr. BONIOR in two instances.

Mrs. LOWEY of New York.

Mr. TORRICELLI.

Mr. LEHMAN of California.

Mr. KILDEE.

Mr. LIPINSKI.

Mr. FAZIO.

ADJOURNMENT

Ms. KAPTUR. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock midnight) under its previous order, the House adjourned until Friday, January 11, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

262. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of major defense equipment sold commercially to the United Kingdom (Transmittal No. DTC-18-91), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

263. A communication from the President of the United States, transmitting his request that the House of Representatives and the Senate adopt a Resolution stating that Congress supports the use of all necessary means to implement U.N. Security Council Resolution 678 (H. Doc. No. 102-27); to the Committee on Foreign Affairs and order to be printed.

264. A letter from the Acting Secretary of Education, transmitting the annual report under the Federal Manager's Financial Integrity Act for fiscal year 1990, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

265. A letter from the Administrator, Agency for International Development, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1990, pursuant to 31 U.S.C.

THE FreeMarket

LUDWIG VON MISES INSTITUTE

VOLUME 8, NUMBER 11

NOVEMBER 1990

Why the Intervention in Arabia?

BY MURRAY N. ROTHBARD

This is a great article. Please see the last page.

Amidst the near-universal hoopla for President Bush's massive intervention into the Arabian Peninsula, a few sober observers have pointed out the curious lack of clarity in Mr. Bush's strategic objective: is it to defend Saudi Arabia (and is that kingdom really under attack?); to kick Iraq out of Kuwait; to restore what Bush has oddly referred to as the "legitimate government" of Kuwait (made "legitimate" by what process?); to dispose and/or murder Saddam Hussein (and to replace him with whom or what?); or to carpet-bomb Iraq back to the Stone Age?

There has been even less discussion, however, about a somewhat different and even more puzzling question: why, exactly, are we suddenly hip-deep into Saudi Arabia? Why the hysteria? Why the most massive military buildup since Vietnam, and the placing of almost our entire army, air force, navy, marines, and a



UNCLE SAUD
WANTS YOU

SHOLE

chunk of reserves in this one spot on the globe where there is not even a U.S. treaty obligation?

(1) Big guy, little guy. What is

puzzling to some of us is crystal clear to General H. Norman Schwarzkopf, commander of

CONTINUED ON PAGE THREE

War Is Socialism

BY JOSEPH P. SOBRAN

When Iraq seized Kuwait on August 2, official circles in the U.S. reacted immediately. President Bush began making preparations for war, with the full support of Congress (as far as audible indicators went, given that Congress was in summer recess). As for unofficial circles, there was remarkably little opposition from political commentators, many of whom were as eager for war this time as they were opposed to it during the Vietnam years. And no mass antiwar movement materialized.

The few who did argue against war with Iraq found themselves stigmatized as "isolationists." In a way, this was the most notable datum of all. The leading "isolationist," Patrick J. Buchanan, had in fact supported every recent American military intervention since Vietnam. His very first reservation about a proposed U.S. military action abroad earned him the reproachful epithet.

Nobody defined the word "isolationist" or explained why it was such a bad thing to deserve it. Nobody had to. That's the point. "Isolationist" is what Richard

Weaver called an "uncontested term": a term packed with abstract meanings and values which, however questionable philosophically, embody the prejudices of a particular society.

The relevant prejudice here is a presumption in favor of war. Iraq posed no serious threat to the U.S.; those who favored war were driven to rather desperate predictions that its dictator would someday menace the U.S. with nuclear weapons and long-range missiles, neither of which he possesses now. The costs of

CONTINUED ON PAGE FOUR

Why the Intervention in Arabia?

CONTINUED FROM PAGE ONE

U.S. forces for "Operation Desert Shield." Growing testy under media questioning, the general replied: "Don't you read the papers? You all know why we're here. A big guy beat up a little guy and we're here to stop it." The general was obviously using the Police Action metaphor. A big guy is beating up a little guy, and the cop on the corner intervenes to put a stop to the aggression.

Unfortunately, on further analysis, the Police Action metaphor raises far more questions than it answers. Aside from the obvious problem: why is the U.S. the self-appointed international cop? The cops, seeing the bad guy flee and lose himself in his neighborhood, do not surround that neighborhood with massive force and starve out the entire neighborhood looking for the bad guy. Still less do cops carpet-bomb the area hoping the bad guy is killed in the process. Cops operate on the crucial principle that innocent civilians do not get killed or targeted in the course of trying to apprehend the guilty.

