

Ben Stein How Not to Ruin Your Life



Big Oil, Little Gratitude

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by Ben Stein

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My dear readers, I've given you such good advice over the last few years about buying [EEM](#) and [EFA](#); riding out the panics of the CNBC crowd; going forward with systematic accumulation of broad-based ETFs, mutual funds, and variable annuities; and getting your money offshore to take advantage of the falling dollar.

So I think I'll give you a break and write about something else for a week.

Pure Chemistry

Imagine there was a chemical compound so valuable, so useful, and so indispensable that the whole present and future of the industrial world depended upon its plentiful supply. Suppose that chemical meant the difference between life and death, peace and war, and freedom and slavery for the whole developed world.

Suppose there were a small number of companies that took great pains to find this chemical, extract it from underground in deep jungles, miles below the ocean floors, in cruelly hot deserts, and in swampy marshes. Suppose that these companies sent brave men and women into these inhospitable spots to face the elements -- as well as terrorists, kidnapping gangsters, and extorting governments.

Then suppose these companies brought the chemical home to North America, and had to face endless, bitter fights from well-funded opponents of this chemical -- some good-intentioned, but some purely troublemakers. These opponents fought to the bitter end any attempt to turn the raw material of this chemical into a refined product that would power cars, trucks, fire engines, ambulances, hospitals, schools, factories, nursing homes, and the military weapons that guard us and fight our wars.

The Truth Hurts

Now further suppose that the companies that bring us this chemical and its refined products, like heating fuel and gasoline, made profits that were, on a percentage-of-sales basis or a percentage-of-equity basis, far smaller than the profits in banking or Internet software.

Finally, imagine that political people and intellectuals wanted to put every kind of control and restraint on these companies and tax them to within an inch of their survival. And that the owners of these companies were not billionaires, but that the pension funds of firefighters and police officers and nurses and teachers and widows and orphans relied on the dividends of these companies to survive.

You don't need to suppose any of this, of course, because it's the reality of America's oil companies and how they're treated.

Don't Be a Hater

Yes, America's oil companies, besieged by foreign dictators, attacked endlessly in the media, mocked and belittled in the academic world, are vital to the survival of this country. Just try to imagine America without oil -- we'd be embroiled in "Mad Max"-style chaos within a week. We would be living in complete anarchy.

Instead, we have a rich, advanced nation where the whole society and its progress float on liberally supplied, bargain-priced petroleum. And, like surly teenagers who hate their parents because they're totally dependent on them, we respond by hating the oil companies.

This is a sure way to commit national suicide. The oil companies aren't run by rich conspirators out of some Oliver Stone movie. They're not monopolists illegally fixing prices the way Rockefeller did more than a century ago. They're owned by people like us, employing people like us, saving the rear ends of people like us.

Lighting the Genie's Lamp

If they're making a legal product that we can't live without in a legal way and selling it at a legal price, let's lay the heck off of them and let them do their jobs. If you think the oil companies make too much money for their stockholders, then buy their stock for your retirement.

If burning their oil causes pollution, well, so do cattle. If burning their oil heats the planet's atmosphere, then let's work with them to make cars and trucks that burn less oil. (And let's not forget our dear pals in China, who are offsetting all of our "green" efforts a million times over with their ruthless murder of the planet in the form of massive, unchecked pollution of the air and water.)

There will be a substitute for oil in a few generations anyway, or maybe we'll be living a totally different kind of life. (I won't be living at all.) But for now, oil is what lights up the genie's lamp. Let's show some respect for the companies that bring it our way. After all, it makes no sense to kill the goose that lays the (black) golden eggs.

Ben Stein has no financial interest in the products mentioned in this column.

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