

## Energy Insider by William Engdahl

### That controversial Alaskan oil

*Arco's Robert O. Anderson has enjoyed a near monopoly until now. The nation has been the loser.*

The nation's seventh largest integrated oil company, Robert O. Anderson's Atlantic Richfield (Arco), has let it be known that it opposes the new five-year accelerated oil and gas leasing schedule announced by Interior Secretary Watt earlier this year. The focus of this controversy involves the opening up of vast untapped Alaskan federal lands, on and offshore, to exploration and development.

The Sept. 29 Outer Continental Shelf lease sale, OCS Sale #60, covers more than 850,000 acres in Alaska's Lower Cook Inlet and Shelikof Strait, some 3 to 23 miles offshore. It is the largest single offshore lease sale in the embattled history of Alaskan resource development.

Development of the frontier lands of Alaska had been the focus for one of the most heated battles of the Carter administration. Carter Interior czar Cecil Andrus managed to administratively lock up more than 100 million acres until the December 1980 passage of the misnamed Alaska National Interest Lands Conservation Act of 1979. That law, pushed by arch-environmentalist Moe Udall in Congress, more or less permanently locks up some 104 million acres as national parks, wilderness areas, and such.

The stakes here are high indeed in terms of future energy availability. While the U.S. Geological Survey estimates for possible oil and gas resources in the area covered by OCS #60 total millions of barrels of

oil, the untapped resource estimate for Alaska as a whole is truly enormous.

I talked with John Guy of the National Petroleum Council. That industry group, which acts in an advisory capacity to the government, is completing a comprehensive two-year resource assessment of Alaska. Their preliminary estimate is that we have probably about 44 billion barrels of oil or its natural gas equivalent *yet to be discovered*. This does not even take into account the estimated 10 billion barrels in the North Slope's Prudhoe Bay Field, where Robert O. Anderson, together with British Petroleum's Sohio, dominates the largest single U.S. oil discovery.

What is remarkable is how little access has been permitted to Alaskan areas since the "fortuitous" discovery back in 1968 by Arco at Prudhoe Bay. In 1980, Prudhoe Bay produced more than 1.5 million barrels a day, 16 percent of U.S. production.

I have done some extensive investigation into the bizarre Mr. Anderson in connection with a special report just released by the Parity Foundation of Detroit, Michigan ("Who's Running the Witch-Hunt of James Watt"). There is strong presumptive evidence that Anderson's meteoric rise into multinational oil big leagues got an assist from certain well-placed cronies in the Department of Justice Anti-Trust Division when they forced

Sinclair Oil to divest its Richfield Oil stock into his waiting arms. This was the plum that gave him the choice Prudhoe Bay acreage.

That may be neither here nor there, but the "Republican independent oilman" Anderson also chairs one of the most viciously effective antigrowth centers for subversion of industry and growth: the Aspen Institute for Humanistic Studies. Robert O. Anderson personally financed the 1969 creation of Friends of the Earth and "Earth Day," which publicly launched the antigrowth movement that so vehemently opposes Watt's policies today.

His "think tankers" at Aspen have architected virtually every major piece of antigrowth legislation of the last 15 years. Aspen Institute Energy Commission head John Sawhill, who also sits on the Trilateral Commission, shaped the Carter Crude Oil Windfall Profits Tax. Atlantic Richfield, according to certain reports, played a central behind-the-scenes role in designing that tax. Arco's rich Alaskan production went largely unscathed because of an exempting amendment "in the national interest".

The president of Arco is on record stating that Arco has "never fought against" the windfall tax. Such an attitude is consistent. In 1974 Anderson called for elimination of the percentage depletion allowance, the heart of the mechanism by which independents in this country have been able to explore frontier and other areas and produce our energy needs.

And now Mr. Anderson is hollering that Secretary Watt will upset his pretty little Arco apple cart by opening up the Alaskan plum to all comers.