

greater production. He said no to the fast breeder reactor...

Agriculture is not in a recession, it's in a depression. What we as Republicans have to do is to develop a whole new marketing concept for agriculture; the world needs what we produce...They've even said no to efficient farming... The great hope for peace and prosperity around the world is the ability of American farmers to produce and feed the world...They said no to the American cattlemen as well...

There are no incentives for modernizing plants and equipment in this country. They said no to economic freedom in this country...The GOP will have to mean growth, optimism, and progress...a new spirit of cooperation and partnership between business and labor.

Fusion power: ...it is the great hope of this nation...

The American Revolution was different from any other revolution that's taken place...It was established for the first time that men had a right to make their own decisions to use the inventiveness of a creative mind.

What They Said About Connally

"All of New Mexico is sewn up for Connally. He's a real statesman. He is dedicated to real economic development and progress."

— *Republican National Committeewoman from New Mexico.*

"I'm looking at him (Connally) myself."

— *Member, Utah State RNC, and State Steering Committee for Ronald Reagan.*

"I didn't think I'd like you (Connally), but today I fell in love with you."

— *Member, Utah Republican National Committee*

"Connally has the ability to not only analyze the problems facing this country but the solutions. Even more important, he has the guts to draw out the creative ability of the population to solve these problems through science and technology."

— *Republican Party leader, Texas*

Jawboning An Energy 'Compromise'

After weeks of lackluster debate on Carter's energy plan, the Senate finally passed an energy tax bill Oct. 31, substituting a \$40 billion tax incentive program for the system of punitive taxes advocated by the President and already approved by the House.

Even before the vote, a House-Senate conference

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committee began meeting to reconcile differences between the two radically opposed versions of the energy bill, but no progress has been reported to date. Washington insiders predict a "spirit of compromise" will prevail, resulting in a counterproductive mishmash of what is already universally regarded as a legislative fiasco.

Defining the parameters of the congressional debate have been the so-called liberals demanding more taxes on industry and the conservatives insisting on more incentives for industry. The resulting jawboning has blocked the emergence of any competent energy program for the rapid utilization of existing fossil fuel resources and the development of nuclear technologies. As the debaters have more or less publicly acknowledged, such a program does not now exist in Congress and their activities are not designed to bring it into being. Instead, the antagonists have used the energy issue to score demagogic points with "the folks back home" with an eye to the 1978 elections. Such irrespon-

sible politicking has undermined efforts by Carter and Senate Finance committee chairman Russell Long, the Senate floor manager for the bill, to strike a compromise.

Throughout the Senate's political jousting last week, Long fought to maintain and enhance his authority to negotiate an energy bill with the House conferees by horsetrading taxes and incentives. At the heart of the trade-off is the tax on crude oil which the House passed and the Senate Finance Committee rejected. Long has indicated his willingness to accept a tax if the revenues are ploughed into energy production, rather than recycled back to the consumer as rebates, as provided for by the House.

An unholy alliance of conservatives and liberals unsuccessfully joined hands to deny Long such "flexibility." Accusing Long of acting as an agent of the "greedy" oil producers, Senator Jackson, seconded by Fabian colleagues Kennedy and Humphrey, introduced an amendment designed to preclude a deal and insure that all tax revenues were rebated to the consumer; meanwhile conservative opportunists like presidential aspirant Robert Dole floated an amendment to preclude Senate consideration of any tax on crude oil.

Both amendments were defeated, as the Senate passed a hodge-podge of proposals for consideration by the conference committee. Among them was an energy trust fund to provide \$400 million a year in so-called excess tax revenues from the crude oil tax for ploughback investments into alternative energy forms, conservation, and energy-efficient forms of transportation, and a tax credit

for consumers who heat their homes with oil.

The highpoint of the Senate's deliberations was an exchange between Democrat Long and Republican Senators Carl Curtis and Clifford Hansen. All three polemicized against the self-defeating no-growth ideology of liberals supporting the Jackson amendment and argued for using energy tax revenues to develop the productive powers of the energy industry, creating more than one million high-technology jobs as a byproduct. Excerpts of their dialogue from the Oct. 27 Congressional Record are reprinted below.

