

Congress stampedes to okay government by crisis management

The acquiescence of the Europeans and Japanese at the Tokyo summit to U.S. and British demands that they impose strict austerity programs domestically and agree to IMF and World Bank oversight of genocidal economic policies for the Third World has set the stage for a "crisis management" dictatorship to impose such economic austerity measures in the United States.

Immediately upon his return to the U.S., President Carter was told by both his staff and the anglophile press that he must invoke emergency powers to deal with the "energy crisis"—using policies that would destroy U.S. industrial potential.

The rigged energy "crisis" is being used to demand gasoline rationing and federal control over all other energy supplies—giving the Executive finger-tip control over the population and the economy. As well, Carter is expected to move for curtailed usage of energy which will have immediate ramifications in industrial output.

Most significant, the Carter energy program will feature a \$30 billion synthetic fuels package—modeled squarely on the coal gasification and similar schemes used in Nazi Germany to build the Nazi war machine and provide the liquidity to prop up the bankrupt Nazi financial structures. Key backers of this plan include Felix Rohatyn of Lazard Freres investment banking firm, who has previously played a major role in the energy boondoggle-deindustrialization scheme, the Energy Corporation of the Northeast.

Perhaps the most explicit call to Carter was made July 1 in the lead editorial of the *New York Times*. The *Times* declared, "President Carter has been out of synch with events here ... home is where the action needs to be now. There will be no relief ... until the energy shortage is met with wartime fervor, ... as the industrial democracies recognized in their otherwise tortured Tokyo agreement, energy is the battlefield." The *Times* then demanded that Carter "rally the nation to this effort ... leaders of industry and labor need to be recruited for the effort. An emergency council of executive officials and congressional leaders needs the authority to cut through the competing claims of social,

economic and environmental policy. Jimmy Carter has his war. Is he the commander-in-chief?"

Crisis structures

As of July 1 the structures have officially been established for a crisis management government. On that day, the Federal Emergency Management Agency (FEMA) went into existence. It consolidates, under National Security Council control, all existing agencies involved in emergency measures. FEMA, as this magazine has detailed, is the agency that will implement policy dictates in a crisis-management government. The agency itself is run by a coordinating council consisting of the NSC Director Zbigniew Brzezinski, the President's domestic policy aide Stu Eizenstat, Special Assistant to the President for Intergovernmental Affairs Jack Watson, the Director of the Office of Management and Budget James McIntyre, and the FEMA director, John Macy, who has not yet been confirmed by the Senate.

FEMA is already an integral part of a White House Management Task Force on Energy established last week under Jack Watson. This task force, which has a parallel situation center, is monitoring energy and transportation and is the coordinating center for the agencies that would normally handle these issues, such as the Departments of Transportation, Agriculture, Energy, and Justice, and the ICC. While Watson's task force includes representatives from those agencies, it serves to centralize in the White House under the direction of a nonelected official coordination of the major policy decisions on the energy and transportation crisis. Working closely with this group is another task force under Eizenstat's direction, the Energy and Legislation Task Force, which also brings into this White House nexus the work of many other government agencies handling energy issues.

While these task forces are aimed at bypassing bureaucratic structures that would interfere with a crisis-management government's functioning, FEMA, the operational arm of an emergency government ap-

paratus, works integrally with the task forces. "FEMA's role is a standby one. If the nation or a region is faced with total breakdown, an unmitigated, uncontrolled emergency then they have the contingency plans for dealing with it," a member of Jack Watson's staff told this news service.

Carter began a series of meetings July 2 with this executive apparatus to plan out policy. Although Carter delayed the major speech he was to give July 5, the President will still speak to the National Governor's Conference this weekend. The dispute within the administration is over details; the general package Carter is expected to announce will demand massive cuts in energy consumption, gasoline rationing, and a massive \$30 billion synthetic fuels program to bail out leading financial networks.

