Why Are Gas Prices So High?

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The biggest issue on the highways and byways of America is the high price of gasoline at the pump, in some areas higher than $2 per gallon. Who's to blame? Is it a presidential campaign issue?

Al Gore, struggling to pull himself up from bad polls numbers, is trying to blame George W. Bush because (a) he's from Texas, (b) he once ran an oil exploration company, and (c) he has received some (perfectly legal) contributions from oil companies. Gore's charges simply don't stand up.

If we want to play that game, Gore is the vulnerable one. He and his late father received much money and many financial favors from Occidental Petroleum and its founder Armand Hammer, a notorious friend of the bosses of the former Soviet Union, and Gore still controls $500,000 in Occidental stock.

Gore may even be happy about the rising gas prices. He made clear in his book "Earth in the Balance" that he wants to rid the world of the internal combustion engine.

The real place to levy the blame is OPEC, the 11-country oil cartel (plus Mexico) that conspired to raise the price of oil. OPEC is a criminal price-fixing conspiracy and, if its members were reachable by U.S. law, its sheiks would be in jail.

OPEC is not selling us oil at free market prices. It has monopolized the oil market by engaging in illegal practices that are exactly designed to kill off the competition.

However, OPEC is part of the global economy that we've been told is the wave of the future. OPEC is part of Clinton's plan to "integrate our economy" with other nations and to seek interdependence with other countries in the new global market, and that includes being dependent on foreign oil.

Clinton just failed to advise us of the price of his plan.

There isn't any shortage of oil in the Middle East. The OPEC rulers don't even need to drill any more wells. All they need to do is turn the spigots to increase or decrease the flow of oil, which is exactly what they've been doing.

In 1997 they opened the faucets wide to increase the flow of oil and drive oil prices down to historic lows. That had exactly the effect they planned: it discouraged U.S. investors and drillers from exploration, U.S. production was cut back and 30,000 Americans lost their jobs.

Now, in 2000, OPEC turned the faucets down in order to decrease the flow of oil and drive up the price. So Americans, whose domestic production has been curtailed, are paying extra tribute to the OPEC sheiks to the tune of tens of billions of dollars a year.

Some politicians, at both the congressional and state levels, are toying with the idea of cutting or suspending some of the taxes on gasoline. That would affect only a small part of the big gasoline price increase and, anyway, why let a criminal cartel stop us from repairing our roads?

These countries owe us. Don't you remember? We went to war in 1991 to save Kuwait from being taken over by Saddam Hussein. U.S. ships and planes are defending Saudi Arabia today.

In 1994 the U.S. taxpayers bailed out Mexico with $50 billion. Then, we organized a $40 billion bailout of Indonesia. Most of these countries are still getting handouts from our foreign aid program and from those alphabet-soup global lending rackets.

"Ingratitude, thou marble-hearted fiend," spoke the Bard. And George Washington warned us, "There can be no greater error than to expect or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard."

But maybe there is more behind this story than just greed and ingratitude. In looking into the causes of the oil price increase, Congress should start by investigating what could turn out to be the biggest scandal of the scandal-ridden Clinton Administration.

This is the published news report that OPEC oil ministers quietly told national security advisors on Capitol Hill that the oil production cutbacks, which is the cause of the price increases, were made at the request of the Clinton Administration. How's that again?

Can it really be true that the Clinton Administration asked OPEC to institute cutbacks in order to raise the price of oil? What could possibly be the motive of such duplicity?

The wealthy OPEC sheiks don't need additional money, but the increase in the price of oil on the world market immensely benefits debtor nations such as Russia, Mexico and Indonesia. They are now able to start paying back some of their overdue loans to important Western bankers.

The American people have gotten very tired of taxpayer bailouts of corrupt foreign regimes that enable powerful U.S. investment bankers to collect on their foolish foreign loans. Raising the price of oil that we pay to foreign producers is a devilishly clever scheme to give the big fellas another subsidy from the U.S. taxpayers.