

Oil Firm Memo Quoted Was a Forgery

By Jack Anderson

Standard Oil of California has hired a mysterious private investigating firm, known as JHF Associates, to find out who has been slipping us embarrassing documents from its files.

JHF himself is a British intelligence specialist whose full name is John H. Farmer. He is on an undercover mission in the Middle East. But one of his associates, a former CIA agent named Joe Smith, has been directing the Socal investigation.

For several months, Smith has been turning Socal's San Francisco headquarters inside out. He has concluded from his investigation, according to our sources inside the company, that at least one document in our possession is a forgery.

We contacted JHF Associates and offered to help determine whether the document is authentic. We have made several inquiries which have satisfied us that the memo, indeed, is a forgery.

We obtained the document as part of our investigation of the oil crisis, an investigation that took us from California to the Middle East. We obtained documents from at least three major oil firms.

The bogus document, which had only a minor influence upon our investigation, was highly technical. We quoted only this portion:

"Severe technical problems have been encountered by Aramco in the Saudi Arabian fields . . . (In 1973, production was increased from 6.5 million barrels/day to 9 million barrels/day to meet increasing U.S. demands.

"The reservoir pressures fluctuated so greatly that corporate engineers now estimate production will be stabilized at no more than 7.5 million barrels/day, far below the 20 million barrels/day projection."

After quoting from the memo, we also published on Jan. 11, 1974, the response of a company spokesman who said the memo was "all wet, completely erroneous."

Later in Saudi Arabia, we showed the document to Oil Minister Ahmed Zaki Yamani and published his reaction.

"He said his technical experts keep close watch on Aramco's production," we reported on Feb. 23. "The alleged 'severe technical problems' couldn't have developed, he felt sure, without his knowledge.

"He agreed it will take a few years to reach the 20-million-barrel goal . . . (He said production) is now back up to 8.6 million barrels and could reach 10 million barrels next year."

The forged memo contained some correct but also some misleading information. We wish to go on record, therefore, as endorsing Yamani's response.

Footnote: Who could have forged the document? Some dissidents, who put out an underground sheet called "Stranded Oil," had access to Socal's files. Perhaps they planted the phony memo. Smith told us he believes the forgery was part of a larger, more sinister plot, perhaps even the KGB Soviet secret police.

The memo has detailed markings which only someone familiar with Socal's files would be able to duplicate. Our source picked out the document from the files, without the slightest suspicion it might not be genuine. He consented, for example, that we make it available to Senate investigators to take up with the company. He now feels like a bank teller who passed a counterfeit \$20 bill.

CRUEL CUT—Two-year-old Torrey Anderson, son of an Air Force sergeant, couldn't walk or talk but usually remained in a fetal position, staring at the floor.

The diagnosis: he had a severe mental disorder professionally called autism; he also had a neurological disease that made one leg smaller than the other.

But after a year at San Francisco's Burt mental health center, the little fellow was walking, talking and going home on weekends. His leg also showed no trace of the neurological disease.

Other children like Torrey, however, may not be so fortunate, because the Defense Department is cutting back medical assistance for military dependents. Among other "savings," a Pentagon memo decreed that expenditures for "treatment for a mental or emotional disorder" would be slashed.

Yet military children are more susceptible to emotional disturbance than average children because of the constant moving and the father's absence from home.

Specifically, the new cutbacks would limit the stay of military dependents in treatment centers to no more than 120 days. Few children with serious emotional disturbances or mental disorders, according to the National Institute of Mental Health, can be treated successfully in 120 days.

A Pentagon spokesman promised that children with severe cases of autism would not be affected by the limitations. But my reporter Chris Nordlinger found that treatment centers haven't been notified of this exception.

Suggestion: The money to care for the Torrey Andersons could be made available by cutting back instead on the limousines, helicopters and airplanes that are provided for the convenience of the brass hats.

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