

West German Sabotage Coordinated From U.S.

In West Germany, where the nuclear power development program has been built under what are considered the world's highest safety standards, future developments are being hampered by a concerted campaign of site occupations and disruptions being carried out in direct coordination with the NRDC and related groups in the U.S. A meeting earlier this week in Oldenburg of some 150 so-called Buerger Initiative groups planned a new wave of violent disruptions of the Brockdorf nuclear site. During the meeting a representative of Bremen Radio stated the likelihood that as many as 200 lives could be lost, but that "this is a small price to pay considering the danger of nuclear destruction." This new demonstration planned for Feb. 19 includes representatives from the U.S., Denmark, and Australia and involves members of several intelligence-run "Maoist" organizations — KBW, KPD, KPD-ml, KB (the so-called K-groups) and the groups associated with NATO agent Ernest Mandel.

A spokesman in Washington of the NRDC has revealed plans to occupy a second West German site for a nuclear reprocessing facility, to be announced soon. "More than 800 tractors will occupy the site within 24 hours of

government announcement of the final site," the source claimed.

The West German government has come under intense State Department and other pressure to withdraw its announced decision to sell to Brazil a nuclear reprocessing facility, even though inspection standards exceeding current International Atomic Energy Agency requirements have been agreed to by the Brazilian government.

In Brazil, which is firmly committed to fulfillment of the West German deal proceeding, in addition, eight nuclear power reactors, the government has recently refused a Canadian attempt to break the contract.

The Brazilians' commitment to develop nuclear power capacity is firmly supported by the Argentine government and industry. Argentina, which is the first Latin American country to possess a working commercial reactor, has had a vigorous press campaign in support of nuclear power. An article in the Argentine daily *Clarín* of Jan. 16 stated the case sharply: "All new advances of civilization are always surrounded by such discussions. Remember those who so vehemently opposed the automobile at the beginning of this century; or those who insisted that it was impossible for an airplane to fly?"

Saudi Production Increases Aimed at Creating New International Oil Marketing Network

Backed by a coalition dominated by European state-owned oil companies and American independents, the Saudi Arabian government earlier this week assigned designated purchases of additional Saudi crude to be produced over and above the old 8.5 million barrels a day (mbd) production ceiling to the four partners of Rockefeller's Aramco consortium. The four oil companies in Aramco — Mobil, Exxon, Socal, and Texaco — will deliver Saudi crude to the European based companies — French state-owned company CFP, its Italian counterpart, ENI, British Petroleum, and Royal Dutch Shell — on terms dictated by the Saudi government. The Saudis intend to redirect the flow of their oil towards new markets using the Aramco partners simply to deliver the oil. The sale of all additional production will be accompanied by strict price auditing measures to prevent profiteering with Saudi crude.

Aside from the four European companies named, the Jan. 20 *Journal of Commerce* reports that American independent refiners may well also soon be allocated Saudi oil, as well as the Japanese. This is the first time that U.S. independents, longstanding rivals of Exxon et al., have been identified with the Saudi efforts to undercut the multinationals.

Following the collapse of last month's North-South conference the Saudis, with strong backing from Italy and Great Britain, have taken the lead in OPEC to ensure that oil is used for industrial expansion in the advanced sector in order to assure supplies to the Third World of

vital imports and technology. The London Times welcomed the Saudi selection of BP and Shell, linking it to the policy of "making additional supplies of cheaper Saudi oil available throughout the world, the latest step in the Saudi campaign." A well-informed Texas oil analyst suggested that oil sold to Shell could then be remarketed to Third World countries through Shell's extensive networks. BP and Shell may also soon be handling additional Iranian oil as third parties in barter deals worth \$2 billion between Iran and Great Britain. Such deals will make both BP and Shell the largest shareholders in the Iranian consortium of companies, directly responsible to the two governments as dictated by the terms of their trade contracts.

Aramco Nationalization

The Lebanese magazine *Events* dated Jan 14 reports that the Saudis' 100 per cent takeover of Aramco have been completed by Jan. 15. While no other press reported the finalization of the super-secret nationalization negotiations, the Jan. 17 *Wall Street Journal* reports that the highly unusual assignment of buyers to Aramco's four companies was done "as if" the nationalization had been completed. *Events* reports that the terms of nationalization desired by the Saudis are to continue to use the extensive downstream capacity of the four multis to expand their production. But, unlike the previous terms of partial nationalization, the Saudis will exercise a much more vocal posture in deciding the use of the oil.

