

jobs. The producers of this country understand this. When I was in Pittsburgh, I talked to the steelworkers; I talked to the ironworkers. They understand what I am talking about. We have to make industry more efficient; we have to make agriculture more productive. That means we are going to have to invest in new machinery and equipment to do it.

What Other Papers Said He Said

The Baltimore Sun: The white-haired Texan... told the governors that national issues such as the Panama Canal had no effect on their futures... said the American steel industry is in difficulty because its foreign competitors receiving help from their governments place it at a disadvantage... declared 'the future of the Republican Party lies with the producers of this country.'... declared, 'We can't promise anymore than the Democrats can,' and said the best service Congress could perform would be to convene Jan. 20 and adjourn Jan. 21 and

leave the American people alone.'

The New York Post: John B. Connally says South Africa has become an armed nuclear power as a result of trading with Israel...

The New York Times: His broad-based assault on Mr. Carter's foreign and domestic policies brought the several hundred Republicans... to their feet, applauding... Mr. Connally said he would decide this weekend whether to go ahead with plans to form a political action committee to raise funds... on behalf of Republican congressional and gubernatorial candidates in the 1978 elections...

The Washington Post: Connally's suggestion that GOP candidates concentrate on issues of state interest, such as prisons and welfare programs, and stay away from national issues, such as the Panama Canal treaties... 'I don't know why any governor, unless he wants to pick a fight, needs to get involved with the Panama Canal,' said Connally.

Schlesinger Organizes For Oil Embargo And Energy Dictatorship

Energy Secretary James R. Schlesinger returned to Washington this week after his unsuccessful bid to force Western Europe to bend to his no-energy dictates, to blackmail the United States into accepting its own destruction. In this capacity, Schlesinger emerges as the chief operative, along with other Cabinet members, in the City of London-Lazard Freres operation to destroy the U.S. economy and dollar. Schlesinger's primary weapon is to incite an Arab oil embargo and if, necessary, a Middle East War.

Within hours of his arrival in Washington, the Energy Secretary made clear through reports to the *Washington Star* that he intended to force passage of the Carter April 20 energy program which the Senate has left "in shambles." En route from Europe, Schlesinger had told reporters that his strategy for salvaging the program "is a Chinese water torture. We decide what is right and then stick to it."

The next day, congressional sources report, he emerged on Capitol Hill to circulate the lie among Congressmen and their aides that European leaders would "bolt from the dollar" if his no-energy program is not adopted.

At the same time, Sen. Edward Muskie (D-Ma.), chairman of the Senate Government Affairs Committee, joined by Sens. Sasser (D-Tenn.), Glenn (D-Ohio), and Roth (D-Dela.) are preparing legislation required by Schlesinger to enlarge his already broad emergency powers. They will propose to extend indefinitely the

Natural Gas Emergency Act which was passed last winter and expired in August, giving Schlesinger the power to allocate natural gas as he sees fit.

Squeeze On Carter

The Energy Secretary's high pressure tactics were not limited to Capitol Hill. On Oct. 13 at his weekly press conference Jimmy Carter, who has conspicuously refrained from intense lobbying for his energy program since its passage through the House, suddenly issued a vehement attack on the oil and gas industries for the sabotage of his energy program. Carter charged the companies with "potential war profiteering" and claimed that oil companies were intent on staging "the biggest rip-off in history." Congressional offices report this line was conduited into the White House by James Schlesinger.

The President also warned that gasoline rationing and an import tax of foreign oil — both first proposed by Schlesinger, were among the alternative actions he would take if Congress failed to pass acceptable legislation.

Carter's sudden shift was induced by Schlesinger and Vice President Walter Mondale who, according to sources, had pressured Carter to believe that his future political credibility was dependent upon his "saving his energy program" through a populist attack on the oil industry. This inside job was aided by continuing attacks in New York-linked media on Carter's "weaknesses" on

all fronts, and additional pressure on his close aide Press Secretary Jody Powell.

