

Anti-Trust Bill Against Oil Companies

Another effort to break up the major oil companies was launched with the introduction of new Senate anti-trust legislation by Sen. John V. Tunney (D-Calif.).

"Billions of dollars are being gouged from the American people by the big oil companies, and every effort thus far to stop it has failed," Senator Tunney said. "But each battle has come closer to success, and I do not believe that this is any time to give up the fight.

"An unholy alliance between the oil oligopolies and big government has brought on the present oil crisis — pushing up the price of gasoline to fill the coffers of the oil-producing nations and the big oil companies at the expense of the American taxpayer," the California senator said.

The bill introduced by Tunney would break up domination of the major oil companies over all four phases of the petroleum industry — production, transportation, refining and marketing.

Unlike earlier measures, it would permit one company to participate in both refining and marketing but in no other segment of the industry.

It is this more moderate approach which Tunney hopes will draw the additional votes needed to secure passage. The last Senate legislation aimed at breaking up the oil cartel failed by a vote of only 45 to 55.

The Tunney bill also would break up non-productive horizontal spread of the oil companies into other energy fields such as oil shale, coal, solar and geothermal power. Any oil company holding control of any of those resources and not developing them competitively would be forced to divest itself of those holdings.

Tunney noted that oil companies now own more than 35% of existing coal reserves and more than 50% of the nation's uranium reserves. He pointed out that during one period last year, 23 of 27 competitive bids for geothermal leasing came from major oil companies.

"The power of big oil and its partner, big government, over the people of this country must be broken," Tunney said. "The anti-trust legislation I introduced today is a major weapon in that battle."