A major stumbling block to the U.S. being included in the Saudis expanded sales program would be FEA rules to institute a price equalization program, balancing OPEC's two-tier prices of oil. This would make the mandatory policy of auditing the sales of cheaper Saudi crude impossible. France was recently considering the equalization plan, but latest reports indicate the French will hold off pending President Giscard d'Estaing's trip

to Riyadh, Jan. 23. The Saudis, who are funding a large French-contracted arms industry in Egypt, will no doubt convince Giscard to dispense with the plan.

The New York Times earlier in the week expressed the sentiment of the Aramco partners, stating that the Saudis are becoming too involved in the internal policies of the oil companies and the consuming countries.

Arabs Move Ahead to Create Arab-European Tanker Fleet

An economic war has been launched by the Rockefeller-controlled oil companies to stop efforts by the Arab oil producing countries to build their own independent tanker fleet.

Running the Rockefeller operation against the Arab countries is Peter Douglas, a European shipping coordinator at Chase, who is issuing warnings to everyone who will listen that any tanker venture with the Arabs may lead to the danger of Arab "flag discrimination" in favor of the Arab-controlled ships, and even the possibility of oil blackmail against European states by the Arab countries.

However, the Arab oil-producing states have in the last few months made clear their intention to break the Wall Street-Seven Sisters hegemony over the transportation of oil to Europe. In a meeting of the Arab Finance Ministers which took place in Kuwait last Nov. 25, the Secretary and managing director of the Arab Maritime Petroleum Transport Company (AMPTC), Abdel-Rahman Sultan, accused the major oil companies and the established tanker industry of trying to "stifle the Arab tanker fleet in its birth." According to Sultan the AMPTC, which was established in 1974 by nine Arab countries with a fleet of six tankers, has become a major target of sabotage by the oil companies. "The major oil companies," he said, "have done nothing whatever to help us or put any business in our direction. Even when they go into market for charters they never let us know. In fact, we are being discriminated against." As a result, said Sultan, four of his company's tankers were laid up in different ports and the AMPTC is running a deficit. At the same time Sultan urged that the Arab shareholding governments ship at least 10 per cent of their crude in the AMPTC tankers, something that the majors are desperately trying to avoid.

According to Abdel-Aziz al-Sagar, chairman of the Kuwait Oil Tanker Company (KOTC), legislation giving preference to Arab tankers for Arab oil is inevitable, and a "must" to bypass the majors' control over the transporting of oil supplies to the European countries. KOTC announced two months ago that six of its tankers have

been chartered to the British oil company BP and to the Gulf oil company. In return, the two companies are going to obtain a preferential price for crude oil. The Libyan government has announced its intention to join with European tanker companies to build its own fleet. According to Libyan sources, Libya is also negotiating with a Swedish shipyard for a possible takeover of two supertankers now under construction which will be laid up on delivery.

Investments In The Tanker Industry

The Arab countries, with the cooperation of European governments are pushing in the direction of rebuilding the depressed tanker industry. The Kuwaiti Shipping Company (KSC), 77 per cent state-owned, and the Kuwaiti Oil Tanker Company, 49 per cent state-owned, have decided to form a new shipping company called Middle East Gas and Petrochemicals in cooperation with two European concerns. The new company will export Kuwaiti gas and oil to European countries starting sometime around mid-year 1977. The Kuwaiti Investment Company, the biggest financial house in that country, has decided to take up 50 per cent of the shareholdings in the Greek Marship Corporation, one of the biggest tanker operations in Europe. KIC guaranteed a \$14.4 million loan and provided financial assistance for Marship earlier in 1976, when other shipping financiers decided to allow the Marship corporation to go under. As a result of their collaboration, KIC and Marship Corporation have placed new orders for heavy tankers in Japan worth up to \$66 million.

Saudi financiers in cooperation with the Saudi government are moving to build their own tanker industry. According to the London based Middle East magazine, the "Saudi-Europe" line shipping company, backed by the Saudi government, has been able to grow vigorously in the last two years and had substantial orders for new ships in different European countries. The same source placed reports that the European shipping millionaire Boris Vlasov has teamed up with the influential Saudi Pharaon, and the U.S.-based Philadelphia