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Armed Intervention Over Oil Eyed

By Jack Anderson

A grim, new mood is developing in Washington that military intervention may be necessary to bring down the price of oil and save the West from economic ruin.

Until the last few weeks, military action was considered out of the question. But the mood definitely is changing, as the consequences of the oil gouge have become more devastating.

Oil is the lifeblood of the industrial West. A growing number of policy-makers now agree that the United States cannot stand by while a few recklessly greedy potentates interfere with the normal flow of our lifeblood.

Already, the oil price squeeze has driven Italy to the brink of bankruptcy. Other Western stalwarts, such as England and Japan, have been rocked by high oil prices. Unless the prices are quickly reduced, economic chaos will spread throughout the West.

The repercussions, top policy-makers have told us, would affect the "vital interests" of the United States. The use of the term "vital interests" is ominous. For it is understood that the United States will go to war, if necessary, to protect its "vital interests."

One important policy-maker, in confidential talks with us, compared the oil gouge to Pearl Harbor. In fact, he assessed the economic damage as far greater than what resulted from the bombing of Pearl Harbor.

The Arab oil rulers, he insisted, are engaged in overt economic warfare. They have used oil as a weapon to demand political concessions. They have even imposed wartime secrecy on their oil strategy meetings, he said.

In the backrooms, Secretary of State Henry A. Kissinger has opposed even hinting at military action against the Arabs. He has confidence that the Arab moderates, particularly Egypt's President Sadat and Saudi Arabia's King Faisal, can restore oil prices to a let-live level. U.S. military intervention, he has warned, could set the entire Middle East on fire.

President Ford, while going along with Kissinger, has taken a harder line in the strategy sessions. Our sources say the President is willing to use U.S. military power as a last resort to prevent the oil cartel from causing disastrous economic and political dislocations in the West.

The policy experts don't believe the Soviet Union would interfere with a U.S. military operation in the Middle East. Even Kissinger agrees, according to our sources, that the superpowers recognize one another's "vital interests."

Just as the United States didn't try to stop the Soviet Union from invading Czechoslovakia, Kissinger believes the Soviets wouldn't likely risk a nuclear war with the United States over Middle East oil.

The secret speculation is that Libya would be the most likely target of U.S. intervention. Libya's radical strongman, Muammar el-Qaddafi, isn't popular with his Arab neighbors or the Russians. They would be less perturbed over an attack on Libya, therefore, than any other Arab oil state.

It was also the fiery Qaddafi who triggered the oil price rise. In late 1971, he moved in on Occidental Petroleum, a U.S. company, which depended on Libya for its crude. His squeeze tactics were so successful that by early 1974 he had boosted the price of Libyan oil from $1.50 to $16 a barrel.

His tactics encouraged other oil potentates to band with him. If he were singled out for U.S. retaliation, they might once again get the message.

CIA sources have suggested that the simplest way to knock the props out from under Qaddafi would be to engineer a coup and replace him with a leader more friendly to the West.

One secret report tells of a discussion between a CIA agent and an Occidental about putting up $50 million for Qaddafi's assassination. High officials have assured us, however, that the $50 million talk was nothing but barroom banter and has never been given serious consideration.

Pentagon sources have pointed out that Libya's oil fields are reasonably isolated and, therefore, could be seized, sealed off and protected with relative ease. This should take no more than two Marine divisions, one source estimated.

There is also talk in the backrooms about giving Israel the green light to take over Kuwait's oil fields. The secret assessment is that no combination of Arab armies could stop an Israeli march on Kuwait.

Perhaps significantly, the United States has suddenly started to rush arms shipments to Israel. In some cases, the U.S. military's own stocks have been depleted to make the weapons available to Israel.

Secret military studies show, however, that the oil fields would be highly vulnerable to Arab sabotage and the oil could be bottled inside the Persia Gulf by sinking a couple tanker in the narrow straits at the mouth. The tankers couldn't get out of the gulf without coming within range of hidden Arab artillery.

The stakes, however, are high. Kuwait has the world's third largest oil reserves, with a known supply of 64 billion barrels. Only Saudi Arabia and the Soviet Union have more oil. And Libya, with 26 billion barrels under its sands, ranks seventh.

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