



**KRIPCHAK FOR CONGRESS
YOUNGSTOWN**

May 2024

SUBJECT: WHAT THE FRACK?

"A serious weakness in our system permits individuals, without proper training and experience, to exercise judgment beyond their capabilities."

– LtGen William H. Blanchard, USAF Inspector General

Never has this dire warning been more prescient since the recent unhinged attacks of my opponent who chose to break his silence by defending Russian “dezinformatsiya” operations in America’s Heartland rather than addressing the myriad problems plaguing our district.

These “dezinformatsiya” or disinformation operations are carried out by Putin’s operatives with the express purpose of enlisting political leaders he dubs “useful idiots” to undermine the United States from within. The DoD has stated that the only defense against such anti-American actions is direct sunlight – expose their lies and explain their motivations. It is in this vein I would like to discuss the claim of my opponent’s plan to bring “energy security, independence, and affordability.”*

My opponent likes to claim that he is a “businessman,” so I find it surprising how little he knows of how the economy works. He lacks a fundamental understanding of basic economic principles like supply & demand curves and comparative advantage. His macroeconomic naiveté may be endearing at the State level, but at the Federal level it is extremely dangerous and poses a great threat to our Nation.

As the DoD has repeatedly stated in the National Security Strategy of multiple Presidential administrations, climate change and our reliance on fossil fuels poses the single greatest threat to our security. Energy independence, thus, is one of the most important policies Congress can

* For the record, my opponent knows he is in the wrong and I offered him a chance to publicly debate me or to rescind his statement and publicly apologize. He has instead chosen to dodge the debate and only apologize to me in private for his unhinged statements while doubling down on his rhetoric in public interviews. The voters of this district deserve to know the truth and the truth is what I deliver.

RESTORE THE AMERICAN DREAM

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undertake to guarantee our freedom and prosperity. My opponent erroneously believes and disingenuously likes to spin a tale that increased natural gas drilling and particularly the unsafe “fracking” kind is the answer. These are lies intended to sell a false hope of relief to us that will only lead to ruin in our District, much like a drug addict seeking the temporary rush of fentanyl.

Geo-economics and the Price of Energy

Energy prices are not dictated at the local level; they are set at the global level through the global commodities market. This is a complex mechanism of interactions where global supply and demand are matched up with speculative investors to arrive at a price that is usually indicated by what is called the Henry Hub price index set at the NY Mercantile Exchange (NYMEX) named after the major export hub in Henry hamlet, Louisiana.

Any gas that we drill, whether it is in Russia, Qatar, or Ohio is governed by this price index. There is no way around this. And while the Utica Shale is an impressive gas field to us, it represents less than 1% of what our enemies and, in particular, the cartel of nations called OPEC+ command. This means that no matter how much we drill, how much we destroy our land, how much we poison our waterways with fracking brine, we will NEVER influence the price of gas to any meaningful degree. Any illusions of natural gas viability that we have is only due to the manipulation of gas prices by OPEC+ to seek their goals. Goals that are intended to sow discord amongst our fellow Americans where we vote against our own interests and elect “useful idiots” to keep us dependent on a fossil fuel controlled by our enemies.

Ask yourself, since we started fracking over a decade ago, have your gas prices decreased? Ask yourself, why is it that temporary price dips seem to always occur right when there is a crisis that the Reds want to exploit for political gain? Why does said price immediately shoot back up after the media passes on to the next news cycle of interest? It is because OPEC+ – countries like Russia, Iran, Qatar (who harbor Hamas’ leaders), and Socialist Venezuela – control gas prices, not us. We are at the mercy of countries who would seek to do us harm and my opponent willingly embraces it.

As further proof, every single President in recent memory has attempted, in vain, to negotiate with OPEC+ to affect gas prices. Every one of them except for Donald Trump failed. Irrespective of the folly of the 2nd Iraq War and his connections to Haliburton, GWB tried to leverage Iraqi oil & gas fields to lower energy prices and failed. Obama was pilloried through the media for daring to “negotiate from a position of weakness” with OPEC, according to right-wing media, and he failed. Trump though was successful. But he was successful NOT in order to lower gas prices but to RAISE them and he was only successful in that by giving away our classified nuclear secrets to our enemies in both the Oval Office and at Mar-a-Lago, crimes that he will answer for in pending court cases.

