

THE PRIZE:
THE EPIC QUEST FOR OIL, MONEY AND POWER
Daniel Yergin/Simon and Schuster/876 pp. \$24.95

Edward Norden

Not love but decayed plankton makes the world go round—that's the burden of Daniel Yergin's great slab of a nonfiction bestseller, which he worked on for seven years and had the luck to see published a few weeks before Operation Desert Storm. He ends his account by repeating his thesis: "Petroleum remains the motive force of industrial society and the lifeblood of the civilization that it helped to create." Well, if what Yergin means is that petroleum products warm us, cool us, move us, and keep us comfortable while we make wealth and consume it, this is an obvious truth worthy of constant repetition. He means something more than that, though.

As the desire for spices and gold underlay the politics of the sixteenth century, so the desire and need for oil, and the fight over the power which possession of oil confers, supposedly explains not only the world politics but the world wars of our own century. This is a large claim, which Yergin may have felt he had to include in order to justify the book's length. In any case, he fails to prove it. Yes, Hitler made a stab for Baku, but possession of the Baku fields wasn't the reason he went to war with Russia. The Japanese needed Indonesian oil. But that wasn't the only reason they bombed Pearl Harbor.

The Prize, even if it doesn't live up to its portentous thesis, is nonetheless worth buying and having. It should be kept on the shelf next to Anthony Sampson's more stylish *The Seven Sisters* of a few years back, which chronicled the origins and tallied the fortunes of the majors. Yergin, an "energy consultant" who operates out of Cambridge, Massachusetts, and wrote a book during the Vietnam war placing 51 percent of the blame for the Cold War on American shoulders, read everything before writing *The Prize* and spoke with everyone alive, excluding only Kissinger, Sheikh Yamani, and Saddam Hussein. His book is accordingly long on anecdotes and cameos, ranging over a huge canvas of places and characters, from Pit-hole concessions in Pennsylvania in the 1860s to T. Boone Pickens.

Yergin also retells the stories of Stan-

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dard Oil, Shell, Gulf, Royal Dutch, and so on, but he doesn't stint on the wildcatters and independents, who have always been terrifically colorful and occasionally have changed the face of the industry, if not of history. We meet, among many others, William F. Buckley, Sr., who had his business nationalized (his children would say stolen) by Lazaro Cardenas; and Armand Hammer, who made a deal with the young Col. Qaddafi in 1970 which Yergin rightly describes as revolutionary, a deal that set the stage for the emergence of OPEC as a fearsome adversary.

Some of the stories are stale, some of the grammar faulty, some of the portraits boilerplate—we learn, for example that Churchill, who as First Lord of the Admiralty switched the Royal Navy to oil in 1911, was the "son of the brilliant but erratic Lord Randolph Churchill and his beautiful American wife, Jennie Jerome." Like most Americans today, Yergin doesn't know the difference between "compare to" and "compare with." On the other hand, his sketch of concession agent Calouste Gulbenkian, "Mr. Five Percent," is fun.

And he does have some lyric moments. Here's his précis of a chapter on the years between the end of World War II and the Yom Kippur War:

Whatever the twists and turns in global politics, whatever the ebb of imperial power and the flow of national pride, one trend in the decades following World War II progressed in a straight and rapidly ascending line—the consumption of oil. If it can be said, in the abstract, that the sun energized the planet, it was oil that now powered its human population, both in its familiar forms as fuel and in the proliferation of new petrochemical products. Oil emerged triumphant, the undisputed King, a monarch garbed in a dazzling array of plastics. He was generous to his loyal subjects, sharing his wealth to, and even beyond, the point of waste. His reign was a time of confidence, of growth, of expansion, of astonishing economic performance. His largesse transformed his kingdom, ushering in a new drive-in civilization. It was the Age of Hydrocarbon Man.

On the whole, Yergin's is more a celebratory book than an explanatory one. If the prime motive of the early American oilmen was greed, their "merciless methods and unbridled lust" nevertheless "turned an agrarian repub-

lic . . . into the world's greatest industrial power," self-evidently a good thing. And he continues to give the oil companies, in concert with Washington, a B-plus for riding out the bumps of post-colonialism and managing, most of the time, to supply the First World with enough crude at more or less affordable prices—if bestsellers get to heaven, Scoop Jackson didn't enjoy *The Prize*. And, as well as admiring the resource and industry he's writing about, Yergin is fair about the motives, interests, rights, and pride of the Latin Americans, Arabs, and Persians who have had the questionable luck of sitting on most of the oil and who have long been wrestling with Europeans and Americans for control of it.

