

ENERGY

New plan prepared to break U.S.-Saudi oil link

The release of a report on the unviability of future Saudi Arabian oil producing capacity by the Senate Foreign Relations Committee this week is only the first step of a battle plan to break American dependence on Saudi Arabian oil.

According to a New York oil analyst, the Carter Administration is presently embarking on an energy policy course tailored to the proposed "North American Common Market" which is designed to make the U.S. dependent on Western Hemisphere and North Sea energy resources. The concept of a North American Common Market was authored in London and is presently supported by California Governor Brown and prominent personalities within the Zionist establishment; it is being promoted by a prestigious grouping known as the North American-British Committee which includes notables from the U.S. and Canada.

Such a policy of "energy independence" requires that oil prices climb to at least \$25 a barrel in order to justify the high costs of new oil exploration and extraction within the Western Hemisphere. The current actions of Senate Foreign Relations Chairman Frank Church, Senator Henry Jackson, Senator Kennedy and other well known Zionist lobby allies are geared toward this strategy, whose outcome will be American dependence on British-controlled energy sources.

During President Carter's speech to the nation earlier this month, he for the first time publicly op-

posed the practice of oil company tax write-offs using royalty payments to foreign host countries where the companies service extraction and marketing facilities. Such a statement by the President was taken by the oil industry sources as a jab at the substantial tax write-offs which the four U.S. multinational partners of the Arabian-American Oil Company (ARAMCO) enjoy as a result of their servicing the Saudi oil industry. These sources indicate that the four partners, Socal, Texaco, Exxon, and Mobil may soon find themselves the brunt of a coordinated attack on Capitol Hill led by Senator Frank Church and the Foreign Relations Committee on the delicate tax question.

An aide on the Senate Foreign Relations staff revealed this week that Church and Kennedy jointly have employed lawyers to investigate the "complex tax question" with the aim of holding public hearings in a few months. The aide stated that Church wants to tailor new tax legislation to motivate the oil companies to "move away from OPEC oil," and toward "more reliable" sources in the long term.

New York oil industry sources indicate that in the future there could well develop a "double standard" for taxation of oil companies. If the companies lift from the North Slope or the North Sea, both controlled by British financial interests, they may well be able to write off their operating costs. But the source felt sure that that privilege may soon change

with respect to Saudi Arabia and other OPEC nations.

The Saudi nationalization

Senator Church has been prepared for some time now to launch a full public investigation into the tax write-offs of the four partners of ARAMCO the minute the Saudis announce that they have fully nationalized the company.

Last month the *Financial Times* or London broke the story that the takeover was complete, and that soon the Saudi National Oil Company (SNOC) would emerge. At present, the Saudi elite is in the throes of a faction fight revolving around a long-time rivalry between First Crown Prince Fahd and Second Crown Prince Abdullah. Abdullah is a known long-time contact of various conduits of British and Israeli intelligence through the fundamentalist Muslim Brotherhood, and works closely with the current head of the Saudi state-owned Petroleum and Mineral Company, Abdel Hadi Taher. The *Times* story reported that Taher is due to become the director of the new SNOC.

In short, the activities of Senator Church, and those presently challenging the Saudi strongman Fahd, are motivated by a common source, the City of London, British Petroleum and Royal Dutch Shell. For years this power nexus and its Israeli allies have tried to break the U.S.-Saudi relationship. From this standpoint, one cannot hesitate to conclude that Senator Church and the Senate Foreign Relations Committee hold a much stronger allegiance to powerful interests across the Atlantic than to the U.S.

—Judith Weyer