

near-deadlock, if not crisis, in Soviet-American efforts... unexpectedly followed a hopeful legacy from outgoing President Gerald Ford. Former Secretary of State Henry Kissinger had initiated negotiations... which seemed promising...

(The article continues to outline how the Administra-

tion has failed in each of its efforts to carry on since Carter took office.)

Baltimore Sun, July 7:

(Quoting Soviet President Leonid Brezhnev saying Carter is "personally an obstacle to peace" and calls for a return to Kissinger-Ford policy.)

Detroit Free Press Exposes Illegal Funding Of Carter's Michigan Primary

An article appearing in the Detroit Free Press July 4 has provided full documentation of how embezzled monies were funneled into Jimmy Carter's primary campaign effort in Michigan state. Although not stated in the article, it appears that the illegal money was recorded in Carter financial reports filed with the Federal Elections Commission.

The story has now been picked up by the Detroit News. According to reporters for the Free Press, their investigation is still ongoing.

Named in the article as principle conduits for funds used to bolster Carter in the 1976 Michigan primary, which he then won by less than 2,000 votes over Udall, were lawyer Louis Lee, who was functioning at the time as political-fund treasurer to Detroit Mayor Coleman Young, and James Ellsberry, then director for minority communities for Carter's campaign. Ellsberry has been linked to similar operations in California and in New York City where he is now working for Manhattan Borough President and mayoral candidate Percy Sutton. Lee, now disbarred, appeared yesterday in Records Court here to be officially charged with two counts of embezzlement concerning the charges in the Free Press article.

According to the reports today, Lee tried to have the charges reduced to "attempted embezzlement," to which he said he would plead guilty. The court has not ruled on the request.

As is widely known, a thorough-going investigation of Carter campaign financial practice in the primaries and in the November 1976 general election, not only in Michigan but in any number of other key states, would not only disclose major financial irregularities which the Administration-linked FEC has refused to investigate, but would inevitably converge on other domains of evidence that Jimmy Carter is not the lawfully elected President of the United States today. The Michigan suit implies the need for a careful examination of all Carter financial reports, where it will be found that the largest amount of questionable and unaccounted for funds disbursed at city, state and national campaign levels is in correspondence with the broad evidence of November 1976 vote-fraud: such funds were filed with the FEC under the notorious "Get Out The Vote" category. All the circumstantial evidence cited in the Free Press article points to just such a use for the em-

bezzled monies in question there.

The following are excerpts from the July 4 investigative story by Free Press reporters William Mitchell and Remer Tyson, headlined, "Mayor's Former Fund Chief Gave Illegal Aid to Carter":

One of Mayor Young's chief fund raisers, using a money order scheme, illegally switched money from the Mayor's political account to Jimmy Carter's campaign on the day before Michigan's 1976 presidential primary, the *Free Press* has established.

This is the first evidence that the Carter campaign got any of the \$113,467 that disbarred lawyer Louis R. Lee took from the Mayor's political fund and a private trust Lee administered.

Records show that Lee converted at least \$5,400 from the Mayor's fund to the Carter campaign by buying money orders in the names of persons who say they neither made those contributions nor authorized Lee to use their names.

... of the money taken from the funds by Lee, some \$70,000 is still unaccounted for. There are indications that part of that money was illegally funneled into the Carter campaign.

Managers of Carter's Michigan primary campaign said they were unaware of any illegal contributions and opened their financial records to *Free Press* reporters...

The young democratic lawyer expected to get a high position at the Democratic National Committee or even an appointment as a special counsel to the President after Carter won in November.

... because he was authorized to sign checks on the Mayor's political account, Lee was able to withdraw \$38,000 between May 11 and Aug. 27, 1976, with no questions asked.

Lee withdrew \$72,667 from the private trust of Detroit bar owner Bobbie Joe Hudgins, which Lee administered, from January to Oct. 27, 1976.

In an attempt to cover the withdrawals from the Mayor's fund, Lee deposited \$33,500 of Hudgins' money into the Mayor's account in October 1976.

By the time Lee began making his withdrawals from Young's fund in May 1976, a huge Carter lead over liberal democratic Presidential candidate Morris Udall in Michigan had dwindled to almost nothing.

... on May 18, Carter won the Michigan primary by

1,820 out of a total of 703,702 votes cast.