"The Answer Is To Produce More"

Curtis: This amendment (Jackson), if adopted, would take away from the conferees the power to use the tax as a means of more production and would assure free sailing for using this tax money for any purpose under the sun that spenders could think of The philosophy represented by the pending amendment was placed before our (Finance) committee. Who supported it? It had one witness beside the Government witnesses — the Nader group.

Business opposed it. Unions opposed it. Consumers opposed it. Agriculture opposed it. They did not want this big stick, taxing authority, to come down on the shoulders of the American people and have none of that used to give us a few additional barrels of oil.

Mr. President, this other philosophy of no growth, no massive efforts to increase production, may prevail

We beg, do not take away the only vehicle the Finance Committee has, that is, of using the tax system to encourage the production of more oil for all of the people, so that they will have it, so that their jobs will be preserved, so that our transportation goes on, and so that the defense of this country cannot be challenged.

Mr. President, a short while ago I pointed out about the great need for capital if we are going to increase oil production The price paid by the consumer ought to be put to work to provide him with a new unit of energy for the one he consumed.

If the Senate adopts the philosophy of this amendment, through this amendment or any other, it will have accepted the view that we must have a no-growth policy, and it will result in a dismal picture so far as the future is concerned.

If you are short of something, the answer is to produce more. That is especially true of the very substance that runs our factories, keeps our transportation moving, and contributes to the defense and security of our country.

Hansen: A lot of people told me they could see some sense in a tax being imposed if they could be persuaded that the revenues from the tax would do something about increasing supplies. Maybe others have found something in the President's proposal (to rebate all taxes to the consumer, minus handling charges) that indicates that might be the case, but I find blessed little in my reading of it to indicate such a conclusion. What is the Senator's opinion?

Long: Mr. President, it makes me think of a situation I heard about just the other day

There was an alcoholic down in the French Quarter in New Orleans, down on his luck, who came across a penny

postcard. He saw a chance to send a message, so, on the address side, he wrote "God." Then on the back side, he wrote, "Please send me \$50; I am desperately in need of help."

So he sent that to the post office in New Orleans. The postmaster did not know where to send it, so he sent it to the head office here in Washington.

The man who got it at the head office did not know what to do about it, so he sent it over to the White House. Finally, it came across the President's desk, and the President said, "This poor fellow is down on his luck; he does not know where to turn to or get help. I found his card on my desk: let us help him out a little."

So the President reaches down in his pocket, finds \$5 of his own money, and sends that down there.

So he sent it on back down there. About two weeks later another message reached the President's desk.

"Thanks for the donation. It helped very much. I need another \$50. This time please don't send it by way of Washington. They took out 90 percent for expenses."

This is about how the average man thinks this thing is going to work, that Washington will tax him so they can give him some of his own money back

If we can be assured that by the time we get through with all this we would have rendered a major national service, that would be one thing. For example, if we can put 1.5 million people to work producing energy we should do that. That would really be something good for this country.

Hansen: We are trying to find jobs for people. We have poured literally billions of dollars into programs have gone to cities and subdivisions of the government in the hope, I think oftentimes almost a vain hope, that it would bring people into the work force, that it would equip them with working skills so that they could get a job and go on. I must say I have been disappointed in the failure of these programs generally to achieve any notable success at all.

But here is a program that the chairman speaks about which can do something The trouble with so many of these makework programs is we turn money over to the cities and say, "Spend the money the best you can; try to find something for these poor people to do."

Long: As I recall, Nelson Rockefeller, when he had his committee on critical choices, had the group make a study to see what could be done toward making progress with the energy shortage.

They concluded that to meet this energy problem, there would have to be invested \$1 trillion in about the next ten years or so. In addition to that, we were going to put about 1.5 million people to work in good jobs. Those are not makework jobs jobs that pay well That would have great multiplier effect.

For example, it was my sad lot to find that the company which had invested a lot of money in Youngstown Sheet and Tube would lose a lot of money unless it closed down the Youngstown mill

One reason the mill had to shut down was because they did not have an adequate market for their product. If we did what I think we should be doing, we would be drilling twice as many wells as we are drilling right now. We cannot do it because we do not have the rigs. Rigs require

steel. Construction of rigs would put steelworkers back to work.

