

Critics of U.S. Oil Policies in Vietnam Shift Focus of

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WASHINGTON, April 1 — Critics of the Nixon Administration's oil policies in South Vietnam are shifting the focus of their attacks.

Charges that the possibility of offshore oil reserves is influencing United States policy in South Vietnam continue to be made among a wide spectrum of war opponents—from the New Left to Capitol Hill.

But the charge that the United States may seek to prolong its military presence in order to protect American oil interests there is becoming muted.

Now critics are arguing that United States oil companies are being encouraged to develop possible Vietnamese oil reserves as part of the "economic Vietnamization" process and to enhance the political position of President Nguyen Van Thieu and Vice President Nguyen Cao Ky, who face a general election this fall.

The accusations are growing even though the Saigon Government has again postponed

calling for bids on oil concessions in the coastal waters.

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Attacks on American oil policy intensified following an announcement by the Saigon Government last December that it would offer its continental shelf to the world petroleum market for exploitation under its oil law. That law was generally based on Thailand's petroleum law, which reportedly was drawn up with the assistance of Walter Levy, a consultant to many United States oil companies.

Saigon first announced that it would accept bids in February but then postponed the bidding until March. The South Vietnamese Government has again postponed the bidding without setting a new date.

Reliable sources in Saigon report that the postponements are a result of the political furor the oil issue has raised both in Vietnam and in the United States.

No oil has yet been produced in South Vietnam. There cannot be even exploratory drilling until the concessions are awarded.

But intensive survey work and test drilling have been underway for several years in the coastal waters of most other Asian countries. Concession rights to the shallow waters surrounding South Vietnam's neighbors have already been divided by international oil companies.

Significant amounts of oil are already being taken from Indonesian waters, and reports have been favorable about the oil potential in waters off Malaysia.

Several geological surveys of South Vietnam's coastal waters have been conducted since 1967. Two of them, in 1969 and 1970, were done by the Robert Ray Geophysics Company of Houston, Tex. A company spokesman said that the surveys were made for "nine international companies" but declined to identify them.

The Economic Commission for Asia and the Far East, a United Nations body based in Bangkok, has also conducted seismic surveys of South Vietnam.

Many Reported Interested

According to reports from Saigon, the list of oil companies that have shown an interest in South Vietnam's offshore potential reportedly include the American "big five"; Standard Oil (New Jersey), Standard Oil of California, Gulf Oil, Mobil Oil and Texaco.

Others reportedly interested in bidding for drilling rights, the Saigon sources say, include Conoco, Phillips Petroleum, Union Oil, Hunt International Oil, Ginsberg & Associates, Superior Oil, Umar Oceanic Company, Western Oil Fields Hampton Brothers, United States Natural Resources, Occidental Petroleum and Frontier Petroleum.

Their Attacks

Non-American companies said to have shown interest are Itoch and Mitsui oil companies, both of Japan, and the Canadian Superior Oil Company.

According to Congressional experts, the facts that no oil has yet been found in Vietnam and that there is no proof at any is there tend to weaken the argument of critics who contend that American military strategy may be based on a colonial interest in offshore-oil exploitation. Senator Philip Hart, Democrat of Michigan, asserted earlier this week that any of the critics have been using exaggerated statistics to describe the oil-producing potential of Southeast Asia.

The Capitol Hill experts also declared that the major oil

ent Saigon government to keep out competitors but a strongly pro-American one.

Gabriel Kolko, an economic historian who has assailed Washington's oil policies in South Vietnam, asserted at the seminar that Washington was encouraging oil investment there in order to strengthen the Thieu-Ky Government.

The evidence Mr. Kolko produced to support his claim included a speech made by Ellsworth Bunker, the United States Ambassador to South Vietnam, to the American Chamber of Commerce in Saigon on Jan. 21.

In that speech, Mr. Bunker spoke of the "gravest consequences" if South Vietnam's economic problems were not solved "quickly and effectively."

Asked for Investment

Mr. Bunker said that American businessmen could help both their own companies and South Vietnam by investing in business there. He referred specifically to the possibilities of investment under the new petroleum and investment laws.

companies are interested in seeing less—not more—oil produced in order to keep world prices at a high level.

But some critics of Administration policy, including Michael Tanzer, an international management consultant and oil expert, assert that American oil companies are seeking to control Vietnamese oil in order to keep other potential exploiters away from it.

Japanese Market Cited

Mr. Tanzer said today that the major American oil companies need to keep other companies from acquiring access to oil reserves large enough to supply the Japanese market, one of the biggest in the world. Japan buys most of her oil from the Middle East. The oil is supplied largely by the American oil companies which do a business worth "billions of dollars a year," with Japan, he said.

Speaking at a seminar here sponsored by the American Friends Service Committee, Mr. Tanzer asserted that the oil companies needed not just an anti-Communist or an independ-