

EDITORIAL

It is almost unbelievable that the U. S. Congress still refuses to come to grips with a meaningful tax reform, particularly where oil is involved.

With oil making more than its share of headlines lately, from the southern coast of Maine to the beaches of Santa Barbara and from the Mid-East crisis to Biafra and back again to the nation's Capitol, it is not insignificant that Congress continues to disregard any proposal to eliminate the ridiculous federal oil depletion allowance, at least for oil pumped from foreign soil.

Legislation calling for a reduction of the depletion loophole has now passed both the Senate and House and there is little doubt that some reduction from the current 27½ percent will be enacted. But to argue its reduction of only seven percent is as meaningless as to try to batter down an open door.

America is now aware that on the north slope of Alaska big oil companies have discovered and virtually stolen one of the largest crude oil reserves ever found on this continent.

Conservative figures foresee that from this one petroleum-rich basin the 13 giant American oil companies involved in that area will reap a possible 40 billion barrels of crude. By any estimate, this is at least a full ten year's supply for the entire nation.

Percentage depletion, therefore, on foreign crude makes about as much sense as allowing you and I to deduct depreciation on IBM's machinery. But oil is just that well protected by law.

In just one north slope deal alone, as an example, Atlantic-Richfield may realize \$5 billion in profits from lands obtained for a maximum of only \$93 an acre. And naturally the oil giant obtained the land from all of us, in that it was once public domain. Yet from latest Internal Revenue Service figures we find that Atlantic-Richfield paid absolutely no federal income taxes at all in several recent years thanks to percentage depletion on their foreign and domestic oil production, along with other oil-favoring tax loopholes. Other oil giants do likewise.

Congress is aware that percentage depletion is not the petroleum industry's only tax favor by a damn sight. Oil is also allowed to deduct operating costs from gross revenue as well as charge off all "intangible" drilling and development, a fact which may be a more important concession than even percentage depletion.

In the Persian Gulf, Libya and Kuwait areas, as an example, oil is produced for as little as 10 cents a barrel, and in quantities that stagger men's minds. One well in Libya produces 100,000 barrels a day. In some areas 50,000 barrel-a-day operations are not uncommon. From this cheap oil the companies deduct their current 27½ percent depletion, plus the huge tax benefit of royalties paid to the foreign governments. After the oil giants pay huge royalties to the sheiks and rulers abroad, they then deduct this dollar for dollar from the top of their U.S. income taxes.

Looking again at the Persian Gulf, we find that we may add to the 10-cent-a-barrel oil, 80 cents paid to the governments. Assuming a Persian Gulf price of about \$1.80 a barrel, then the companies thus net about 90 cents per barrel on the guarded U.S. market price of about \$3 a barrel. Applying this to Saudi Arabia alone, we find that accumulated profits from that land amount to somewhere between \$3000 million and \$7000 million. This is based on cumulative production of about 8.1 billion barrels.

The depletion allowance amounts to just exactly half of that, whatever it was. Furthermore this windfall was enhanced by the fact that the taxes or royalties paid to Saudi Arabia were deducted from the final tax bills presented to the IRS in the form of consolidated earnings in this country.

Why then is it so hard for Congress to realize that the U.S. Government is playing into the hands of a powerful world government of oil? Why must our government continue to proclaim in the name of peace world security and the extension of the blessings of civilization along with other euphemisms that the oil industry is sacred, while in its name we are expected to send our sons to fight wars for the further wealth of the millionaire? Why should one industry dictate U.S. foreign policy to the extent that we die in the Mekong Delta of Vietnam on top of the world's largest untapped crude reserves, and on the other hand swear loyalty to slave kingdoms and absolute dictatorships in order to keep the oil flowing?

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'BOY, YOU HAD ME WORRIED FOR A MOMENT THERE—I THOUGHT YOU SAID THREE TO FIVE YEARS!'



it sure does snow in Buffalo

by GENE GOFFIN

Before we moved to the Niagara Falls area, we had heard about winters up here—not only does it snow a lot, it never stops.

We took out the World Almanac and checked—they list all the major cities and state capitals and their average snowfalls per year. Buffalo topped the list with 103 inches—more than Juneau, Alaska, or anywhere else.

Neither of us has ever lived in a place like that, so, with a spirit of adventure tucked away and a new car with front wheel drive, we moved anyway.

We settled in a place 15 miles north of Niagara Falls called Youngstown, about as far as you can get from Buffalo.

I started asking the natives—"Does it really snow that much?" "No! Buffalo gets all the snow, the Falls gets a little and up there in Youngstown, you'll hardly get any."

I thought that was quite nice. If I wanted to see a blizzard I only had to drive 40 miles and if I wanted to look at grass, just look through my window.

They explained the effect of Lake Erie. It seems when the wind blows over the lake the difference in temperature

between the lake—never lower than 32 degrees—and the air—usually much lower than 32 degrees, generates snow in Buffalo and southward. We live northward.

In mid-November it snowed. Only about two inches in Youngstown but about a foot in Niagara Falls.