A geopolitical mishap tucked most of the oil under the sands and waters of the Third World. The amoral deals that American and European companies and governments have struck all along with the locals don't shock Yergin, considering how important oil is, nor is he shocked when treachery and violence are used against those who won't play ball, as in Iran to bring Mossadegh down, or in Kuwait to get Saddam out. Yergin's realism makes explicit that not only the West and Japan, but also the wretched of the earth, could never have afforded to trust Saddam with the mother of all petroleum lodes.

Simon Schama dubs oil "black gold," in a blurb for his friend Yergin's book, and one is reminded that Breughel pictured gold as a form of useless dung. Yergin finds petroleum more attractive than not, in any case uncontested so far as a source of power, profit, prosperity, and—indirectly—the pleasures of peaceful civilization. Yet what of the trouble and pain for birds, fish, and humans bound up in maintaining economies, societies, civilizations on this filthy stuff, hidden away in the earth's most godforsaken corners? Oil stinks, and not only literally. "The excrement of the devil," the Venezuelan Pérez Alfonzo called it, and as a co-founder of OPEC he was in a position to know. "The whole place smells like a corps of soldiers when they have the diarrhea," Yergin quotes a visitor to Pit-hole.

And now, greasy snow in Kashmir, burning wells in Kuwait, and thousands of Iraqis dead, all because Saddam made a wrong move in a region of the planet which, if there were no oil there, CNN would ignore. Who can guarantee that this will have been the last war for "black gold"? Certainly not Yergin, who writes:

As we look forward toward the twenty-first century, it is clear that mastery will certainly come as much from a computer chip as from a barrel of oil. Yet . . . until some alternative source of energy is found, oil will still have far-reaching effects.

Actually, alternatives have been found that are infinite, clean, and ubiquitous. There is nuclear power, of course, but it is controversial. It thus only remains for our politicians, inventors, and investors to make solar energy efficient enough and cheap enough to send bloody King Oil into exile. □

CORRESPONDENCE
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who, whipped into a frenzy by their clerics, stormed out of the mosques on the Temple Mount and loosed a barrage of rocks, bricks, and Molotov cocktails on the worshipping Jews beneath them. These worshippers, a crowd of approximately 20,000, had assembled for prayer at the Western Wall, the holiest place in the Jewish religion.

Also, the "Israeli security forces" were simply police, routinely stationed at the Temple Mount. When attacked by the mob, they responded first with tear gas and then with rubber bullets. When those ran out and when the police post had been burned down and when the forty police involved were at the point of being lynched, they opened fire with live ammunition.

I think it is important that this matter be clarified in your pages. I believe that the casual reference to this incident could create a quite wrong impression on those who are not informed about this matter.

—Gerardo Joffe
San Francisco, California

Polish Progress

I've got Your Magazine subscribed for me by a conservative friend from the distant, yet great, state of Montana, Mrs. Fern Flanagan. It's a pleasure for me to read all these openly anti-Communist articles in your paper. That's something I was deprived of all my life. However strong the anti-Communist movement in Poland may seem to be on the surface, it's very weak deep inside people's hearts. That's why your stories are so important to me. They are healthy in essence, they have this precious, and forgotten here, quality of the healthy way of looking at things. You don't hide behind clichés and you openly think of Communists as a synonym of all that's wrong, sick, and unnatural. Very rightly so! . . .

In general, thanks to my visits to the states, to personal contacts with Americans and finally to your magazine, I've found out that conservatism is not what Communist propaganda told me it was. It's not bad, it's not dirty, it's not CIA, it's not everything that Communism is! I only wish that this kind of thinking were more popular in my native country. . . .

—Kamil Turowski
Lodz, Poland

THE NEW YORK SPECTATOR



HELL OF A TOWN

by William Tucker

In the little New Jersey town where I grew up, we could just see the tip of the Empire State Building on the horizon. You could get there for a dollar and a quarter on the Lakeland bus. New York was the Emerald City. Like most people I know, I live here because I have always thought it the most important and exciting place in the world.

I never wanted to live anywhere else. My sophomore year in high school, I fell in love with a Gordon Jenkins operetta called *Manhattan Tower*. Thirty years later, I stumbled across the album again and played it. It was a transcendent moment. I realized that my whole ambition had been shaped by these old show tunes—that I had been humming them for years as I walked the streets—and that my dream had essentially come true.

That dream has grown harder to sustain with every passing year. On June 30, the City of New York will finish its fiscal year about \$450 million in the red. Mayor Dinkins is already talking about closing down libraries, draining swimming pools, and turning off streetlights. This is the “Firemen First” principle—when the budget crunch comes, cut the most visible and necessary services to soften people up for tax hikes. Strange as it may seem, this strategy enjoys much popular support.

