

An Unlikely Alliance: How Oilmen and Friends of Israel Saved America's Energy Future

Mike Cantrell

A third-generation oilman, author, speaker, and energy consultant who brings a unique blend of deep industry experience and political acumen. His journey began with a family legacy forged in Oklahoma's oilfields, where he gained hands-on experience.

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In a tale of unexpected alliances forged in the high-stakes world of Washington politics, Mike Cantrell, a seasoned leader in the oil and gas industry, recounts a pivotal moment from 1986 that helped secure a vital tax provision for the U.S. energy industry.

What began as a conversation with his mentor, Jack Graves, then-president of the Oklahoma Independent Petroleum Association, evolved into a groundbreaking project. The goal: to unite two seemingly disparate groups—New York-based American friends of Israel and oil and gas producers from the Southwest—against a common enemy: OPEC.

Cantrell recalls that "OPEC oil was being used as a weapon against U.S. foreign policy."

The coalition's architect was Dallas oilman Frank Pitts, who enlisted Graves to get Cantrell involved. Cantrell's mission was to organize oil and gas producers in the Southwest to finance and participate in the new group.

"The idea was that the friends of Israel in New York—who were predominantly Democrats and not predisposed to support oil and gas—would see the value in working with our industry," Cantrell said.

Reagan Tax Plan and a Shared Threat

The immediate problem was President Reagan's tax reform plan, known as "Treasury I." The initial draft threatened to eliminate critical oil and gas tax provisions that were essential for drilling and fueling the U.S. economy. For the friends of Israel, the stakes were equally high.

"At the time, the U.S. depended heavily on OPEC for energy," Cantrell explained. "OPEC had already threatened to cut off oil supplies if America didn't adopt a more pro-Arab stance toward Israel. That meant our Jewish friends were just as interested in preserving the American oil and gas industry as we were."



A New York Weekend That Changed Everything

The first major action was a gathering in New York City organized by Malcolm Hoenlein, then president of the Conference of Presidents of Major Jewish Organizations. For a 36-year-old Cantrell, on his first trip to the city, it was a pivotal experience.

At a breakfast with the New York congressional delegation, almost all of whom were Democrats and not predisposed to support the oil and gas industry, Cantrell witnessed a dramatic moment of influence. Congressman Thomas Downey, a member of the powerful tax-writing Ways and Means Committee, suggested that oil wells be drilled regardless of the tax provisions.

In response, Lawrence "Larry" Tisch, a member of the Getty board and future CEO of CBS, delivered a compelling explanation of why those tax provisions were essential.

"I have never witnessed such a dramatic demonstration of influence," Cantrell said. Congressman Downey's response was a moment of complete clarity: "Mr. Tisch, you misunderstood me. I used to not understand the need for those tax breaks. I get it now."

The trip included other notable moments, such as a Hanukkah celebration at Mayor Ed Koch's home and a banquet where Cantrell was seated next to world-renowned violinist Itzhak Perlman.

During a fundraiser for the newly formed Council for Secure America on a yacht in New York Harbor, the principal speaker was a young Israeli ambassador to the U.N. named Benjamin Netanyahu.

"His best line was: **'Every time you plug an American oil well, it's like putting a needle in my eye,'**" Cantrell recalled.

A Legacy

The efforts of the coalition, led by Dan Dutko in Washington, D.C., played a key role in saving the oil and gas tax provisions.

"The senior delegate of the New York congressional delegation who voted to retain them was none other than Congressman Thomas Downey," Cantrell noted.

The Council for Secure America also began arranging educational trips to the "oil patch" for Eastern congressmen and senators, and encouraging conservative oil and gas allies to travel to Israel to build mutual understanding.

In 2010, Cantrell, then a consultant for Continental Resources, helped reconstitute the Council for Secure America with Harold Hamm as co-chairman. Cantrell stepped down as the board's secretary in 2016 but continues to support its efforts.

The results of the original coalition are undeniable. The oil and gas tax provisions have been under attack many times since 1986, but they have never been successfully repealed. "From 1986 to the present, untold billions of dollars of capital freed up by these provisions have been invested in making the United States the dominant energy producer in the world," Cantrell said. "At the same time, U.S. support for Israel remains strong—also due in no small part to the efforts of this coalition."