cidal policies proposed by the Club of Rome.

The effect of such an operation would be to plunge most of the world into a genocidal "New Dark Age" — a kind of depopulated world forecast in H.G. Wells's futurologist *The Time Machine* or a kind of nightmare forecast by Aldous Huxley, George Orwell, and other leading apostles of the Bertrand Russell faction. *The obvious is intentional.*

To ally with or to tolerate the British in any enterprise is a far worse crime against humanity than to have supported Adolf Hitler.

— *Lyndon H. LaRouche, Jr.*

Oil hoaxsters lure OPEC into price-rise tactics

A statement from OPEC's Vienna headquarters on the threats of a world oil crisis has warned that "speculative traders are taking advantage of the situation." A number of OPEC's members, however, are displaying their dissatisfaction with the huge scale of speculation by the oil companies and traders by themselves imposing retaliatory premiums on their oil.

Now there is talk of a new price-setting meeting on March 26 that would boost OPEC's official price still higher, in further retaliation against the speculators. If such a move comes off, the British-led oil hoaxsters will have succeeded in taunting OPEC into joining in their contrived oil crisis — with results that could quickly devastate both the U.S. and European economies. Aimed most immediately at the new European Monetary System and associated plans to divert billions in Euro- and petrodollars out of the City of London's control and into global development projects, the British strategy will also destroy OPEC itself.

To date, Saudi Arabia, Iraq, Kuwait, Abu Dhabi, Qatar and most recently Libya have imposed premiums — additional costs — of various values on all or portions of their crude oil production. Last week Abu Dhabi and Qatar, two Persian Gulf producers, announced a joint decision to attach a 7 percent premium, the highest thus far announced within OPEC, to their high-demand light crude, on top of the 14.5 percent OPEC price hike for 1979. This means that the 1.9 million barrels a day (mbd) that these two countries produce will now sell for over $15.00 a barrel, and over $16.00 at the end of the year. At present the OPEC official posted price for crude following the Jan. 1 increase is $13.34 a barrel, but because of a combination of individual price hikes plus an inflated spot market, a sizeable percentage of OPEC's petroleum is selling for far more.

Mana Saeed Oteiba, the Oil Minister from Abu Dhabi, castigated the oil companies for speculating with OPEC crude, and shortly thereafter announced the 7 percent premium to reprimand the speculators, whose biggest market has been in the light crude category. A few days later Libya announced a 5 percent premium on its 2 mbd production, adding another dollar to its posted price.

Who are the speculators?

The current pricing bubble in the oil markets began with the shutdown of Iran's 4 to 5 mbd exports in late December. Shortly thereafter under tight market conditions producers of North Sea crude began to bid up prices on the spot market. Numerous press sources and public officials, including the head of the International Energy Agency, have named the Anglo-Dutch-run Royal Dutch Shell and London's British Petroleum as the instigators of the speculative spiral, and have noted that for all their cries of shortage, these and allied companies are sitting on billions of barrels of stockpiled oil. Petroleum Intelligence Weekly of Feb. 19, reports that European sources are accusing Shell and Esso of starting a speculative run on the Rotterdam petroleum products spot market, in some instances doubling the cost of spot heating oil in the European markets.

Both the oil companies and governments of oil consuming countries are charging the big petroleum trading houses with rigging the skyrocketing spot trade prices. The French newspaper *Les Echos* and *L'Expresse* this week cited the trading firm Philippes Brothers as having cornered the heating fuel market in Rotterdam and driven up the price of spot crude cargoes to over $18.00 a barrel. Philippes is affiliated with the raw materials trading firm Engelhard, which is controlled by South African diamond magnate Harry Oppenheimer. Engelhard is in turn associated with Royal Dutch Shell and its sister company British Petroleum through the Lord Cowdrey-Lazard Freres financial interests.

Playing on OPEC militancy

Presently many of the price hawks within OPEC — notably Algeria with discreet backing from Kuwait — are pushing for an additional across-the-board OPEC price hike of 15 percent. At the same time, many of these producing nations are feeding the spot market pricing bubble by auctioning their crude at prices nearing $20.00 a barrel, in order to make quick profits while the markets are tight.

