stration, formerly in the Commerce Department;

6. National Weather Service, formerly in Commerce;

7. Earthquake Hazard Reduction Program, formerly in the White House Office of Science and Technology;

8. Dam Safety Coordinating Program, formerly in the Office of Science and Technology;

9. Federal Emergency Broadcast System, formerly in the Office of Science and Technology.

In addition to these officially mandated components, FEMA is also authorized through its status within the NSC to participate in advance planning and crisis management of terrorism along with the Working Group on Terrorism of the Special Coordinating Committee of the NSC.

By the same presidential fiat, President Carter established an even more specific crisis management command structure within the Executive: the Emergency Management Committee. Chaired by the FEMA director, the committee includes the national security advisor (Brzezinski), the assistant to the President for Domestic Affairs (Stuart Eisenstat), the assistant for policy and intergovernmental relations (David Aarons) and the director of the OMB (John McIntyre).

national defense preparedness, there must be "greater independence in domestic energy supplies." As already noted, it also makes it clear that "materials" include petroleum....

Goals—The bill adds a new section to the Act, which is aimed at synthetic fuels. The section establishes a "national production goal" of at least 500,000 barrels a day of the crude oil equivalent of synthetic fuels and synthetic chemical feedstocks. The bill expects that the goal should be achieved within five years....

Purchase Authority—The new section authorizes the President:

To purchase or make commitments to purchase synthetic fuels and chemical feedstocks, "without regard to the limitations of existing law," for "Government use or resale."...

Reportedly the authority to purchase "without regard to the limitations of existing law" has reference to procurement actions. Thus, the purchase would not be subject to current procurement laws....It could exempt such actions from NEPA, Davis-Bacon, antitrust laws, air and water pollution laws, strip mining laws, civil rights laws, etc....

Oil hoax is run by London Policy Group

Gas lines stretching for blocks, odd-even gas rationing, gas prices shooting toward the sky. These are the now ever-present manifestations of an oil shortage hoax that is being run worldwide by a top-secret policy group based in the City of London.

The group, whose existence is shrouded in mystery, was set up in 1972 to run the 1973-74 oil hoax as a test run for the present scenario of shortages that are wracking the world's economies. It was set up by top Anglo-American intelligence operatives under the direction of John J. McCloy, then chairman of the New York council on Foreign Relations. This policy group, whose members are 21 of the world's top oil companies, is known to "insiders" as the London Policy Group.

At the center of the group is the so-called Seven Sisters oil company cartel: British Petroleum, Royal Dutch Shell, Mobil, Exxon, Socal, Texaco, and Gulf. This super-secret group, acting beyond the reach of any single national government, controls world oil stocks and is ensuring that there is a current and worsening energy crisis in the world despite the documented fact that the world is producing 3 million barrels a day more than last year when Iran was at full production.

The London Policy Group is using the oil weapon to blackmail the governments of Europe, the United States, Japan, and the OPEC countries to accept economic austerity policies through their control of world marketing and refining capacities. Its members' corporate executives are in collusion with the Carter administration to implement long-completed plans for a crisis management government in the United States—including complicity in the related strike action by independent truckers.

The London group created the 1973 "test run" by deliberately tightening supplies prior to their orchestration—via then Secretary of State Henry Kissinger, a leading figure in the Council of Foreign Relations—of the 1973 world oil embargo.

In a parallel fashion, this group has rigged the current shortage of gasoline and other fuels beginning last year with the full cooperation of Energy Secretary James Schlesinger—months in advance of their triggering of the Iran crisis.

They deliberately let stocks of gasoline run low last year leading up to the Dec. 27, 1978 shutdown of Iran's oil fields, while in the first three months of the Iranian "oil crisis," the 20 largest U.S. refineries had greater stocks of crude oil than at the beginning of the crisis.