Lee's legal and political career appeared to be on a steep rise. After Carter received the Democratic presidential nomination, Lee went to work for the Democratic National Committee in Washington.

But back home in Detroit, the Michigan State Bar

Grievance Board was conducting hearings that showed Lee mishandled two simple divorce cases that paid him only \$250. He was disbarred Jan. 25, 1977, five days after Carter was inaugurated, and the disbarment was followed by disclosure that the other money was missing.

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Where Carter's Energy Program Now Stands In Congress

Nearly three months after President Carter first outlined his "comprehensive energy program" on April 20, the Administration's National Energy Act is slowly winding its way through Congress. Despite the militant statements of many Congressmen denouncing the program, Congress has thus far endorsed it in practice, with only minor modifications and compromises. At a slow but steady pace the Carter energy program is moving towards enactment.

Both major aspects of the Administration's program are still intact: the elimination of an advanced nuclear energy option — particularly thermonuclear fusion power; and the establishment of a high energy price policy. If Congress indeed passes the Administration's "sky is falling" energy program, the result will be the destruction of the U.S. economy. As in Hitler's Germany, where the economic policies of Nazi Finance Minister Hjalmar Schacht reigned, the U.S. will move into an economy where labor-intensive industry will replace energy-intensive industry.

Syndicated columnist Joseph Kraft, writing in the July 7 *Washington Post*, emphasizes that "Carter's energy program is still remarkably intact.... Most of the reporting has featured day-to-day blows struck against the program by Congress. But in the perspective afforded by the current congressional recess, the truly impressive fact is how much of the program has passed intact through the early tests."

Kraft continues: "Once an energy program is under way, it generates a logic of enormous force. Thus, if a good part of the program gets through now, which seems likely, the missing parts could easily be supplied in one-shot pieces of legislation during the years to come."

A factual comparison between the energy goals outlined by Jimmy Carter in his April 20 address and the Congressional action taken to date is presented in chart form below. It should be noted that Congressional action at the time of this writing has been limited to House committee action, except for the Energy Research and Development Agency's nuclear budget which will be voted on separately in both houses this month. Aides to the House Ad Hoc Committee on Energy — a special committee with final House jurisdiction over the National Energy Act — predict a vote on the Act will not occur until fall. Since the Senate has taken no committee action, these same committee sources predict that the entire package will not be passed until a new session of Congress convenes next January.

The attached chart gives a clearcut demonstration of where the energy battle now stands. The information presented in this chart provides not only the "facts" in terms of congressional action vis-a-vis Carter's intended goals, it also establishes the program necessary to be enacted if real energy growth and development is to occur — the program developed by the U.S. Labor Party. The political background to this energy battle is summarized below.

Nuclear Energy

Nuclear energy is the main parameter of any policy purporting to solve the energy crisis. Nuclear fission power — particularly the fast breeder reactor — is necessary as a transitional source of energy. Only thermonuclear fusion power can provide the nearly unlimited amounts of energy needed if rapid worldwide industrialization is to occur.

FUSION: As the chart demonstrates, Congress has gone along with Carter's phaseout of funding levels for fusion power. While the House Science and Technology Committee has recommended a token increase in funding, the Senate Energy and Natural Resources Committee has upheld Carter in toto. Most congressional sources predict that both the full House and Senate will endorse the committee recommendations with only a limited floor fight. This, coupled with a further 8 percent reduction being pushed by Carter for next year's budget, will reduce the combined overall fusion budget for both magnetic and inertial confinement from \$430 million to \$316 million by 1979. It will put the magnetic confinement portion of the budget at \$190 million in 1979, or exactly at the ERDA "Logic I" level which by their own program projection *will never achieve commercial fusion power.*

FISSION: The outcome of the Clinch River breeder reactor — a technologically advanced form of fission power capable of "breeding" its own plutonium for use as a nuclear fuel — is less certain. While the \$150 million figure agreed upon in both the House and the Senate are considerably lower than the amount needed to fully commercialize the breeder on schedule, it is nearly five times the \$33 million budgeted by President Carter.

Carter's opposition — primarily conservative Congressmen joined by a number of liberals — see the breeder as a key issue in which to express their disagreement with the Administration's energy policies. However, many are willing to "sacrifice" other programs — like fusion — and are fighting the breeder