Crisis In The Making

The *Baltimore Sun* commented editorially the day after Carter's statement that the population did not believe there was a real energy crisis and blamed the oil companies for ripping them off; therefore, Carter's attack may have justified their opposition to his conservation, not production, program. According to the Energy Secretary's plans, an oil embargo is precisely the crisis required to shock the U.S. into accepting an energy dictatorship.

A page one article in the *Baltimore Sun* of Oct. 10 reported ominously that "the immediate goal of the Carter energy policy is to prepare the United States for another oil embargo if war breaks out again in the Middle East, administration officials confirm privately. Their grim assumption is that war is likely sometime during Mr. Carter's term, and the pessimists believe it could erupt within a year or two."

The article further quoted a recent private memo by Canadian Energy Minister Alastair Gillespie as saying that "Schlesinger is just as pessimistic about the stability of the Middle East as I am. He thought the chances of another embargo, or major interruption of supply from the Middle East were somewhere between 40 and 60 percent in the next five years and almost certain before 1990."

Schlesinger's determination to stage another oil embargo has placed him in open insurrection against the White House initiative for a Geneva Mideast peace conference, undertaken jointly with the Soviet Union.

Schlesinger is "purple and green" over Carter's Middle East policy, former Undersecretary of State

Eugene Rostow said in an interview today, confirming earlier Capitol Hill reports that the Energy Secretary is a major figure among the Administration "insiders" seeking to wreck the peace drive that has emerged so far as the President's only major diplomatic success.

In his column in today's *Washington Post*, Jack Anderson quotes "confidential sources" as saying that "Energy Secretary James R. Schlesinger, Jr. has concluded that the continued flow of Middle East oil into this country is less certain than at any time since the 1973 Arab oil embargo."

Anderson reports that, under Schlesinger's prodding, President Carter commissioned a secret study of the nation's vulnerability to such a boycott in June. The study, now nearing completion, will likely prove too lurid for declassification, Anderson states. But the summary provided by the columnist indicates the study will follow squarely in the lunatic tradition of Schlesinger's dangerous and irresponsible NATO MC 14-4 and Hilex war scenarios of 1975, which contributed to his firing as Defense Secretary by President Ford. According to Anderson, Schlesinger's "security analysts... are particularly concerned, for example, that a sudden disruption of the international oil flow could cause a confrontation in Europe between the Soviet bloc and NATO nations over oil."

With Schlesinger's claims of an "energy shortage" to justify his energy program discredited and ridiculed, sources quoted in the *Sun* now state that the threat of an Arab boycott is the real "if unspoken" reason for his energy program, including his "tough gasoline rationing plan" and "legislation giving the federal government extensive control over natural gas supplies that are now under state control."

Schlesinger's WEEP Powers To Become Operational Nov. 1; Senate Ctte. Wants Them Even Tougher

Department of Energy spokesmen announced this week that Energy Secretary James R. Schlesinger's still officially secret Winter Energy Emergency (WEEP), intended to impose a "crisis management" energy dictatorship, will become operational by Nov. 1. A WEEP interagency task force working with organizations representing state and municipal governments, including the National Governors' Conference and the United States Conference of Mayors-League of Cities, has reportedly completed a WEEP planning guide.

Schlesinger intends to use WEEP, a plan whose existence was first revealed by this news service, to militarize the economy and impose no-growth energy conservation through extraconstitutional means. Conceptualized directly by the Rand-trained Schlesinger, the specifics of the plan were spelled out in a Sept. 21 speech by John F. O'Leary (see excerpts below), then Federal

Energy Administration Administrator, before the Senate Governmental Affairs Committee. O'Leary explained that WEEP would become operational if fuel supplies are threatened by (1) cold weather draining limited fuel supplies; (2) an Arab oil embargo; or (3) labor strikes, particularly a threatened coal strike. Contingency plans proposed include gasoline rationing; bans on the use of natural gas as an industrial boiler fuel; and access to intrastate natural gas. The Department of Energy has awarded the N.Y. public accounting firm of Price, Waterhouse and Co. a federal contract to determine the feasibility of a gasoline-rationing plan that would involve the use of credit cards, the Oct. 12 *Baltimore Sun* reported.

WEEP Out Of The Closet

Leading members of the Subcommittee on Intergovernmental Relations of the Senate Committee on