Another crucial point: governments are not akin to individuals. If a big guy sets upon a little guy, the aggressor is invading his victim's right to his person and to his property. But governments cannot be assumed to be innocent individuals possessing just property rights in their territory. Government boundaries are not productive acquisitions, as is private property. They are almost always the result of previous aggressions and coercion by governments on both sides. We cannot assume that every existing state has the absolute right to "own" or control all the territory within its generally arbitrary borders.

Another problem with the alleged principle of the U.S. cop defending all borders, especially those of little states: what about the big U.S. government's own

invasion of decidedly little Panama only a short time ago? Who gets to put the manacles on the U.S.? The usual retort was that the U.S. was "restoring" free elections in Panama. An odd way to justify intervention against Iraq, however, since Kuwait and Saudi Arabia are each absolutist royal oligarchies that are at the furthest possible pole from "democracy" or "free elections."

(2) Saddam Hussein is a very bad man, the "Butcher of Baghdad." Absolutely, but he was just as much a butcher only the other day when he was our gallant ally against the terrible threat posed to the Gulf by the fanatical Shiites of Iran. The fanatical Shiites are still there, by the way, but they—as well as the dictator of Syria, Hafez Assad,

Unfortunately, on further analysis, the Police Action metaphor raises far more questions than it answers.

the Butcher of Hama—seem to have been magically transformed into our gallant allies against Saddam Hussein.

(3) But some day (three but more likely ten years) Saddam Hussein may acquire nuclear weapons. So what? The U.S. has nuclear weapons galore, the result of its late Cold War with the U.S.S.R., which also has a lot of nuclear weapons, and had them during the decades that they were our Implacable Enemy. So why is there far more hysteria now against Saddam than there ever was against the Soviet Union? Besides, Israel has had nuclear weapons for a long time, and India and Pakistan are at the point of war over Kashmir, and they each have nuclear arms. So why don't we worry about them?

The appeal to high principle is not going to succeed as a coherent explanation for the American intervention. Many observers, therefore, have zeroed in on economics as the explanation:

(4) The Oil War. Saddam, by invading Kuwait and threatening the rest of Arabia, poses the danger, as one media person put it, of being "king of the world's oil." But the oil explanation has invariably been posed as the U.S. defending the American consumer against an astronomical raising of oil prices by Iraq.

Again, however, there are many problems with the Oil Price explanation. The same Establishment that now worries about higher oil prices as a "threat to the American way of life," treated OPEC's quadrupling of oil prices in the early 1970s when we were far more dependent on Gulf oil than we are now, with calm and fortitude. Why was there no U.S. invasion of Saudi Arabia then to lower the price of oil? If there is so much concern for the consumer, why do so many politicians long to slap a huge 50 cents a gallon tax on the price of gasoline?

Indeed, it is clear that the power of OPEC, like all cartels, is strictly limited by consumer demand, and that its power to raise the price of oil is far less than in the 1970s. Best estimates are that Saddam Hussein, even conquering the entire Gulf, could not raise the oil price above \$25 a barrel. But the U.S., by its embargo, blockade, and continuing threats of war, has already managed to raise the price of crude to \$40 a barrel! In fact, it would be more plausible to suppose that the aim of the massive Bush intervention has been to raise the price of oil, not to lower it. And considering Mr. Bush's vice presidential visit to Saudi Arabia specifically to urge them to raise prices, his long-time connections with Texas oil and with Big Oil gener-

CONTINUED ON NEXT PAGE

Your Company Can Double Your Gift

If your employer has a matching-gift program, you can double (or even triple) your next tax-deductible contribution to the Mises Institute. There are two types of matching-gift programs:

- 1) One matches only gifts to colleges and universities. In this case, please make your contribution payable to the Auburn University Foundation for use by the Mises Institute, and send us the check and matching-gift form. (Your company should do the same when matching your contribution.)
- 2) The other matches gifts to all educational and charitable organizations exempt under Sections 501(c)3 and 509(a). In this case, please make your contribution payable to the Mises Institute and send us the check and matching gift form. The income from matching gifts is very important to the Institute. Thank you for helping.

Why the Intervention in Arabia?

CONTINUED FROM PAGE THREE

ally, as well as Texas's slump in recent years, this hunch begins to look all too credible.

