Multis prepare round two of oil blackmail against direct OPEC sales

The multinational oil companies are prepared to check the current momentum of state-to-state oil transactions between the OPEC nations and Europe, by means of supply and pricing blackmail of crude and refined products which will make the current oil hoax look mild by comparison.

This was the message conveyed to this column by an insider in the Anglo-American conspiracy to block burgeoning Euro-Soviet-OPEC cooperation and preserve the multis' stranglehold over the world economy. Arnold Safer, an ally of Senator Ted Kennedy in backing a U.S. policy of busting OPEC, this week stated bluntly that the monopoly the multis hold in tankers, refineries, and manufacture of petroleum products would be used as a weapon against the economies of those nations who go too far in state-to-state agreements that bypass the multis. "Sure you'll see a certain amount of direct sales, but how far it goes depends on how much the consuming nation depends on refining capacity controlled by the companies. Certain countries are better equipped with state-owned refineries and tankers, but as a global policy it won't work. The multinational companies, I can tell you, don't like it."

Safer was alluding to countries like West Germany which are still heavily dependent upon the multis for petroleum products such as heating oil and gasoline through the massive Amsterdam-Rotterdam-Antwerp refining center. With the exception of France and to a lesser extent Italy, most of continental Europe is in a position similar to Germany's.

The tanker mafia

On the OPEC side, Safer boasted that because OPEC does not possess its own tanker fleet but must rely on leasing from large tanker concerns, OPEC could not guarantee that tankers carrying cargoes of OPEC crude sold state-to-state would ever reach their destination. "Cargoes are traded many times over on the high seas. The OPEC countries know this; that is why they have for so long tried to build their own fleets—with little success, I might add."

Because much of the international tanker leasing industry is controlled by the same international financial interests which are behind the multinationals, the OPEC nations, particularly those of the Persian Gulf, have been working to create their own fleet. This has become a particularly hot issue within the oil producers' cartel. At this month's meeting of the United Nations Conference on Trade and Development (UNCTAD), a Kuwaiti representative defended OPEC against accusations of profiteering at the expense of the Third World by attacking the companies, noting that "it is the companies which are preventing us from building our own fleets" which would increase Kuwait's ability to sell oil directly to the Third World. Only this week *Pravda* ran an interview with Abdel Rahman Sutan of the Arab Maritime Petroleum Transport Company, who stated, "The Western oil monopolies would like to stifle the Arab tanker fleet in its cradle." *Pravda* commented that until recently, the companies have held "all spheres of the oil business in their own hands—exploration, transport, processing, and manufacturing of petroleum products ... now they only have the last three. So OPEC wants to create its own tanker fleet, and this has created great alarm in the cartel."

Euro-Arab dialogue

Commensurate with OPEC's efforts to build a fleet, the Mideast oil producers have demanded that the basis of their industrialization be the construction of refining and petroleum product manufactures. According to the *London Oil Reports*, Europe has agreed to assist OPEC in such a development program and in the long term rationalize even further its own refining capacity. This is the significance of the Italian state-owned company ENI's agreement this month to build a refinery in Iraq.

But in the short term, Europe may be forced to impose nationalization on multinational-owned refineries if the multis pursue their energy blackmail to further extremes.

—*Judith Wyer*