Well, they were right—the further south the more snow—except all the snow was about 20 miles north, not south of Buffalo. And, then, I forgot to consider, what if you have to go to Buffalo?

I also forgot to consider that those natives who said it never snows in Youngstown were comparing Buffalo to Youngstown. When you compare anything to 103 inches of snow, it's got to look like nothing.

Miriam slipped on an icy street Dec. 1—the result was a broken vertebra. Now you can break your back anywhere, but since the streets are always icy around here, I guess we can chalk up some negative points for Niagara Falls.

It does snow less in Youngstown—I'll bet we've only had 25 inches so far—I think 30 is average in northeastern Pennsylvania for a whole winter.

A couple of days ago I got up and turned on the radio—they had no snow across the river in St. Catharines,

Ontario, and 10 inches in Welland, about five miles south. I guess I'll get used to it snowing to the south, not the north.

I drove in to Niagara Falls—the sun had been shining in Youngstown—and a blizzard was in progress. I still found it hard to believe.

That evening one of our neighbors found out her aunt was dying in Atlanta. I volunteered to drive to the Buffalo airport; their car wouldn't start, mine is built for snow—it's Swedish.

It still hadn't snowed here—the time we got 15 miles south we were in a blizzard—in the center of the storm visibility wasn't much past the hood. Our trusty Saab plowed through, however. We had some doubt an airplane would plow through though.

When we got to the airport we found operations were way behind—two airplanes had skidded off the runway. I was beginning to believe about Lake Erie blizzards.

We waited and waited. The "Greater Buffalo International Airport" is not a tourist attraction. For a metropolitan area of well over a million, you'd think they'd heat the place about 55 degrees. It's a small, crummy looking airport; I guess they spend all their money on snowplows.

When the plane was finally ready to take off it had missed the vital connection to Atlanta at Pittsburgh. Our neighbor came off the plane and we vowed to try in the morning.

We started back north—the center of the storm again—only about ten miles wide. The car cut through the snow beautifully; then it stopped.

Do you realize how cold it can get in a car when the motor (and thus the heater) stops? It was two degrees out; we raised the hood and in a blizzard one doesn't always check out the most obvious things.

I predicted a blown head gasket and gave up. Just then a guy in his early twenties pulled up and offered to tow us off the expressway.

Have you ever been towed five feet behind another car at 40 miles an hour through a blizzard? One constantly wonders how to stop if he stops.

He towed us to a place called Tonawanda and our neighbors had a friend there; yes, they would put us up. It had been snowing in Tonawanda for a day; they had about two feet of the stuff. Along the roads it was plowed five feet high; I suppose it looked very pretty.

So the next day I woke up with after four hours sleep; had a car that I pictured having suffered a fatal attack and several feet of blowing snow outside. Miriam's back hurt and our neighbor was highly distraught—she didn't know whether she could get to Atlanta before her aunt died; the airport was closed.

I did get home that day and picked up our 97,000-mile-old car. As soon as I started it, it blew the muffler to pieces, but I got around for a while. The new car had ingloriously and quite prematurely burned out the distributor points—we could have scraped them clean enough to get home, but who looks for the obvious in a blizzard?

I had a \$23 towing bill (I didn't buy towing insurance last summer). The airport opened the next day—when we got there again—46 hours later, it was snowing again, but the plane took off.

The car runs beautifully again. Today another neighbor drove his two-ton Cougar into a ditch and my one-ton Saab pulled him out without even spinning its wheels. I didn't even burn out the points.

The morals of all this are the following: it does snow a lot in Buffalo; it doesn't snow as much north of Buffalo, except this year, but, all the same it snows a lot north of Buffalo anyway; it sure is cold up here, and, if your car stops, check the distributor points.

P.S. There's a lot of ice skating up here—I sprained my ankle ice skating two weeks ago. Sure is fun up here; really saps the ole spirit of adventure. Coal mine subsidance is starting to look good.

The Right To Write

To THE POST:
Will you kindly cancel my subscription to The Dallas Post.
RULISON EVANS
RD 4, Dallas

From Pillar To Post

by HIX



For a while there, I was expecting a helicopter to deliver an emergency bale of hay, the way the game commission does for distressed cattle in North Dakota in mid-January. The pilot could bounce it off the roof.

One thing is for sure, children who have built snowmen and snow forts and have run gaily along the tops of snow dikes built up by the snowplows this winter, are going to bore their grandchildren still 50 years from now.

"You don't see snows like that anymore," they will recollect, "we were snowed in for days back in 1970 and you couldn't get to the mailbox, and every time you thought the snow had stopped coming down, it started up again, and you should have seen the icicles, 20 feet long hanging from the eaves, and they never dripped a drop."

"And those drifts, you couldn't see over them, and they lasted for three months, and when we went to school we ran along the top of the drifts about as high as the second story windows."

This winter of 1970 should set all the old-timers back on their heels. They remember how it was when they were kids, but their grandchildren can now match them snowball for snowball, and the tales will grow in the telling.