Comparative Advantages and Foreign Influence

Why did Trump commit treason to raise gas prices while past presidents were trying to lower them? This is because of the second basic economic principle that my opponent seems to be ignorant of: the Principle of Comparative Advantage. This principle states that a state should focus on producing things that they are good at making and leave it to others to produce goods that they are not good at making. Specialization leads to lower prices, lower inflation, greater trade, and greater peace. It is a foundational principle of capitalism. This principle further states that self-sufficiency only leads to poverty which has been proven time-and-time again by Communist nations who reject capitalism. I find it especially troubling that we have my opponent openly pushing for communist economic policies in our great District.

Comparative advantage shows us that fracking is extremely difficult and extremely inefficient. Drilling from gas fields off the coast of the Gulf of Mexico or under Siberian and Persian gas fields is easier and cheaper. As such, fracking has an inherent price-floor. Fracking from the Utica shale fields cannot be sustained below a certain price level that is higher than the price floor of drilling directly from the gas fields in the Gulf of Mexico and MUCH higher than those of the fields in Russia, Venezuela, and the Middle East. This lesson was painfully taught to our fellow Americans in the states of Colorado, North Dakota, and Wyoming over a decade ago when OPEC+ raised energy prices to sucker us into investing in fracking sites only to pull the rug right out from under our feet and tank the prices in order to make these fracking wells fail in spectacular fashion just as the first payments on their loans for the wells were due. Then they raised the prices right back up after the shale threat to their hegemony ended. This is why Trump sold classified material to the Saudis, to raise energy prices so that average Americans could suffer, and so that fracking companies could survive with their inefficient operations – operations my opponent is gleefully supporting in addition to his support of the traitorous ex-President.

Of Accounting Tricks and Stock Prices

Another thing my opponent will never mention is that these drilling licenses he supports will not increase our supply of gas to any measurable degree in the near future. As an alleged businessman, he seems to be keenly unaware that these gas companies are publicly-traded companies who are required to publicly brief their shareholders of their financial performance via Earnings Calls. In these calls, gas companies have publicly stated they have no intention of investing the capital expenditure of drilling in the Utica shale anytime soon. The decrease in energy demand during the Trump-induced COVID crisis caused the stock prices of these companies to tank. Shareholders are demanding an increase of their stock prices which means they are not tolerating the expenditure of capital investments into more drill sites and instead want gas companies to use the money they have to conduct stock buybacks and purchase speculative rights to drill sites in our District which they can flip for a profit at a later date to more lucrative foreign companies. Investors hope that this will raise their stock price through a

process called “asset inflation” which explains why my opponent is manufacturing a fake urgency in selling these drill sites. It’s not as if the gas underneath us will suddenly be going away or moving across state lines up to Canada.

Part of this urgency also stems from upcoming regulations by the EPA in improved safety standards for fracking. Regulations that these companies are taking to rigged courts that Trump stuffed with his own unqualified judges to fight against these regulations (see Ohio v. EPA). In the event that they lose these court cases, these companies are clamoring to gain drilling rights they hope will be grandfathered in under the old disastrous regulations which are currently allowing for all the recent environmental disasters that are plaguing our District (as reported by the media outside my opponent’s control).

A Congressman’s Duty to Inform and to Protect

The duty of a Congressman to make laws is only secondary to his primary duty to represent his People. This means having the requisite level of intelligence to know how to protect his constituents from abuses of the State and the requisite level of integrity to inform his constituents of the perils they may face in their daily lives. On both these fronts, my opponent fails and it falls on me to fill these roles.

