

*Jack Anderson and Les Whitten*

## U.S. Might Have Curbed Oil Prices

The United States could have held down the disastrous oil price rise which threw the Western World into an economic tailspin in 1974.

That is the view of Treasury Secretary William Simon, who worked behind the scenes to keep oil prices from soaring into orbit.

As Simon recalls the events that led to the oil crisis, the Shah of Iran was the loudest advocate of extortionary oil prices. It's no secret that he pushed his fellow oil potentates to raise prices to the outer limits.

This alarmed Saudi Arabia's late King Faisal, a fiscal conservative, who was worried about the economic consequences. Yet he didn't want to stand alone against the other oil powers.

He confided his concern to Simon during a visit in Saudi Arabia on July 20, 1974. The king suggested that the United States could hold oil prices to a reasonable level simply by intervening with the shah.

Simon told us that the United States, indeed, had the clout to stop the shah from agitating for higher prices. On this point, he was emphatic. The U.S. hold on the shah, Simon said, was powerful enough to restrain his oil greed.

The Treasury Secretary reported to then-President Nixon on his talks with King Faisal. Simon told the President that he agreed the shah was the key to price stability. Simon urged Nixon,

therefore, to use his influence with the shah to keep the lid on oil prices.

Nixon appeared to agree. He clenched his fountain pen between his teeth, yanked off the cap and scribbled a note to himself on a scrap of paper. This was an indication, said Simon, that the President intended to contact the shah.

On Aug. 6, 1974, the Treasury Secretary reminded Nixon at a Cabinet meeting that oil prices could cause runaway inflation. The President agreed with Simon that controlling inflation was the nation's No. 1 problem.

Two days later, Nixon resigned over the Watergate scandal. An uncertain President Ford left Secretary of State Henry A. Kissinger free at first to direct foreign policy. During the changeover, no one spoke to the shah.

Simon has never been able to find out why the shah was permitted to push oil prices out of sight. Some say that Kissinger wanted to make Iran the linchpin of the Persian Gulf and that the shah needed the oil profits to pay for the buildup. Others say that Washington secretly wanted high oil prices to slow the wheels of the other rival industrial powers, which were more dependent than the United States on oil imports.

Whatever the reason, the American consumers have shelled out additional billions for petroleum products because no one spoke to the shah.

**Pak's Passports**—Bo Hi Pak, a key

figure in the South Korean influence scandal and the mouthpiece for the controversial Rev. Sun Myung Moon, held two passports when he applied for permanent residence in the United States.

He withheld this pertinent information from U.S. officials. The Immigration and Naturalization Service, at the request of Rep. Joshua Eilberg (D-Pa.), is quietly reviewing Pak's immigration record for possible law violations. He could face deportation if the government can prove fraud in connection with his immigration status.

Pak also had two separate visas—a diplomatic visa in one passport and a visitor's visa in the other. Immigration officials told us that the most likely reason he kept two separate credentials was to obscure his comings and goings.

Pak's immigration files were examined by the House immigration subcommittee, which found that he had received a diplomatic visa in Washington and a visitor's visa in Seoul. He failed to inform the U.S. consul in Seoul, however, that he already had a valid diplomatic visa.

Pak presented the passport with the diplomatic visa when he entered the country through Honolulu in January, 1965. Again, he neglected to mention to immigration officials that he also held a visitor's visa in another passport.