

tion. It is liquid fuels. The energy problem on which we should concentrate lies elsewhere.

NAACP Rejects Schlesinger, Calls For Nuclear Development

A personal appearance by Energy Department chief James Rodney Schlesinger was not sufficient to prevent the National Association for the Advancement of Colored People (NAACP) from concluding its National Conference on Energy with a policy statement recommending the development of nuclear power Nov. 19. Originating from the conference's Energy Supply Workshop, the resolution urged "the expanded use of nuclear energy, especially in light of the safety record of the nuclear industry to date."

By supporting the resolution, the NAACP conference's 300 delegates disassociated themselves from support for the slave-labor makework jobs programs such as the Humphrey-Hawkins bill, in favor of high-technology productive employment. Schlesinger's bid for organized black community support of his policy of sabotaging energy development was coolly received. When queried on the Administration's hindrance of nuclear power, Schlesinger lied that the U.S. was looking into more advanced technologies calling the breeder reactor "obsolete."

Following a speech by Fusion Energy Foundation spokesman Susan Kokinda detailing the development of fusion power by the 1990s NAACP National Executive Board Chairman Margaret Bush Wilson, in a veiled reference to Humphrey-Hawkins, asked the delegates to consider, "whether we have to have big government or big oil save us," Wilson then called for a government-industry-black community "partnership for progress."

Below are excerpts of Energy Secretary Schlesinger's remarks to the conference.

We are going to go through a severe transition in the United States. It is the purpose of the President and the energy plan to achieve a smooth and fair transition.

This impact of the National Energy Plan on the economy will be this: we face a future in which cheap and abundant petroleum will ultimately be in relatively short supply. In the longer run, we will have substitutes, be it fusion or solar, we do not know. But we have a problem in the short run — 10, 15 or 20 years.

We are going to have to learn to conserve — by conservation, we do not mean belt-tightening, but greater efficiency. In the longer run, energy prices will rise again, and unless we diminish our dependence on imported oil, we will encounter sudden disruption, with rising unemployment, inflation, balance of payments problems so severe that we could not import oil even if it were available.

And those consequences would fall most harshly on the minorities, elderly, and the poor.

So we are beginning to make adjustments now in our economy — becoming less dependent on oil by switching to coal and other sources, and more fuel efficiency. Then

we could ride out those economic difficulties of the 1980s. Otherwise, this crisis of the 1980s could have political consequences that could shake the nation as it has not been shaken since the 1930s....

...The overall effect of such a redistribution of income through rebates and taxes would be fairness and equity.

Aside from equity, the goal was expansion of production and job opportunities. If we do not have an energy plan that permits for an expansion of the economy, unemployment will rise. So we need a very careful balance between economy and energy policies. We must use monetary and fiscal methods to prevent any part of the energy plan from leading to higher unemployment. We must achieve economic expansion and at the same time diminish our reliance on foreign energy supplies, and be equitable.

We have made reasonably good progress on Capital Hill — 75 to 80 percent of what President Carter proposed will ultimately come out.

We deal with conservation not by bringing down production of energy supplies. Conservation is intended to reduce the rate of growth from 4 percent to 2 percent. But it must not be pushed to the point where it interferes with expansion of the economy and jobs. But we have had a high level of waste, not because people are wasteful, but because capital equipment has been inefficient.

Connally And Allies Continue High Profile Fight For Nuclear Power

Former Texas Governor John Connally and his associates are continuing a political offensive in favor of nuclear energy and technological and economic development. Speaking before the Republican Unity Conference in Florida last weekend, Connally attacked the Carter Administration for rejecting nuclear fusion energy development, renewed space exploration, and the B-1 bomber. "The Democrats have said no to the economic growth of the nation. They have said no to America's future," he charged.

An associate of the former Texas governor, Rep. Olin Teague (D-Tex.), is likewise calling President Carter's veto of the Clinch River nuclear breeder reactor project "rash and irresponsible," according to a column by Felix McKnight in the Nov. 16 *Dallas Times Herald*. "Our grandchildren are likely the ones who shall pay most dearly for this presidential mistake," the House Science and Technology Committee Chairman reportedly said. "The President has called the energy crisis the moral equivalent of war, and that may well be. But this veto action reveals that the President doesn't seem to know which forces are the enemies and which ones are the allies."