I am not running to take away your drilling leases. The private land you own, as the saying goes, goes from “the ground straight down to the depths of Hell.” If you want to gamble with a gas company to allow fracking on your land, that’s your prerogative. But it is the duty of your elected officials to protect you and to inform you of the lop-sided contracts you sign with terms that would make even the Devil blush. These contacts sign away your mineral rights and stick you with all the risk of environmental costs at no risk to the gas companies. It opens you up to be sued by your neighbors when an industrial spill comes from your land erasing all the money you gained from a lease, and then some. Local ombudsmen – ombudsmen my opponent refuses to fund – can help negotiate not only better terms, but better prices for you so you are not exploited by these companies.

Furthermore, my opponent doesn’t tell you that these leases are a gift job of his Party to extract more property taxes from you. As soon as you sign a lease and gas potential is confirmed, the value of your property skyrockets as do the taxes you pay on it. With the admission of gas company executives not wanting to drill, the promised gas revenue you get doesn’t appear, leaving you with the entire property tax increase to pay out of your own savings.

Conversely, even if you refuse to lease your land but your neighbors don’t. My opponent has empowered the State to force the extraction of the gas under your property through a process called “unitization” which is a corporate loophole to use “eminent domain” principles to destroy your land. When Daniel Day-Lewis said “I drink your milkshake” in the Oscar-winning

movie “There Will Be Blood,” that wasn’t fiction, it might as well be a documentary of what is happening right now in our district! My opponent wants to keep you ignorant of all these effects to the benefit of his corporate overlords. I want to stop it.

False Promises and Empty Platitudes

While I will not take your drilling rights, what I am running against is the sale of public land to these foreign gas companies. These are OUR resources. They do not deserve the right to extract and pillage our land for THEIR benefit. Contrary to what my opponent states, the revenue generated doesn’t end up in our communities. It goes straight back to their corporate headquarters and into the coffers of the communist and jihadist autocrats that ultimately control the global gas market. Nor does it create any meaningful amount of jobs. Most of the employment is from out-of-state and even foreign workers who are specifically trained in this profession (you can thank my opponent who guts our education system). Workers that are paid to stay here are paid starvation wages forcing the state to increase social expenditures in the form of welfare to subsidize their lives while robbing the rest of our budget of much needed funding, all because my opponent can’t be bothered to enforce living wages on the foreign workers he is bringing into our district. Then he has the gall to complain about a so-called “immigration crisis.”

On top of all this, my opponent likes to tout SR 121 as if it were some sort of amazing accomplishment. SR 121 is not a bill, it’s a resolution. A meaningless statement that he heralds as his “most important policy initiative.” A resolution, mind you, passed under a supermajority of his own party with nary an input of the lawmakers on the other side of the aisle. When you elect a congressman, you need someone who has actual political experience, who can navigate a divided Congress to pass meaningful laws. You don’t need a back-bencher who does whatever his corporate overlords tell him to say and who will brag about his greatest accomplishment being the passing of motions of little consequence such as the naming of post offices and the declaration of “National Pastrami Day.” You need someone with federal experience who has had to defend budgets and dealt with the cutthroat politics in a DoD Program Office. You deserve someone who will fight for actual bills and not perfunctory resolutions. SR 121 is a joke of a policy and the greatest thing about it is that it doesn’t have the teeth of an actual law that could further destroy our district.

The Dutch Disease

This leads me to another economic principle that my “businessman” opponent doesn’t seem to be aware of: the resource curse. When an extractive resource is discovered, there is a tendency for that business sector to cannibalize adjacent sectors to maximize profits. In other words, gas drilling destroys agricultural and manufacturing sectors. And one doesn’t need to be a genius to know in our own district how our farmers and small business owners are suffering with the

shutdown of our factories and plants. This phenomenon is so well-known in economic circles that it has its own moniker: the “Dutch Disease” – named after the disaster that wrecked the economy of the Netherlands after they discovered a giant gas field and went all-in on extraction. The disastrous effects of this decision made in the 1960s have only recently been erased in their country, demonstrating how powerful and dangerous this phenomenon is.

