

**Commentary**  
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I've been thinking a lot about the price of gas lately and I bet you have too.

The other morning I was sitting at my kitchen table sipping a cup of coffee and listening to the morning news on National Public Radio when a news report nearly jolted me out of my seat. NPR cited a Lundberg report claiming that the recent drop in oil prices was unrelated to the price of oil. Hmm, I thought.

I'd been traveling for two weeks and when I got to my office I mentioned to a colleague that local gas prices had dropped a lot while I was gone.

My colleague smiled and gave me a look of pity. “Don’t you know the price of gas always drops before a national election?” he said.

So I Googled the internet and the stories I found confirmed what my colleague told me.

First, I discovered that traditionally gas prices are lowest in winter, rise in the spring and are highest in the fall when companies shift production from gasoline to heating oil.

Then I found that just prior to the 2006 congressional elections gas prices plummeted by about fifty cents a gallon. This ran against the traditional pattern of high fall prices.

The price manipulation conspiracy theory received a further boost by an ANGRY BEAR blog report on “Gasoline Prices and Elections” that cited significant changes in the traditional pricing pattern during the last seven presidential election years. During this time gas

prices peaked three times in May, another three times in June and once in July, not in the fall as expected.

Suddenly the story I heard on the radio was beginning to make sense

My mind flashed back to 1980. Jimmy Carter was president and the country was staggering through our second major oil crunch in a decade. Carter talked about alternative sources of energy. He told people to turn off the lights when possible, keep the heat down, wear sweaters at home, and drive small, fuel efficient cars. Then gas prices plummeted before Election Day and Carter lost to Reagan. There were a lot of other reasons Carter lost, but let's not forget, Big Oil had an impact on the election. So enjoy the lower prices you now have because they're sure to go up again after the elections.

Big Oil's political manipulation is possible because the U.S. oil industry is dominated by four giant companies that control a resource fundamental to industrial society. When

I say giant corporations, think of Exxon-Mobile, which this year had second quarter earnings of more than \$11 billion. Having done graduate work with Robert Engler, author of *THE POLITICS OF OIL*, I know these corporate leviathans have the power to manipulate prices through their control over supply and demand. When four companies control about half of the nation's refining capacity, is this really a surprise?

The real surprise is the failure of the media and our elected leaders to take on these corporate bullies. Take John McCain, for example. McCain received millions in campaign contributions from oil companies after flip-flopping on his opposition to off shore drilling. Given Big Oil's power and influence, maybe we shouldn't be surprised.

**SOURCES:**

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