

United States Senate

WASHINGTON, DC 20510

April 24, 2008

President George Bush
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Bush:

American consumers are facing unprecedented gasoline prices, with the national average price of a gallon of regular gas at \$3.56, roughly \$.70 higher than last year and more than double since 2001. The price of diesel fuel has increased even more rapidly - reaching a record \$4.22 a gallon, over a dollar more expensive than 2007. The price of diesel fuel not only impacts truck drivers, but it pushes food and transportation costs higher for consumers too. The combined effect of these energy prices drags down our economy, which can serve to extend and deepen the recession even further.

Your administration has shown a callous indifference for the pain these high prices are inflicting on American families. At the same time, your administration has coddled Organization of Petroleum Exporting Countries (OPEC) nations whose actions have contributed to this crisis.

We are writing to urge you to demand that OPEC members increase their oil production because they are currently producing well under their capacity. As you know, the first four months of 2008 witnessed extraordinary and historic increases in the cost of crude oil, which has impacted not only the costs of gasoline and heating oil in the U.S., but food and commodity prices, as well. Despite skyrocketing energy costs, OPEC members claimed that they saw no reason to increase production quotas. We respectfully urge you to call upon Saudi Arabia, the United Arab Emirates (UAE), and other OPEC members to increase their oil production immediately.

OPEC's recent decision to not increase production before next fall at the earliest will surely cause prices to remain high and will lead to higher energy prices for Americans this spring and summer. Recently, Ali al-Naimi, Saudi Arabia's oil minister, said there was no need to increase supplies by "even one barrel of oil." And Abdullah al-Attiyah, Qatar's energy minister, said, "Is there a need for extra production? I don't think so."

OPEC members have no economic incentive to increase the supply of oil, because that would lead to a drop in price. The OPEC cartel is reaping the benefits of record profits at the expense of the American consumer and economy. Saudi Arabia was producing

roughly 9.55 million barrels per day (MBPD) in 2005, but it dropped production down to 8.72 MBPD last year. By their own estimates, they have the capacity to produce over 11 MBPD. Both Kuwait and the UAE are also producing below their total capacity.

At a time when high energy prices are causing widespread anxiety among American households, we question the merit of rewarding members of OPEC with lucrative arms sales. The perverse incentives created by this arrangement suggest a callous disregard for the devastating impact on the American economy of high energy prices.

We question why your administration would reward Saudi Arabia for its failure to increase its crude oil production with the sale of 900 Joint Direct Attack Munition (JDAM) kits that could top \$100 million. We question why your administration would reward the UAE with a Patriot missile defense deal that could be worth as much as \$9 billion. And we question why your administration rewarded Kuwait by offering \$2 billion in arms sales. All told, in the past six months, your administration has proposed selling almost \$14 billion worth of weapons to Gulf members of OPEC who contributed to the global oil crisis.

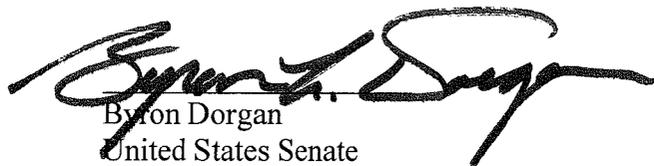
While some of us have concerns in general about arming this region to the teeth, should Saudi Arabia or the UAE fail to significantly increase daily production of crude oil, we would be compelled to block any and all sales of weapons from the United States to Saudi Arabia and the UAE, and would consider exploring blocking additional weapons sales to other OPEC members.

While we are fighting an immensely expensive war in Iraq, which the administration intended to be paid for by Iraq's oil revenues, American taxpayers have ended up footing the bill in the form of rising energy costs. At the same time, the Department of Defense continues to ship billions of dollars in weapons systems to the very same OPEC countries enjoying the windfall oil profits. The American people deserve better. We look forward to your prompt attention to this matter.

Sincerely,



Charles E. Schumer
United States Senate



Byron Dorgan
United States Senate

Bob Casey, Jr.

Robert Casey Jr.
United States Senate

Bern Sanders

Bernard Sanders
United States Senate

Amy Klobuchar

Amy Klobuchar
United States Senate

Mary Landrieu

Mary Landrieu
United States Senate