

An editorial in the *New York Times* on Sunday, Aug. 5, quoted that dispatch, and then went on to accuse President Carter of capitulating to oil blackmail from Saudi Arabia—justifying, obviously, Israeli threats to go to war.

Not content, the next day the *Times* carried a letter from Rabbi Alexander Schindler, a leading Zionist lobby spokesman. Schindler *also* quoted the same *Times* dispatch, repeating the refrain "... by late October." He said in part:

To find members of the Carter Administration parroting this line portends an ever-mounting campaign against Israel to place its very survival at risk by accepting, as a participant in the Middle East peace talks, the PLO—which is sworn to Israel's destruction—and by making major political and territorial concessions under American pressure.

Emerging from weeks of unusual silence Aug. 7, bellicose Israeli Foreign Minister Moshe Dayan threatened to pull Israel out of the peace talks with Egypt and move toward war in retaliation for Washington's "pro-PLO" shift. In commenting on U.S. efforts to change United Nations Security Council Resolution 242 so that it includes recognition of the rights of the Palestinians—changes that are *not* being backed by the Arabs, who view the U.S. efforts, according to one responsible diplomatic source, as a "deception operation to introduce the language of Camp David into the

U.N. Security Council"—Dayan ranted: "It is not just a question of an erosion of the American position, but a real change. It comes from the fact that the U.S. is concerned about the problems of its economy, energy, and the price of oil. So it is looking for an understanding with Saudi Arabia.... The Saudis are afraid that the PLO will incite a revolution there. As a result the U.S. is ready to help formulate a new resolution."

Similarly, Interior Minister Yosef Burg, who is heading up Israel's negotiating team with Egypt, has declared that any amendment to Resolution 242 is grounds for Israel's declaring the Camp David treaty null and void. Burg accused the U.S. of forcing Egypt, which is now demanding that Resolution 242 be reworded to include a reference to Palestinian rights, into taking a tougher stand.

Litani II

The London press has done its part to fan the Israeli war scenario. In a dispatch from the Manchester Guardian on Aug. 1, correspondent David Hirst said the following, predicting a new Israeli invasion of Lebanon:

"Syria and Israel are approaching the crossroads that can bring a collision between them, not necessarily war, but most likely an aerial collision over Lebanon." Not long after Zeev Schiff, the military correspondent of the Israeli daily Haaretz, wrote those words, Israeli and

Another oil crisis in October?

An Aug. 1 report in the *Wall Street Journal* that a massive buildup of world crude stockpiles is presently occurring suggests that the major oil companies may be preparing for some militant action by the producers in the fourth quarter. Stocks are currently at 4.5 billion barrels, a mere 200,000 barrels a day under the peak of stocks during the glut of crude on world markets during 1978. Added to this, the latest figures indicate that OPEC is now producing nearly 3 million barrels a day over the level of production at this time in 1978. While consumption of crude is reportedly down in the major consuming nations, particularly the U.S. The question is whether or not the additional crude is being stockpiled in the event of another war in the Mideast.

Since the president of the oil cartel, OPEC, Mana Saeed Oteiba issued a warning earlier this year of a possible selective embargo against states who do not recognize the Palestinians' right to statehood, var-

ious insiders in the oil industry have been predicting some militant OPEC action in the autumn of 1979. Most New York sources agree that without a "serious provocation" from Israel the likelihood of either major production cutbacks or yet another large price rise is unlikely. "If Israel launches a major preemptive attack on Lebanon and hits the Syrian forces there then I think we're in for big trouble from the oil producers," said one Wall Street investment analyst.

Reports of production cutbacks by the North African producers, Algeria, Libya, and Nigeria amounting to somewhere around 500,000 barrels a day are also being read by industry sources as a quiet warning to the U.S. with respect to what the Arab oil producers perceive to be "mishandling" of the Mideast crisis by Washington. In fact these countries have only cut back sales to the multinational oil companies that market crude to the U.S. and are reportedly rerouting their crude into state-to-state deals with Europe.