Click here for Full Issue of EIR Volume 6, Number 32, August 14, 1979

Congressional Calendar



Congress to speed Synfuels program through?

Despite much hullabaloo about the inefficiency and great expense of synthetic fuels, a number of congressmen are set to speed through a synthetic fuels program after the August recess. Although it is widely agreed that synthetic fuels are enormously expensive and produce little energy, the program has been pushed by such investment bankers as Lazard-Freres's Felix Rohatyn as a means of taking liquidity out of productive investment for bailout purposes.

Before recessing last week, the Senate Energy Committee made a tentative decision to endorse a federal corporation for synthetic fuels production. The Committee endorsed Carter's goal for producing 1.5 million barrels a day of synthetic fuels, although they moved the target date to 1995. In turn, the Committee has endorsed the \$88 million that Carter has asked for the program, but will only release \$20 million of money borrowed against the Treasury for 1980-1981. The money would be allocated for loans and price guarantees for corporations involved in synthetic fuels development.

In order to speed this through Congress, according to one staffer, the Senate Energy Committee, under Scoop Jackson's leadership (D-Wash) is carefully coordinating their bill with the Moorehead bill that recently passed the House. The Moorehead bill authorizes a synthetic fuels program on national security grounds, redefining national defense as also meaning energy production. According to a memorandum prepared by Congressman John

"Under this definition the President could utilize his powers under the Act to affect all types of energy production without regard to whether it is for military purposes or not." The *Washington Star* warned that the bill "grants the President almost limitless powers."

If the Senate Energy Committee's proposals pass the Senate they will then go to a conference committee to iron out any differences between it and the Moorehead bill.

That the U.S. synthetic fuels program is modeled on the synthetic fuels schemes of the Nazis—and has been endorsed by Albert Speer, Hitler's armaments chief—has not escaped notice on Capitol Hill. "This looks like they want labor camps in Colorado" declared an aide to one leading Western Republican Senator. "Are we going to be shipping workers in boxcars?".

Mondale's boxcar bill revived

Two congressmen have submitted legislation reviving the National Employment Priorities Act (NEPA), originally sponsored by Senator Walter Mondale in 1974. The bill was introduced by Senator Riegle (D-Mich.) and Rep. Ford (D-Mich.) on July 31, with a similar bill proposed by Senator Williams (D-N.J.).

The bill requires any business with sales over \$250,000 a year to notify the federal government of its intention to either close or relocate. The Department of Labor is then authorized to step in with training programs and job placements plans, including a massive relocation program. The federal government is also authorized to finance public works projects for these laidoff workers and, according to one aide, "the energy programs will be one of the priorities for public jobs."

The Mondale bill did not get far last time around, due to widespread dislike for the idea of worker relocation schemes.

Hearings on this new version of the same bill will be held in the fall.

60 Congressional Calendar

EXECUTIVE INTELLIGENCE REVIEW

August 14-August 20, 1979

House Speaker to streamline legislation process

House Speaker Tip O'Neill (D-Mass.), a close Kennedy ally, plans to revise House rules to help speed legislation through the House after the recess. Last week at the whip meeting, O'Neill discussed bringing many more bills to the floor under closed rules. This would mean that no amendments to a bill would be allowed on the floor, thus there would be no chance for a congressman to change a bill after it has been passed through committee.

Senate Republicans vie for seats in House of Lords

Taking more than a page from the British Tories, the 41 Senate Republicans released their "economic program for the decade" on July 30. While it was not surprising that Anglophile spokesmen like Howard Baker, Jake Javits, and Lowell Weicker endorsed the reportwhich aped British policies on international monetary affairs and employment-it is a telling commentary on the demoralizing effect of Ronald Reagan's noncampaign on honest conservatives, that senators such as Orrin Hatch (Utah), Jesse Helms (N.C.) and Jim Mc-Clure (Idaho) would affix their names to such a document for the sake of "party unity."

The drafting of the report was accomplished by one of those soft-

brainwashing exercises in consensus politics, where a conservative and a Council on Foreign Relations flunkey were paired to write various aspects of the program. The antilabor Tory tendencies of the conservatives were allowed to prevail in the employment policy section.

Everywhere else, the open Anglophiles prevailed. Overall responsibility for the report goes to John Danforth (Mo.), an ordained Episcopalian minister. Eastern liberal John Chaffe (R.I.) wrote the employment policy section, with the assistance of Orrin Hatch's economics aide-a British national. **Trilateral Commission member** William Roth (Delaware), with last minute additions from Jake Javits. wrote the section on international trade and monetary policy. The token conservative in that group is JakeGarn (Utah).

This concluding section on international monetary policy which was added by Javits at the last minute, while giving lip service to a strong dollar, in reality calls for an IMF dictatorship over the advanced sector, and the virtual dumping of the dollar as the international reserve currency. The Javits section reads:

"11. The International Monetary Fund should exercise more effective surveillance of surplus economies and should work more closely with commercial banks.

"12. The transactions of U.S. banks in the Eurocurrency markets should be more closely under evaluation."

And, in an incredible bit of doublespeak, Javits calls on the U.S. to "resume its leadership in the international monetary system" by bringing together world financial leaders "to develop a long-term plan for the evolution of the present monetary system." In other words, the United States should exert leadership by dumping the dollar in favor of an IMF-dictated monetary regime.

When asked how the prodollar conservatives could sign such a report, a committee source said, "most of them don't even know what a 'multi-currency reserve system' means."

In the context of calling for more effective "IMF surveillance" over surplus economies, that is, West Germany, Japan, and Mexico under the "North American Western Hemisphere Economic Commission," the program endorses full-fledged trade war against those countries.

In the Tory labor section, a British-spawned "social contract" is called for through labor-management councils, and the process of replacing full-time union workers with lower paid part-time employees, CETA workers, and underpaid youth.

> —Barbara Dreyfuss and Susan Kokinda

August 14-August 20, 1979

EXECUTIVE INTELLIGENCE REVIEW