

“heading for a very big confrontation” with him.

Indications that the Administration is girding itself for a major showdown with Begin over his continued refusal to adopt a rational negotiating position were also forthcoming from Robert Strauss, the White House Special Trade Negotiator who has been taking on an increasingly influential role in foreign policy decision-making over recent weeks. Speaking at a meeting of reporters March 7, Strauss couped a strong defense of the U.S. dollar with an urgent call for American Jews to support the Administration's Mideast peacemaking attempts. “There is considerable lack of support among American Jews for Begin, and I share that view,” said Strauss, adding that he was “confident” the Jewish community would rally behind the President's peace initiatives.

Rumors abounded this week, in fact, that Strauss — a leading figure in U.S. Jewish circles — had pressed for Siegel's resignation, with a view toward taking over his liaison functions himself. Strauss's aim, apparently, is to consolidate the widespread but unorganized elements of the Jewish community who believe that Israel should accept a Mideast settlement along the lines of U.N. Resolution 242, into an effective counterweight to the highly-coordinated, City of London/Rothschild controlled “Jewish Lobby.”

The fact that the Administration moved this week to undercut the Jewish Lobby indicates that they may be preparing some major new initiatives for the troubled Middle East. Such a possibility was suggested by one well-informed Washington-based policy analyst in an interview this week:

Q: What is your assessment of how the Administration will move on the Mideast?

A: ...The Carter Administration does not favor a separate peace between Israel and Egypt. If the talks between the Israelis and Egyptians continue along current lines, the Administration is more likely to pressure the Israelis and/or to go back to Geneva.

Q: Are you suggesting that the Administration will reaffirm the October U.S.-Soviet joint communiqué?

A: Exactly. Rather than support a separate peace, the Administration may well go back to the joint statement. How this squares with the Horn of Africa problem is complex. But note that Israel and the Soviets are both in Ethiopia, and thus have a strange sort of convergence. So maybe the Israelis are not so adamant against Soviet involvement in the peace process as you would think on the surface....

State Legislatures Demand Carter Expand Eximbank, Nuclear Development

The House of Representatives of President Carter's home state became the first state legislative body to memorialize the U.S. Congress and the President to expand the funding of the Export-Import Bank of the United States in coordination with federal support for the currently undervalued U.S. dollar. The Georgia House of Representatives unanimously passed the U.S. Labor Party-backed memorial resolution March 7, only 24 hours after its initial introduction.

Introduced by a Republican, Rep. Bob Beckham, and Democrat Rep. Dorsey Matthews, the Georgia “privileged resolution” calls upon the White House and Congress to “go bullish on America by announcing that full support for the dollar is a national priority.” Blaming the dollar crisis in part on the Administration — “in particular, the Treasury Department” — the resolution states that a solution can be found through:

(1) “early rechartering of the Eximbank, including increasing its funding from \$5 billion to \$200 billion...”

(2) the replacement of the Administration's current energy program “with one which emphasizes the development and utilization of existing and...to be discovered fossil fuels, the mobilization of our advanced research and development capabilities to expand existing nuclear facilities, proceeding with the breeder program...(and the expansion of) our nuclear fusion program...”

(3) White House “support of the American System with its unequivocal commitment to industrial, agricultural, and technological progress as the means of ensuring an expanding economy at home and peace abroad...”

The Georgia resolution is reportedly already on its way to Carter and the Congress. On March 6, the New York State Senate passed a similar memorial resolution, which now awaits State Assembly deliberation. Bills along the lines of the Georgia model are in committee or under serious consideration in five other states: New Jersey, Pennsylvania, Wisconsin, Connecticut and Delaware.

Such so-called memorial resolutions stem from the days when the U.S. republic was young and workers' associations and local public bodies would frequently use memorials to instruct their federal representatives on crucial national issues. Today, they are being revived by elected officials to make popular sentiment felt on the issues of national policy which actually determine the economies of cities, states, and regions. Through such memorial resolutions, nationally oriented state legislators are rejecting the agenda of “local problems” set for them by the media and liberals, since the questions can only be solved by a federal policy of expanding high-technology goods produced by specific regions and resetting a correct agenda for the U.S. Congress.

New York Resolution Sets Pace For Gubernatorial Race

The importance of program emphasizing high-technology exports, embodied in the resolution to expand the Eximbank by Democratic state Senator Jeremiah Bloom of Brooklyn, could be crucial to the upcoming New York

state gubernatorial race. The resolution, S.R. 119, jointly sponsored by Brooklyn Assemblyman George Cincotta unanimously passed the Senate March 6 and is now awaiting action in the Assembly. Senator Bloom, an announced challenger in the 1978 gubernatorial campaign to Democratic incumbent Hugh Carey, is a traditionalist Democrat who fully supports programs which would utilize and expand New York's ports and high-technology industry. Bloom is as well an enthusiastic supporter of the Nuplex concept, the proposal to build ultra-modern advanced economic development complexes around nuclear plants.

Prior to passage in the full Senate, the Bloom resolution passed unanimously in the Senate Finance Committee headed by Sen. Marchi (R-Staten Island). Bronx Republican Party Chairman and State Senator John Calandra also supported the expansion of the Eximbank, exemplifying the potential for forming cross-party alliances on crucial national economic issues to redirect the attention of Congress and national party leaders to the solution

It is ironic that while Bloom and Cincotta introduced their bill, which calls for "The repeal of all restrictions on federally chartered Eximbank activity such as the Jackson-Vanik Amendment," into the New York legislature in the last week of February, the U.S. Senate was simultaneously passing a whole series of restrictions on U.S. exports of nuclear technology which will effectively take the U.S. out of this market.