Reichstag Congress

The U.S. Congress has completely abnegated resistance to this government by decree. Instead it has over the past month functioned in a manner akin to the 1932 Reichstag that legalized Adolf Hitler's seizure of power. That Parliament, like this Congress, passed legislation granting the executive branch authority for complete control over the economy. The Congress has not only been passing "enabling acts" similar to that in the German legislative body, but many members have actually been demanding that the executive branch implement its emergency control powers.

On June 27 the House, by an extraordinary vote of 368 to 25, approved the Moorehead Act, a bill which the *Washington Star* warned "grants the President almost limitless powers" by reclassifying all energy production as military. As quoted from a House subcommittee report on the bill, "The Act redefines defense production as military production and energy production ... under this the President has the authority to suspend the following laws: the Davis-Bacon Act, the Civil Rights Laws, the Anti-Trust Laws," thus gutting legislation that establishes decent living standards for workers. Additionally, the bill establishes a federally guaranteed synthetic fuels program. Not only did this bill sail through the House, but there was a fight over who was going to be awarded the right to first introduce it in the Senate.

Moreover, no one questioned Moorehead's right to use his banking subcommittee to ease the defense and energy bill through the committee structure. Moorehead's legislation was drafted in close consultation with the Koppers Corporation and Gulf Oil, both financial interests of the Mellon family. The Mellons are key funders of such Anglo-American policymaking establishments as the Trilateral Commission, the Aspen Institute and the Brookings Institution. The bill was cosponsored by House Majority leader Jim Wright (D-Tex), who also quadrupled the original \$2 billion funding. Wright is being coached on this measure by former

National Security Council head Walt Rostow. Now based at the University of Texas, Rostow, a holder of the Order of the British Empire, has formally proposed a massive synthetic fuels plan in congressional hearings.

Congress is also scrambling to give the President authority to ration gasoline nationwide. "Carter can have compulsory gas rationing anytime he wants it," declared Washington Democrat Senator Scoop Jackson. Next week Congressman Dingell (D-Mich) will introduce a rationing plan in Congress.

Not one Congressman has yet voiced opposition to the fact that the man nominated—but not confirmed—by the Senate as the head of FEMA, John Macy, is already sitting in on executive policymaking meetings.

While the White House is concerned that it have the legal justification for this emergency control government, it also wants to ensure that it has a suitable climate in Congress for implementation of these austerity policies. Last week the "emergency council of executive officials and congressional leaders" called for by the *Times* in fact started to function.

While Carter will announce sometime in the next two weeks the actual official participants, two White House-congressional task forces on energy and on inflation met last week. The inflation task force meeting included Carter's advisor on inflation Alfred Kahn, Treasury Secretary Blumenthal, Council of Economic Advisors head Schultz and Vice-President Mondale. Their main focus was whether mandatory wage and price controls were necessary now. The congressional members included Representatives Moorehead, Mitchell (D-Md), Gaimo (D-Conn), and Fisher (D-Va), and Senators Moynihan (D-NY) and Proxmire (D-Wis).

The energy meeting included Mondale, Eizenstat, and Schultz, and such key congressional leaders on energy as Moorehead, Dingell, Moffett (D-Conn), Ottinger (D-NY), McCormack (D-Wash), Ashley (D-Ohio), Beville (D-Ala) and Udall (D-Ariz). The meeting discussed

gasoline rationing program and a synthetic fuels policy. The task force members were all handpicked by House Speaker Tip O'Neill, a close Kennedy ally.

So far, Congress has stampeded behind the call for a synthetic fuels program modeled on that of Nazi Germany. A myriad of bills to establish a synthetic fuels industry is being rammed through on Capitol Hill, including Moorehead's legislation, a proposal by Congressman Perkins for \$200 billion in bonds for synthetic fuels, a \$75 billion proposal of Senator Dominici, and a \$3 billion plan of Scoop Jackson that would speed up other alternate energy programs.

At the same time Congress is moving quickly on legislation that would destroy decent wage standards, which is a necessity if the synthetic fuels programs are to be cost efficient. These bills are reviewed in this week's Congressional Calendar.

—Barbara Dreyfuss