

It is exactly Church-style "realpolitiking" which doomed the energy vote by weakening Congressional resistance to Carter's overt and covert armtwisting. Conservative Alabama Senator Sparkman (D), who only last week supported the breeder program this week supported Bumpers' amendment to kill all funding because of Administration pressure, one Hill insider revealed.

The other side of the "realpolitiking" came from labor. An analysis of Senator Bumpers' amendment — the only major vote that can be analyzed in that the Senate reverted to a voice vote on all other votes — points to a surprisingly large labor vote. Senator Glenn (D-Ohio), who supported the Bumpers' amendment, represents a strong labor state as does Senator Case (R-N.J.). Senator Muskie (D-Ma.), who also has strong labor ties, voted "no" on the breeder. This, coupled with the fact that so-called friends of labor Jackson and Church spearheaded the compromise vote, brought the entire Congressional labor coalition into supporting either the hard-line or soft-line plans to kill the breeder.

This opposition to further development of the breeder from labor-allied congressmen contrasts sharply to the mobilization led by trade union organizations which culminated on June 26 with the Seabrook, N.H. demonstrations. The sabotage of this momentum occurred when pro-Carter elements in the trade unions, particularly the building trades, fed more traditionalist leaders the line that they awaited an easy victory. According to sources on Capitol Hill, labor's silence left key Senators off-guard, vulnerable to the "compromise" funding and willing to trade-off the breeder for a minimal wage package and token labor law reform.

House Vote Next Week

This same ERDA nuclear budget proposal goes to the House, where it is expected to be voted on next week. Most Capitol Hill sources predict a sharper battle there because of more intense constituency pressures. If labor resumes a hardhitting campaign, the compromise victory could be turned around. At the same time a number

of congressmen, including Rep. Gary Meyers (R-Pa.), have vowed to wage a floor fight around increasing the fusion budget.

Immediately following the nuclear energy vote, the House will begin floor debate on the remainder of the Carter Administration's energy program. According to the July 15 *Washington Post*, the National Energy Act — which includes various taxation schemes, fuel pricing, conversion requirements, etc. — will begin floor debate the first week in August with a House vote expected before the August 7 recess begins. At this point the legislation is now being reviewed by the special Ad Hoc Committee on Energy which can add floor amendments to the package worked out by mainly the House Ways and Means Committee and the Commerce Committee.

Both House Committees have kept most of Carter's April 20 plans intact. The committees approved legislation intended to raise prices to exorbitant levels through such schemes as the well-head tax and raising the ceiling on regulated natural gas. The danger of quick passage was enhanced by the fact that the House leadership is tremendously hastening the legislative schedule so that the bill can reach the Senate by early September, rather than lagging until next January, as the leaders had earlier predicted.

In addition to the conspiracy in the case of the New York blackout — which demands a full, public investigation — the Administration is right now openly wrecking the nation's oil supplies. Despite the fact that engineers claim that the Alaska oil pipeline — closed after last week's highly suspicious explosion — can quickly be reopened, Carter Interior Secretary Andrus has ordered an indefinite shutdown until he can personally inspect the pipeline.

Even if Alaskan oil flows again, the price of the oil will be prohibitively high since the Administration has also announced that an embargo has been placed against all oil going to Japan. Now oil will be shipped to the Gulf of Mexico before being piped elsewhere. The oil industry predicts exorbitant prices as a result.

Church Committee Spokesman:

Carter Must 'Go After OPEC Directly'

Jerome Levinson, long-time hatchetman for Fabian "left CIA" Senator Frank Church (D-Idaho), told a reporter July 12 that "Church and Javits feel that it is necessary to go after OPEC directly. The debt crisis is staggering," he added, "and the Carter Administration is playing a dangerous game in not going after OPEC." Levinson insisted that austerity regimes imposed internationally to collect dollar-denominated debt were precipitating a revolt by industrialists, particularly in Brazil, Mexico, and Peru, as well as Europe. Levinson called for a massive development of Latin American oil to break the OPEC price.

During Senate hearings in March, Church had admitted that "we are heading toward a serious economic collapse like that in 1929...we haven't found a way to

contend with OPEC capital accumulation (which Rockefeller wants contributed to a Third World debt-bail out fund-ed.) and all that you (Trilateral Commission member, Assistant Sec. of State Richard Cooper who backed commodity funds) have discussed today is only rearranging the chairs on the deck of the Titanic."

