

sg merc
4-24-79

Supervisors lash out at the oil companies

By Scott Herhold
Staff Writer

Stung by the rising price of gasoline, Santa Clara County supervisors Monday called for federal hearings on the nationalization of the American oil industry unless a windfall profits tax is passed.

But their stand was not without controversy. John Mercer, a legislative analyst for the Chamber of Commerce, accused them of acting in a "self-serving manner simply to generate publicity."

By a 4-1 vote, with Supervisor Gerry Steinberg dissenting, the board approved a resolution that said increasing gasoline prices had created "a threatening and intimidating environment."

Supervisor Dom Cortese, the sponsor of the resolution, said it was designed to spur local and national debate. "I think it's an excellent way to prod the oil companies to come forth with full disclosure," he said.

"I'd really like to get at the root

source of the problem," Cortese said. "The best way to do that is take a drastic step and let the chips fall where they may."

Mercer's comments prompted responses from some supervisors.

Supervisors Dan McCorquodale and Susanne Wilson charged that the industry's profits were so excessive that nationalization should be considered.

"It seems to me it's necessary for people to address these issues," McCorquodale said. "They're national issues, that's true. But their effect is felt locally."

Cortese's resolution was carefully worded, calling for nationalization hearings if Congress does not pass President Carter's windfall profits tax, designed to curb excessive industry profits.

But Mrs. Steinberg, who indicated support for Cortese's move last week, said she wasn't ready to support a "serious" resolution on nationalization without more study.