That, of course, means we would need twice as much pipe — not only to put it in the well, but also to pipe the oil away from where they find it into the pipelines. We would need workers to operate all that, the equipment to clear the sites and to move on location, and the geophysical equipment to help find where the best location to drill would appear to be.

Those jobs have a multiplying effect. We ought to create them. It is a lot better than those CETA make-work jobs and a lot better than leaf-raking for the country.

Think of all the fall-out jobs that come from that — manufacturing of pipe and making it into rigs and making it into the equipment. We have tremendous need of all this.

DOE Fight: Energy Czar's Covert War To Keep Nuclear Advocates Out

A number of the Carter Administration's nominees for top posts in the Department of Energy (DOE) have come under attack by environmentalists and their Senate representatives for being "too favorable to nuclear energy" and "too closely tied to the oil industry." The attacks are being orchestrated by Energy Secretary James R. Schlesinger himself, who admitted in a recent interview with the *Washington Post* that the DOE would "change dramatically" under his leadership, focusing on "solar and biomass" energy sources rather than nuclear power.

Carter to withdraw Lynn C. Coleman's nomination as DOE general counsel. These senators are furious with President Carter for choosing Coleman, who has been a strong advocate of increased energy production and is a member of John Connally's Houston law firm.

The *Washington Post* was particularly incensed by the Administration's DOE nominees. Putting the blame for the choices on President Carter personally, the *Post* ran a front-page article, "Old Hands Grip New Energy Dept.," featured a "leak" that the Department would be stacked with the same "folks that brought you the B-1 bomber, the breeder reactor, and John Connally."

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Schlesinger is doing everything in his power to strip the newly formed Department of Energy of any pronuclear sentiment. The national press — particularly the *Washington Post* and *New York Times* — has depicted Schlesinger as "pronuclear," concocting out of thin air a phony dichotomy between Schlesinger and his environmentalist protégés. But the bulk of the assistant secretaries nominated for the DOE are raving environmentalists, like the Ford Foundation's Alvin L. Alm, nominee for Assistant Secretary of Energy, and Schlesinger plans to scotch the chances of the few token advocates of energy development that have been nominated through intimidation and environmentalist harassment.

At Senate confirmation hearings last week, DOE nominee for Assistant Secretary for Energy Technology, Robert D. Thorne, became Schlesinger's first target of intimidation. Raked over the coals for over three hours by proenvironmentalist Senators James Abourezk (D-S.D.), Howard Metzenbaum (D-Oh.) and others, Thorne was accused of being biased in favor of nuclear energy and against soft energies like solar power. His only support came from a U.S. Labor Party representative who urged Thorne's confirmation precisely because "of his past record of supporting nuclear power development."

These same zero-growth advocates, joined by Sen. William Proxmire (D-Wis.), have urged President

Witch-hunt

At the Nov. 2 Senate Energy Committee's confirmation hearing, the majority of the senators present turned the hearings into a trial aimed at branding Thorne "guilty by association." His crimes? Senator Abourezk, armed with a stack of Atomic Energy Commission and Energy Research and Development Administration (ERDA) pamphlets as "evidence," tried to "prove" that Thorne had swung the outcome of a California referendum on nuclear energy. Specifically, Abourezk charged that Thorne had disseminated ERDA pamphlets in favor of nuclear energy while he was manager of ERDA's San Francisco operations office.

One observer described the hearings as reminiscent of a "medieval witch-hunt, where scientists were burned at the stake." While predicting that Thorne and Coleman — whose confirmation hearings have not yet been set — will reluctantly be confirmed, the source argued that not only the nominees, but all government scientists, will be tamed by the terror tactics employed. "The hearing was a show trial to purge all high-technology sentiment within the DOE," the source said.

Under these pressures, Thorne buckled under, ingratiating himself to the Fabian senators and the four representatives of various Ralph Nader environmentalist front groups, including Consumer Action Now and the Friends of the Earth, who testified. I am really a solar power backer, and only passed out the pro-nuclear ERDA literature as part of my job, he said.

This backpedaling was partially checked in the afternoon when U.S. Labor Party representative Laura Chasen testified at the hearings and gave Thorne "quali-