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## Armas says industrialized nations should tap reserves

By Daily Journal Staff

Energy and Mines Minister Celestino Armas says nations in the International Energy Agency should tap their oil reserves to hold oil prices down and reduce speculation.

Speaking Monday in London at a conference on world energy markets, Armas said that speculation has pushed up oil prices in spite of the fact that oil supplies are almost equal to demand. He estimated that current OPEC production is around 22.2 million barrels per day and that demand is just over 22.5 million barrels.

Armas said that if industrialized nations would release just a small portion of their emergency oil reserves, supply could be brought up enough to meet demand. He said such a move would help bring down oil prices and eliminate speculation, which he said has driven prices too high.

He called on IEA members to "give a positive signal to the market by using their reserves."

Industrialized nations, particularly the United States, Japan and Western European countries, have been reluctant to release their emergency stocks of petroleum. Officials have said they fear that the crisis in the Middle East could escalate in the future after their stocks become depleted.