In tandem with these strong pronuclear statements from his colleagues, Dallas oil and gas contractor and former Deputy Secretary of Defense under Nixon and Ford, William P. Clements recently declared his candidacy for the 1978 GOP Texas gubernatorial primary. Mr. Clements announced that, if he is elected, he will use his position as governor to influence national energy policy. "There are ways a governor can influence these

procedures and the process," Clements said, explaining that the chief executive from a state that produces half the country's oil and gas should have "high leverage." Clements also declared that "without exception," the Republican leadership of the state, including John Connally, was "enthusiastic and pleased" about his candidacy, adding, "I think they'd like to see an uncontested primary."

JOC On Schlesinger Energy Policy

Here is the Journal of Commerce editorial of Nov. 22 entitled "Woes of a Nuclear Power":

Slowly, but surely, it is becoming apparent that the United States is no longer in a position to control the international movement of nuclear fuels. It can, and does, influence this movement of nuclear fuels. It can, and does, influence this movement somewhat where German or French export sales are concerned, but neither this nor any other nation now has the power to control it absolutely.

The growing awareness of this perhaps explains the confusion on Capitol Hill and the pushing and pulling between Congress and the administration on nuclear fuel policy. It was of some significance that Mr. Carter cast his first veto as President in an effort to prevent Congress from continuing work on the Clinch River reactor. Since that is a breeder type reactor that would produce much larger quantities of weapons-grade plutonium than conventional reactors, and breed its own fuel in the process, he feared other nations might adopt the same technology, with potentially disastrous consequences to the world.

But since at least three other countries (France, West Germany and Japan) are also developing breeders of their own, Congress did not regard this as a very effective precaution. It seemed to fear that cessation of work at Clinch River would endanger the American lead in the field of nuclear energy.

One reason for the confusion is that there are two issues at stake. There is a danger that plutonium will get into the hands of irresponsible elements, perhaps those of terrorist bands. That seems to haunt Mr. Carter. There is also a conviction, widely held in Congress, that this country cannot afford to accept a second place in terms of nuclear technology.

Economic considerations have thus far played a relatively minor part in attempts to resolve these differences, but political considerations are certainly present in them, as witness the talks between Mr. Carter and the Shah of Iran on the latter's efforts to acquire about 20 reactors, of which the United States might supply one-third. Washington is skittish about nuclear proliferation in the Middle East, but it isn't anxious to

offend anyone quite as important to its plans as the Shah, either.

In the meantime, the impasse over the Clinch River project has stalled Senate action on a conference agreement authorizing nearly \$298 million in fiscal 1978 funds for the Nuclear Regulatory Commission. And because President Carter didn't want \$80 million more put into the Clinch River project, he felt obliged to veto the bill authorizing \$6.2 billion for energy research, an important factor in his overall energy program.

Further complicating the picture is a bill (S. 897) recently approved by the Senate Foreign Relations Committee, though not yet considered by the full Senate. This measure, much fragmented by compromise, is aimed at further tightening controls on exports of nuclear fuels and facilities by placing strict limits on what importing nations can do with the fuel they obtain in the United States.

In that sense, this is a tough bill. But its present shape has been no little influenced by worries that the American share in this trade is continuing to fall and by the realization that if the United States does not remain in the export field as a reliable supplier of nuclear materials, importing nations will turn to other suppliers who may not be as firmly committed to nonproliferation as is this one.

The bill, unfortunately, looks like an attempt to pursue two conflicting goals simultaneously. It would permit exports, but in its original form laid down such cumbersome and time-consuming processes as to leave it doubtful whether foreign countries would even try to comply with them as long as the fuels and facilities they were seeking could possibly be obtained elsewhere. This is also true to a large extent with the bill (HR 8638) passed by the House on Sept. 28. Nobody seems too sure what the effect of either would be.

Efforts to frame a generally acceptable measure have, in the meantime, irritated the administration. The chief cause of this irritation is to be found in a number of clauses making administration decisions on export licenses, exemptions from nuclear safeguards and the like, subject to a one-house congressional veto under the Governmental Affairs Bill.

We can understand the administration's feeling about this, just as we can understand the reluctance of Congress to contribute unnecessarily to nuclear proliferation abroad, with all the dangers that would entail.

Still we believe that some of the Senate's wiser heads are right in arguing that the United States will see its influence on the nuclear world sag badly unless it remains a strong factor in the trade in such items. Controls over exports of nuclear fuels and facilities are essential, but they will only accomplish their purpose if they are comprehensible and workable. Our guess would be that the administration and Congress alike have a lot of problems to settle before the bills now in both houses meet these tests.