But the likeliest explanation for the Bush intervention has not been raised at all. This view focuses not on the price of oil, but on its supply, and specifically on the profits to be made from that supply. For surely, as Joe Sobran has emphasized, Saddam does not intend to control oil in order to destroy either its supply or the world's customers whom he hopes will purchase that oil.

The Rockefeller interests and other Western Big Oil companies have had intimate ties with the absolute royalties of Kuwait and Saudi Arabia ever since the 1930s. During that decade and World War II, King Ibn Saud of Saudi Arabia granted a monopoly concession on all oil under his domain to the Rockefeller-controlled Aramco, while the \$30 million in royalty payments for the concession was paid by the U.S. taxpayer. The Rockefeller-influenced U.S. Export-Import Bank obligingly paid another \$25 million to Ibn Saud to construct a pleasure railroad from his main palace to his summer palace, and President Roosevelt made a secret appropriation out of war funds of \$165 million to Aramco for pipeline construction across

Saudi Arabia. Furthermore, the U.S. Army was obligingly assigned to build an airfield and military base at Dhahran, near the Aramco oilfields, after which the multi-million dollar base was turned over, gratis, to Ibn Saud.

It is true that Aramco was gradually "nationalized" by the Saudi monarchy during the 1970s, but that amounts merely to a shift in the terms of this cozy partnership: over half of Saudi oil is still turned over to the old Aramco consortium as management corporation for sale to the outside world. Plus Rockefeller's Mobil Oil, in addition to being a key part of Aramco, is engaged in two huge joint ventures with the Saudi government: an oil refinery and a petrochemical complex costing more than \$1 billion each.

Oil pipelines and refineries have to be constructed, and Standard Oil of California (now Chevron), part of Aramco, brought in its longtime associate, Bechtel, from the beginning in Saudi Arabia to perform construction. The well-connected Bechtel (which has provided cabinet secretaries George Schultz and Casper Weinberger to the federal government) is now busily building Jubail, a new \$20 billion industrial city on the Persian Gulf, as well as several other

large projects in Saudi Arabia.

As for Kuwait, its emir granted a monopoly oil concession to Kuwait Oil Co., a partnership of Gulf Oil and British Petroleum, in the 1930s, and by now Kuwait's immensely wealthy ruling Sabah family owns a large chunk of British Petroleum, and also keeps enormous and most welcome deposits at Rockefeller-oriented Chase Manhattan and Citibank.

Iraq, on the other hand, has long been a rogue oil country, in the sense of being outside the Rockefeller-Wall Street ambit. Thus, when the crisis struck on August 2, the big Wall Street banks, including Chase and Citibank, told reporters that they had virtually no loans outstanding, nor deposits owed, to Iraq.

Hence, it may well be that Mr. Bush's war is an oil war all right, but not in the sense of a heroic battle on behalf of cheap oil for the American consumer. George Bush, before he ascended to the vice presidency, was a member of the executive committee of David Rockefeller's powerful Trilateral Commission. Mr. Bush's own oil exploration company, Zapata, was funded by the Rockefeller family. So this Oil War may instead be a less-than-noble effort on behalf of Rockefeller control of Middle East oil. ◀

War Is Socialism

CONTINUED FROM PAGE ONE

even the preliminary boycott and blockade of Iraq were greater than any projected cost of Iraqi aggression.

But whether or not the call to war was as irrational as this account suggests, the striking fact is that from the very first, a heavy burden of proof has rested on those who opposed war. Surely this is the opposite of the way things should be in normal society. Self-defense is the destruction of a threat; its price, however, is a measure of self-destruction, whether in death and mutilation or mere expense.

The point can be made more vividly. In his book *Wartime*,

Paul Fussell complains that to this day the American public has been kept naive about the actual experience of soldiers in World War II. Fussell remarks that "it would be a mistake to assume that dismembering was more common when warfare was largely a matter of cutting weapons, like swords and sabers. Their results are nothing compared with the work of bombs, machine guns, pieces of shell, and high explosives in general."

He goes on: "You would expect front-line soldiers to be struck and hurt by bullets and shell fragments, but such is the popular insulation from the facts

that you would not expect them to be hurt, sometimes killed, by being struck by parts of their friends' bodies violently detached. If you asked a wounded soldier or marine what hit him, you'd hardly be ready for the answer, "My buddy's head," or his sergeant's heel or his hand, or a Japanese leg, complete with shoe and puttees, or the West Point ring on his captain's severed hand."

Fussell continues amassing details of what he and other combat veterans went through. Even those who suffered no physical harm were often driven insane by the danger and the carnage