The Church proposal to create a U.S. government oil purchasing agency, called a monopsony, is merely the reiteration of an old scheme articulated by Church and others more than two years ago and recently proposed by Congressman John Conyers (D-Mich.) as an amendment to a House appropriations bill. Library of Congress Senior Economist Henderson (formerly of Senate Banking Committee) has also given private backing to the monopsony proposal. Senator Ted Kennedy (D-

Mass.) is preparing a parallel attack on the multinational oil companies using his anti-trust subcommittee for hearings on divestiture.

These attacks on the major oil companies' purchasing arrangements and the attempts to blame the international debt crisis on OPEC oil prices only serve as a "left" rationalization for the Administration's war drive in the Middle East, aimed to force the Saudis to accept an IMF-petrodollar bailout for Wall Street.

Current proposals by Sen. Hart and others, for domestic U.S. oil price deregulation are similarly an attempt to placate Texans and other domestic oil producers who have traditionally represented a conservative check on the Trilateral schemes to force a showdown with the Soviet Union.

Levinson speaks with considerable authority for the "left CIA" fascists around Vance, Javits, and Church. He had been Church's counsel on the Senate intelligence subcommittee and the Senate multinationals subcommittee, where he orchestrated the Lockheed scandals. He is presently top staff member of Church's subcommittee on economic policy. Levinson had previously been Deputy Director of AID in Brazil in 1964 and, with Vance, was implicated by former U.S. Ambassador to Chile Edward Korry in the 1964 Brazil coup, the 1964 vote fraud against Chile's Allende, and the 1973 Chile coup against the Allende government.

'The Debt Crisis Is Staggering'

Excerpts from Levinson interview July 12.

Church is no longer willing to discuss his differences with the Carter Administration in executive session. He wants to go public with it and will do so at our hearings on Tuesday (July 19). We think that the Carter Administration is playing a dangerous game: rather than go after OPEC directly, they are sticking the IMF in wherever they can with adjustment policies — a deflation policy — and are refusing to go after OPEC. The Carter Administration is running around like a bunch of little Dutch kids sticking their fingers in holes in the dike.

Church and Javits are feeling that the Carter Administration has underestimated the seriousness of the international financial situation and the volatility of international financial structures. The Carter Ad-

ministration does not want to deal with the underlying problem. If the Administration were serious about getting at this problem they would have an oil policy which they would put through under maximum crisis conditions.

The government must get in as an oil purchaser and play one OPEC country off against the others to drive the price down. The debt crisis is staggering and the Carter Administration was counting on OPEC investments — the capital account — to compensate for the U.S. trade deficit. Yes, the Europeans and Japanese are refusing to cooperate with the Carter Administration. They know that the IMF is not going to be a panacea to all the problems.

The debt crisis is not only a Third World crisis. Turkey, Spain, and weaker OECD countries are also in bad shape. Industrialists in Brazil, Mexico, and Peru are rebelling against the austerity regimes and creating a political crisis. Citibank and Chase are likely to get hurt in Brazil.

We need a new departure in Latin American policy around oil. The Falkland Islands have more oil than Kuwait, and Guatemala has huge reserves as well. We need to develop these as quickly as possible under maximum crisis conditions and thus force the OPEC price down. With the development of these fields with the present oil glut, a government oil monopoly will be able to play one OPEC nation off against the others.

The Venezuelans at one point wanted to get preferential access to the U.S. oil market and they have kept this option open in private negotiations. In Iraq the same situation could prevail...they have high production and increasing pressure from the Kurds. We need to tell the Latin American countries that we will sponsor oil production by raising the needed money in the U.S. and European money markets.

The Carter Administration is committed to a high OPEC price. This is reflected in the fact that Exxon kept figures in its high North Sea reserves secret for 18 months, with Administration knowledge, to keep the price up. We (Church, Javits and Kennedy-ed.) are working with no one in the Cabinet on this. They represent the old guard protecting the oil companies. They have a sweetheart agreement with the oil companies. Look at Schlesinger...he's just an old conservative Republican.