The mindset of the average New Yorker has not changed since the 1930s. To everyone from Governor Mario Cuomo on down, “The City” is the source of all social beneficence. “The City” is a palpable entity, capable of providing everything for everybody if only we feed it enough money and find the politicians to run it right. When a drug-crazed mother in Brownsville throws her baby in the trash, it’s because “The City” didn’t have enough social workers. When two kids in Spanish Harlem rob a bodega (killing the owner in the process), it’s because “The City”

didn’t provide enough educational opportunity.

The myth of government as provider is supported by a political system that has not reformed itself since the days of Boss Tweed. Ever wonder why New York state has never had a tax revolt? Simple. Voters still do not have the right of ballot initiative, a reform adopted by a majority of states during the Populist era.

Even fielding an opposition candidate is nearly impossible. In Oregon, you can run for governor with 1,000 signatures or a \$100 filing fee. In Texas, when Lyndon Johnson gave up his Senate seat to become vice president, seventy-two people ran to replace him. But in New York, when maverick Abe Hirshfeld challenged Mario Cuomo’s choice for lieutenant governor in 1986, a Cuomo-appointed judge ruled that, for technical reasons, Hirshfeld’s 70,000 signatures did not meet the 20,000-signature requirement. “When it comes to making it difficult to get on the ballot,” says Richard Smolka, publisher of *Election Administration Report*, “New York is in a class by itself.”

Most New Yorkers figure that the only way to get ahead is to join the Party of Government. In my own gentrified neighborhood of Park Slope, the only sign of the budget crisis has been the panic in people’s voices as they discuss the possibility that they or their spouses might lose their City jobs.

Within one block of my house I know eight lawyers. One has a private prac-

tice, one works for the state attorney general, and six work for The City. The mother of a kid on my son’s baseball team is a lawyer with the Human Resources Administration (HRA). Her job makes her a member of the Teamsters’ Union. A few weeks ago she was telling me how The City was dealing with the financial crisis: “It’s such a joke. The first thing they did was send around a memo saying we had to get rid of one out of every hundred light bulbs. The City doesn’t know which end is up.”

The City knows exactly which end is up. There’s no need to improve services when people have no power of choice. The idea is to create new services (“unmet needs”) and put more potential voters on the payroll. Every government employee I know complains about the antiquated conditions at his job. The guy in the state attorney general’s office became so exasperated with the lack of office equipment that he bought his own laptop computer, which he carries to work every day. Governments constantly steer spending away from capital improvements and into personal salaries—remember, computers don’t vote.

The City of New York now employs 353,000 people—one of every twenty-one residents. More than 93 percent are union members. “Even the twenty-five chaplains in the prison system have their own union,” says Forrest Markowitz, deputy research director of the Department of Labor Relations. “They send around a priest, a minister, and a rabbi every year to tell us they need a pay raise.”

Middle management is in on the scam. Policemen and firemen regularly retire on pensions greater than their salaries, by piling up hundreds of hours of overtime their last year of employment—all with the consent of their supervisors. (Pensions are based on the final year’s earnings, including overtime.) The suburbs are filled with men in their mid-forties working in liquor stores and car dealerships while collecting City pensions. Some don’t even bother to retire. When I used to go to the

YMCA once a week, there was one guy who was always in the gym—whatever the day, no matter what the hour. He was there when I arrived and there when I left. One day I asked him what he did for a living, assuming he must be independently wealthy. “I’m a City social worker for sexually abused children,” he said. “It’s too depressing going around visiting these families, so I come down here instead.”

Stuck with the bill, taxpayers are leaving left and right. A seat on the New York Stock Exchange, which cost \$1.15 million in 1988, now sells for \$350,000. CBS is supposedly getting ready to decamp. When the Moving Picture Machine Operators union refused to take a cut in overtime pay last April, Hollywood began moving movie production out of New York within hours. New York City is being defeated by the mobility of modern capital.

Even more mobile are the highly educated liberals who built the system. One of the owners in our first co-op in Brooklyn was an Old Leftist who spent weekends at Nicaragua rallies and worked in the public defenders’ office. (His wife, also an attorney, worked for the HRA.) A year ago, I started seeing his name in the newspapers. He’d been elected head of one of the unions and was leading his fellow lawyers in a walk-out, tying up the criminal justice system while demanding a pay raise. Six months later, he and his wife moved to New Jersey, where taxes are lower and crime levels more tolerable.

Meanwhile, having been stunned once again last April by the amount of taxes I had to pay, I did a little arithmetic. As a free-lancer in New York City, I paid 15.3 percent Social Security, 28 percent federal income tax, 7.9 percent state income tax, 3.3 percent New York City income tax, and 4 percent New York City unincorporated business tax. Total: 58.5 percent. Sure, there were deductions here and there, but the final rate still came to more than 50 percent.

I think my leftist friend has outsmarted me. □



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