Why the hoax

What the Council on Foreign Relations and its founder organization in London, the Royal Institute of International Affairs, are planning is what the Council's 1980s Project has called the "controlled disintegration of the world economy," using control of energy as the primary vehicle. This objective was stated clearly in the journal of the Royal Institute, *International Affairs*, in an article written before the Iran coup:

"The energy 'crisis' arises when the fit between the amounts demanded and supplied is brought about primarily through a drastic effect of rising prices. ... Some consumers, some businesses, *even whole industries* would find it necessary to cut back production. ... Some countries would find themselves unable to pay for oil imports on a scale sufficient to sustain economic activity. *The crisis therefore would largely be one of industrial stagnation and unemployment*. ... A variety of 'scenarios' have been constructed on varying assumptions."

The timetable for the scenario is contained in a top-secret internal memorandum entitled "Corporate Strategic Marketing Reports," being circulated to board-level management of one of the Seven Sisters, Standard Oil of California (Chevron). The memo states that Chevron is basing its corporate policy on "the institutional unraveling of the nation" through the escalated disruption of public services, transport, food production, and other infrastructure *by no later than October 1979*. The document also calls for tight security gas dispensation depots. Only motorists who prepay a month in advance will be allowed to drive inside a walled compound by appointment and receive a gasoline supply.

The memo was written between August and November 1978 and became operative policy in January 1979.

Chevron
members of the Seven Sisters, is an arm of London-New York economic warfare operations. Chevron's board includes Charles M. Pigott, a member of the Council on Foreign Relations, the president of Paccar Corporation and the father-in-law of John McCone. Pigott's latter two affiliations connect with the current independent truckers' strike. Paccar helps finance Mike Parkhurst's independent truckers organization. John McCone, the head of the CIA under President John Kennedy, was involved in the 1973 coup in Chile. That coup served as the model for the formulation of crisis management proposals around the 1974 independent truckers strike in the U.S. which was led by Parkhurst and his *Overdrive* magazine network.

Administration complicity

The administration side of the oil shortage conspiracy is marked by a March 2, 1979 closed door strategy session at Averell Harriman's estate outside New York City, Arden House. There key members of the conspiracy met to review the situation. Representatives of all the major oil companies and Schlesinger's office were present, including Exxon, British Petroleum, Shell, Continental Oil, Texaco, Atlantic Richfield, together with press spokesman who would get the line out.

This meeting was convened in part because the participants knew that an actual oil shortage had not been created despite their overthrow of the Shah's government in Iran and his replacement by the Ayatollah Khomeini in February. The Arden House meeting adopted the policy course of forcing the crisis of oil prices and decided to pin the political blame on the countries that had done the most to offset the crisis—Saudi Arabia and other OPEC producers.

Then, in late April, over 100 leading government, business, press, and banking leaders and think tankers gathered in Baden, Austria for the British-Dutch monarchy's exclusive Bilderberg conference. On the agenda was how the policy directive adopted at Arden House was going to be implemented.

By May, the gas crisis was in full swing in California—created by its Governor Jerry Brown and Schlesinger. The Energy Secretary diverted supplies of gasoline away from California at a time when gasoline reserves for the Western states were 5 percent greater than a year before, according to government figures.

And the administration has also been complicit in the Rotterdam spot market speculation—with the assistance of Senator Edward Kennedy. On May 24, the Senator demanded that the Energy Department's Economic Regulatory Administration, headed by the former assistant attorney general in Israel David Bardin, issued an "emergency ruling" to "establish an entitlement benefit of $5 a barrel for middle distillates imported between May 1 and Aug. 31, 1979."

Kennedy, the so-called enemy of OPEC and the oil companies, had worked out this deal days before the ruling with Sen. Claiborne Pell (D-R.I.) and Schlesinger's office. The scheme: give $5 a barrel to the oil companies while the latter secretly divert the oil they buy from OPEC at $15-17 a barrel to sell it for $35 at Rotterdam.

The gas shortage is now nationwide, prompting the governors of New York, New Jersey, Maryland and Connecticut to complain that their states have been short changed. Demanding their "fair share" of the gasoline supplies, the governors are calling on the federal government to intervene with emergency national rationing measures.

—*William Engdahl*