

The Young statements were coupled with National Security Counsel Advisor Zbigniew Brzezinski's and President Carter's slap at the Cubans. Both men advised a congressional group preparing a visit to Cuba to threaten President Castro that unless he removes all Cuban advisors from Africa, the U.S. would not normalize relations with Cuba. The Congressmen reported this week that Castro has soundly rejected their threats.

## Schlesinger-Kissinger Seek Mideast Crisis

Energy Secretary Schlesinger followed up these tantrums this week, stating that if necessary to ram through his energy program, he would prefer continuing Middle East crises. In a speech before the Conference Board on Dec. 7 — the anniversary of Pearl Harbor — Schlesinger warned that the Middle East situation was explosive and that the U.S. could not continue to rely on that area for its oil. Therefore, the population should

submit voluntarily to his energy program. If not, Schlesinger warned, "the social and political foundations of the U.S. will be shaken in such a way that we haven't seen since the 1930's." The U.S. is facing the same crisis as in 1972, Schlesinger declared, raising the nightmare of another oil embargo.

Former Secretary of State Henry Kissinger has also been working overtime to ensure that the Middle East peace initiatives launched by the U.S.-Soviet Accord and the Sadat-Begin discussions do not succeed. Kissinger has made numerous public statements calling for a separate agreement between Israel and Egypt and no Geneva conference, meeting with Administration officials, including Secretary Vance on Dec. 2, to that end. Last week two leading Italian papers condemned Kissinger for his policies, warning that they will lead to war. Perhaps as recompense for his efforts on their behalf, Kissinger is reported by the Dec. 8 *New York Post* to be slated for a job as international troubleshooter for the merging investment houses of Lehman Brothers and Kuhn Loeb.

# Congressional, Industrial Support For Capital Formation Grows

*Former Treasury Secretary William Simon's call for a broad-based political mobilization urging a high-technology jobs and export policy for the U.S., issued at the Nov. 29 conference on "Capital Formation for Exports" in Chicago, has elicited a significant, positive response from industrialists and their representatives in government.*

*On Dec. 7, the Chicago Tribune, speaking for that city's growth-oriented industrial-agricultural community, favorably covered Simon's speech, highlighting his proposal for the creation of 18 million capital-intensive jobs.*

*The following day, the Chicago International Trade Club (often referred to as the "Central Committee" of the Midwest business sector) sponsored a follow-up conference keynoted by John Moore, head of the U.S. Export-Import Bank.*

## Nonproliferation Is Ruining Trade

A U.S. Labor Party representative was invited to the Trade Club conference because of the interest that Chicago and other industrial centers are showing in the party's proposal for transforming the Eximbank into a vehicle for underwriting a tremendous expansion in U.S. exports. In response to a question from the Labor Party representative, Exim head Moore bitterly assailed the Carter Administration's nonproliferation policies.

"It's not just the four nuclear plants that Iran has ordered from France," Moore said. "They have also bought four plants from West Germany. By statute, we are prohibited from financing breeder and reprocessing facilities. But there is no doubt that because of our policy we are losing all nuclear plant projects. There's no doubt

that the U.S. has lost business in this field where we used to be preeminent. It's a very grave issue. It's sad to think how much we have lost already and it's sad there is also no doubt that this is because of President Carter's position." Moore recommended increasing the Eximbank's lending capacity — "\$30-40 billion more a year in sales should be our goal" — acknowledging that this would help to stabilize the dollar and balance the trade deficit.

A similar conference will be held in Georgia on Dec. 9. There, top-level representatives of southeastern and foreign businesses will gather to hear, among other speakers, Assistant Secretary of Commerce for International Business Frank Weil. A close ally of Moore as well as an outspoken opponent of Treasury Secretary Werner Blumenthal's dollar-wrecking policies, Weil is also expected to promote a beefed-up Eximbank and increased capital investment as the keys to reverting the dollar's decline.

## New Mexico Senator Denounces Administration's 'Technological Imperialism'

*This push for reorienting U.S. economic policy into a capital-intensive, export-oriented mode received important input two weeks ago from Senator Harrison Schmitt in a speech to the American Nuclear Society's winter meeting in San Francisco. A foremost congressional proponent of nuclear fission and fusion power development, the New Mexico Republican scored the Carter Administration's nonproliferation stance as "technological*