So far only an unofficial "consultative" OPEC meeting has been organized for March 26 to discuss the market situation. The New York Times reports that, if the current pattern continues, a decision may be taken in March to hold a price setting meeting in response to the Anglo-Dutch speculative gambit. But officials in both Venezuela and Nigeria have openly attacked moves to get a new OPEC price hike, reflecting the Saudi position.

The Saudis, however, are themselves under heavy pressure to bend to the oil crisis scenario. Saudi Arabia is being threatened with the "Iran treatment" — rumors of terrorists in the oil fields, "Islamic fundamentalist" unrest spreading from Iran, and so forth — in terms that reveal hopes that an Iran-style cutback of oil production can be imposed on the Saudis, too. Simultaneously, U.S. Defense Secretary Harold Brown, the Queen of England, and others are pressuring the Saudis to join the Camp David axis against the rest of the Arab states, thus making the threats of terror in the oil fields all the more real.

Should OPEC be lured into a new price hike, the effects on the world economy will be disastrous, as is obvious from the plans for rationing, cutbacks, and shutdowns eagerly being made public by Energy Secretary Schlesinger and others. The cartel would do far better to begin singling out the culprits who are using OPEC crude as an instrument of economic war. OPEC would assuredly find plentiful allies among the oil-consuming nations if it adopted such a strategy.

— *Judith Wyer*

Lopez delivers shock of reality to Carter

Reports in the U.S. press this week that President Carter's visit to Mexico was a "fiasco" are very misleading. From the U.S.'s standpoint, it would be more accurate to say that the visit was a fiasco for the policies of confrontation promoted by National Security Advisor Zbigniew Brzezinski and Energy Secretary James Schlesinger, but a success for those forces in the U.S. committed to progress and industrial development.

This can be clearly seen from the final communiqué issued at the conclusion of the three-day visit (under the insistence of the Mexican government) which emphasizes the need to establish a "new international system" to insure that resources are used "for the economic and social development of a nation's population" and to "encourage the industrialization" of the Third World.

This clear invitation for the U.S. to join in the development of the Third World — a potential market of hundreds of billions of dollars for U.S. industry — was coupled with the firm rejection of Brzezinski and Schlesinger's efforts to secure Mexico's enormous oil resources as a "strategic reserve for war." Mexican President Jose Lopez Portillo was adamant that energy questions could only be negotiated within the context of a "new world order of production, distribution and consumption of energy resources" based on the higher interest of humanity and not on deformations or bilateral demand." And on other key issues, such as the construction of a gas pipeline to the U.S. and the immigration of unemployed Mexican workers to the U.S., the Mexican President was equally insistent that they could not be solved in an isolated way but only within the context of a global outlook.

This effort to deliver a strong shock of reality to the bungling Carter Administration was made very explicit by the Mexican government. Before Carter's arrival, President Lopez Portillo had conveyed his nation's preoccupation with the current trend in U.S. foreign policy during a press conference at which he warned that further U.S. errors in international politics would be "madness or violence." Foreign Minister Santiago Roel had driven the point home one day later when he denounced the "paranoid mysticism" and "territorial ambitions" from which certain "other countries" suffer. Roel had concluded his remarks with a direct message to the American people: "I think the best thing you can do is wake up."

But the Carter Administration has shown no signs of waking up. Before even leaving Mexico, Carter and his officials made it clear that they would continue threatening Mexico with sealing the border — a move which would undermine Mexico's industrialization efforts and could potentially foment social turmoil. In the final communiqué, President Carter insisted on including a paragraph announcing the intention to enforce his proposed legislation against "illegal aliens." To carry this out, Carter announced the creation of a blue ribbon commission on immigration — a proposal made by Senator Edward Kennedy — which will be chaired by former governor of Florida, Reuben Askew.

A more blatant indication of the course that U.S. policy towards Mexico will take in the months ahead was provided by columnist James Reston, Secretary of State Vance's man at the *New York Times* who, perturbed by Mexico's insistence that the U.S. adopt a positive role in world affairs, called for the U.S. to "shout out against this free and easy advice from abroad about what the U.S. should do in the world."