Getting Hosed

Every time you gas up your vehicle and that hose locks into the tank, you, American person, are getting hosed. The energy scam we are presently experiencing is one smooth operation. This time the Arabs aren't raising prices on barrels of oil. This time it's not saber-rattling from Iran that is driving up the price of gas. No, this time the problems are in Whiting, Indiana and Norco, Louisiana.

There are oil refineries in both those towns, and they've had a few annoying problems. A little power outage here, a small fire there. And whenever the speculators hear of any problem in an American refinery, they bid the price of oil up. The oil companies see that and immediately tell your gas station guy to charge more.

There has not been a new oil refinery built in the United States since 1976. Conservatives say the environmental people are blocking construction. There is some truth to that, but the biggest problem in building more refineries is money. Big oil doesn't want to spend billions on a new facility because they are making record profits now, and alternative energies may be coming. The oil barons love the slow-downs in Whiting and Norco, especially when they occur at the start of the summer driving season. Let the profit party begin.

The free marketers hate me for telling you all this. They say it's a "supply and demand" issue. Sure. If you stifle the amount of gasoline refined when everybody wants to drive, yeah, that price is gonna go up. But is that a "free market?"

You, yourself, cannot get into the oil "bidness." It takes all kinds of government approvals every step of the way to market gas and oil. Believe me, "Lenny's One Stop Energy Emporium" is not going to happen. Subway is not going to be franchising oil refineries anytime soon.

It is beyond frightening that both Democratic and Republican administrations have not insisted more oil refineries be built. We, as a country, are totally dependent on gas and oil, and the economy will collapse if America doesn't have enough of these commodities. But the government has good reason not to impede oil prices: Taxes. The more you pay at the pump, the more money rolls into DC.

But, again, no refineries have been built in 31 years, while demand has increased about 31%, one percent a year.

Appeals for Americans to conserve energy are swell, but they won't work. We are an immediate gratification society. We want what we want, and if it's a Hummer, blank you if you don't like it.

The only way a catastrophe can be headed off is for Congress to get serious with the oil companies and demand they upgrade and expand refining capacity, and play fair on prices. If Congress does not do that, major pain is coming for America.

Besides terrorism, the energy squeeze is the story of our times. Remember, you read it here.