When gas companies move in, they crowd-out and push-away high-quality blue-collar jobs, closing down factories and leading to the gutting of our towns and cities. This is why, unlike my opponent’s meaningless Senate Resolution, my crowning policy will be the advanced manufacturing hub that will restore manufacturing jobs and revitalize our downtowns, expand our tax base and provide a secure and stable economic landscape for our small businesses to thrive in. Cleaner and more vibrant cities will attract more people to move back and reverse our debilitating “Brain Drain.” It will reverse the backwards policies of my opponent and cure the Dutch Disease infecting our district, finally ushering us into the promises of the 21st century that other cities around us like Columbus, Cleveland, and Pittsburgh already enjoy.

The Path to Prosperity

Contrary to his claims, I am neither “far-left” nor “caving to radical environmental activists.” These phrases “far-left” and “radical [insert noun] activists” are common tactics of Russian disinformation agents that my opponent gladly uses to undermine our country. They don’t mean anything other than to evoke a visceral response to the illogical parts of our brains. Ask yourself if my opponent has ever defined a “near left” or “nonradical environmentalist.” He hasn’t because all he knows is how to repeat what his handlers tell him to say without an inkling of understanding what it does to our nation. A perfect politician who doesn’t question, who doesn’t think, to advance our enemies’ causes and destroy our country.

Natural gas represents an important bridge fuel between dirty hydrocarbons and the promise of the Green Revolution. Petroleum, and especially diesel, is one of the highest energy density sources we have and will continue to be vital to our farmers and military well after Green Tech matures. I am not against these energy sources.

The important factor here is that natural gas must be a “bridge” to green tech and not the end-all-be-all. Greening our energy grid allows us to offload demand from oil, reducing carbon emissions while lowering costs of its consumption for our farmers and military because the rest of us aren’t competing with them to use it. And, most importantly, a reduction in use of hydrocarbons lowers the influence of our enemies who happen to control the global market of these energy sources.

When it comes to natural gas, unlike my Socialist opponent, I am guided by capitalist principles. I follow the principle of comparative advantage and free trade, not socialist self-sufficiency isolationism. Let Texas, Louisiana, and Florida drill for natural gas since it is cheaper and easier

for them to do it and especially since their survival isn't at the mercy of OPEC+ price manipulation or a President who sells classified secrets for personal gain.

Our farmers shouldn't have to rely on lottery tickets in the form of drill leases where they have to gamble every harvest in the hope that some underground catastrophe from toxic fracking brine hasn't destroyed their farmland. Our hunters, anglers, and outdoorsmen shouldn't get shoved out of our district by state senators who want to sell our public lands to foreign agents at the expense of our hunting, fishing, and camping culture. Our district has the most beautiful nature that God has granted our State and we should not allow an unscrupulous politician to sell it away and destroy our heritage.

The natural gas under us isn't going anywhere. If we truly need it, we can always use it later. In the meantime, let's work on the "bridge" aspect of green tech and work to our comparative advantage in Ohio. Our pedigree is coal and manufacturing – this is our advantage. We can enable the energy technologies of the future with advanced carbonics by creating hydrogen fuel which is even better than natural gas. We can create industrial diamonds with insanely high thermal conductivity to enable the computer chips of the future. Graphene from coal can create wonder materials stronger than diamonds, lighter than steel, more conductive than copper. With the Green Tech gold rush that so many countries, including Germany, China, and even Saudi Arabia, are investing in, why put all our eggs in one dirty, toxic basket? "In a gold rush, be the ones selling the shovels." That's the power of Ohio coal and Ohio manufacturing. Industries we can be proud of that are high-paying and that restore the dignity of our district that has been ridiculed by others for so many years for "destroying the environment."

There is a better way, but it can only happen if you vote for the candidate with the intellect and integrity to make it happen. The only candidate who swore an oath to defend the Constitution, and the only candidate who cares for and will fight for your well-being and prosperity. Together, we can make a difference and build a future that we and our posterity will be proud of.

Very Respectfully,

A handwritten signature in black ink, appearing to read 'M. Kripchak', with a long horizontal line extending to the right.

MICHAEL L. KRIPCHAK
Candidate
US Congressional District 6, OH