I can remember some pretty rugged winters myself, but I am not about to elaborate upon them. When you are three feet high, a snowdrift looks like a chain of mountains, and it really does seem as if it never melts. In imagination you go capering endlessly along the ramparts. You remember how it was, and there will never be another winter to match it. You remember the iceberg in the back yard, the one that was still slowly wasting away come June. And you think how times have changed.

You remember how the snow comes down absolutely horizontally in the Great Plains states, never seeming to hit the ground at all, and yet building up in dunes of white, inexorably swallowing the snow fences and the wide white fields.

You remember tales about farmers feeding their stock, fumbling their way back toward the kitchen door, and being frozen to death within a few feet of safety because the howling blizzard had covered their tracks and the guide-wire, stretched tight from porch railing to barn, had slipped from their numbed grasp.

And you wonder why the pioneers in Kansas or Nebraska did not follow the customs of their forebears in New England in constructing their barns and chicken coops and outbuildings like the tail of a kite, all attached to one another and trailing from the house, so that feeding the stock is simply a matter of walking through the summer kitchen and the woodshed and along a corridor where chickens scratch

at their home at Demunds. Found by their son Harry, they were treated by Dr. G. K. Swartz, Mr. Howell was 83, his wife 81.

Five million pounds of ice were shipped as the cold wave strengthened. Mountain Springs storage warehouses were filling and 650 cars of ice had passed through Dallas to date.

Skunks were removed from the protected list as they were on the increase. The Post listed 20 comically mispronounced words, including quintuplet, penalize, and khaki.

Died: Mrs. Albert Hontz 32, Sweet Valley; Mrs. George Freeman, 66, Dallas; John Edwards, Harveys Lake; Harry B. Shultz, 37, Loyalville.

Members of the Dallas Camp, United Sportsmen, distributed a portion of the 500 pounds of grain sent to Dallas by the State Game Commission for the winter feeding of birds.

THIRTY YEARS AGO
Mr. and Mrs. N. Whitney Howell were discovered overcome by escaping coal gas

for grain, toward a barn door, all enclosed and safe from the weather.

I talked to Bess Streeter Aldrich about this at one time, out there in Lincoln, and she explained. It was because of the danger of fire, she said. A blizzard, before the country was much settled and there were no trees for a windbreak, would find nothing to stop it, and it gathered speed and violence as it blew. If a fire started in a barn at the height of such a storm, nothing could keep it from spreading to the house. If the barn were built on the side away from the prevailing winter wind, there was a chance that flames would be blown away from the family dwelling, and that though the barn and the stock might go, the family homestead would be saved.

Mrs. Aldrich knew what she was talking about, for she was a descendant of the pioneers who had forged their way westward, and she knew blizzards at first hand. She has immortalized those times in "A Lantern In Her Hand."

There were still some hefty blizzards out in Nebraska in 1928, and the temperatures were astonishing. Oddly enough they did not seem to be as cold as they do hereabouts at 20 below.

We don't have blizzards here in the east. It takes a vast expanse of open land to produce a blizzard. What we refer to as a blizzard here is simply a heavy storm, and there never is a time when it is impossible to see two feet ahead because of the swirling devil-dance of the snow.

But I have experienced a real blizzard, and it is staggering. It takes your breath away as it beats upon you and smother you and crusts your eyelids and blinds you. You keep your back to the wind, otherwise you would choke to death. The snow sifts down your neck and fills your boots and works its way into your mittens. Three steps from your own door and you are lost.

And when it clears, there is a crystal clear day and a strange land with blue shadows on the snow, and a lonely windmill steadily beating its wings against a fathomless blue sky, going about its appointed and homely task of drawing water for the stock.

The blizzard is accepted as one of the facts of life, all a part of the balance of nature. Without the winter snow there would be no summer harvest, no tall corn, no bulging silos, no sleek cattle.

only
yesterday



Forty Years Ago
A cold snap which froze up water pipes throughout areas served by the Dallas Water Co. hampered repair men as they attempted to thaw extensive sections of pipes and several booster pumps.

The Dallas Thrift and Loan Co., organized for the purpose of loaning money not to exceed the princely sum of \$300, was scheduled to open its office in the Sullivan Building on Main Street.

Several Community projects commemorated an extended National Thrift Week: Shavertown Girl Scouts inspected the new Miners Bank Building at Wilkes-Barre and the Dallas PTA heard an address by Mrs. A. S. Culbert on "The Thrift of Time."

Members of the Dallas Camp, United Sportsmen, distributed a portion of the 500 pounds of grain sent to Dallas by the State Game Commission for the winter feeding of birds.

THIRTY YEARS AGO
Mr. and Mrs. N. Whitney Howell were discovered overcome by escaping coal gas

Twenty Years Ago
Firemen of all Back Mountain fire companies gathered at Irem Country Club for a community get-together sponsored by Dr. Henry M. Laing Fire Company.

Mrs. Paul Winter was named chairman of the third Back Mountain Community Concert scheduled for March 24.