In addition to its national and international implications, the New York bill is also expected to be the big issue-definer in the state's race for governor. Technological development has been severely restricted in New York by the endless diversion of capital into the debt bubble under the administration of Lazard Freres partner Felix Rohatyn. The Bloom-Cincotta memorial, as has been pointed out by U.S. Labor Party gubernatorial candidate Paul Gallagher, greatly helps to put economic growth — including New York's potential role as a major nuclear energy supplier — at the top of the issues list in the race.

The National Climate

In Maryland, a resolution to expand the Eximbank was introduced in February as a joint resolution by Delegates David Shapiro (D-Balto) and Casper Taylor (D-Cumberland). The memorial is now before the Economics Matters Committee of the House of Delegates of which both sponsors are members. Such action by the Maryland legislature is traditionally closely watched as an indicator of national mood by the nearby Washington D.C. congressional offices.

A memorial calling for nuclear energy development was passed by the Virginia House of Representatives Committee last month and is due to go for a vote. State Senator DuVall, an environmentalist with ambitions to run for the U.S. Senate, maneuvered the bill's return to the Rules Committee where he attacked it as "the U.S. Labor Party's bill." The bill's sponsor, Sen. Robrecht, told the committee: "It is *my* bill. The Labor Party

supports nuclear power, so does the NAACP and a lot of other groups." The State of Virginia has been a battleground for nuclear energy. Many political analysts credited the victory of Republican Governor Dalton, elected in November over environmentalist Henry Howell, as due to Dalton's tacitly associating himself with a pronuclear position.

Public support for the expansion of Eximbank, and federal support for the dollar discussed in regional press such as the St. Louis Globe-Democrat, the Cincinnati Enquirer, the Seattle Times, as well as the above memorials already in progress have contributed to a climate where the Eximbank memorial initiated by the U.S. Labor Party is now pending introduction in five other states: Pennsylvania, New Jersey, Connecticut, Wisconsin, and Delaware.

The U.S. Department of Commerce, the U.S. Eximbank, the Overseas Development Corporation, and local affiliates of the U.S. Chamber of Commerce will hold a series of conferences on the role of the Eximbank in expanding U.S. exports beginning on March 29 in five U.S. cities: Boston, Atlanta, Cleveland, Dallas, and Los Angeles. The example of state legislators willing to stop "playing by the rules" and put themselves clearly on record for Eximbank expansion needs to be assimilated by some national leaders in the weeks ahead if the Eximbank solution is to be implemented.

Go Bullish On America

The following is the text of the memorialization passed by the Georgia House of Representatives. It was sponsored by Republican Bob Beckham and Democrat Dorsey Mathews.

A RESOLUTION

Urging the government of the United States to take certain actions to support the dollar and to adopt policies and programs to ensure industrial, agricultural, technological and economic progress; and for other purposes.

WHEREAS, the United States dollar is falling daily and has reached record lows; and

WHEREAS, the weakness of the dollar is a matter of concern to the security and well-being of the United States and the entire world; and

WHEREAS, the current crisis is, in part, the result of ambiguous and often contradictory statements coming from within the administration in general and the treasury department in particular; and

WHEREAS, the lack of a coherent economic and energy policy has caused our allies abroad to waver in their support of the dollar, leaving the field open for speculators to precipitate a run against the dollar; and

WHEREAS, there are no objective reasons for the present dollar crisis since the United States economy is fundamentally sound and our nation possesses all the ingredients necessary to restore economic health and prosperity, from plant and equipment to skilled labor, from the most efficient agricultural sector in the world to our technological, scientific and military excellence and from our business and managerial expertise to the good name of our country to back it up.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES that this body hereby urges that the administration "go bullish" on America by announcing that full support for the dollar is a national priority.

BE IT FURTHER RESOLVED that the administration should affirm its support of the American system with its unequivocal commitment to industrial, agricultural and technological progress as the means of assuring an expanding economy at home and peace abroad.

BE IT FURTHER RESOLVED that the administration should concretely demonstrate this support by adopting economic and credit policies which convert outstanding dollar liquidity into capital investment in hard-commodity, high-technology exports which will ensure high levels of capital formation in the private sector, productive jobs for Americans and will help eliminate our balance-of-trade payments deficit; and by the early rechartering of the Eximbank, including increasing its funding base from \$5 billion to \$200 billion, which is the most efficient way to accomplish this.

BE IT FURTHER RESOLVED that the administration is hereby urged to drop its support for its energy program which favors tax penalties and nonproduction and is a major source of concern for our allies.

BE IT FURTHER RESOLVED that the administration is hereby urged to replace its energy program with one which emphasizes the development and utilization of existing and yet-to-be discovered fossil fuels: the mobilization of our advanced research and development capabilities to expand existing nuclear facilities, proceeding with the breeder program; and allocating the necessary funds to expand our nuclear fusion program to have reactors on line by the 1990's.

Trade Expansion

The following passed the New York State Senate as Senate Legislative Resolution 119, on Mar. 6, 1978; it is now before the New York Assembly as Bill 137.

WHEREAS, the weakness of the United States dollar is a matter of concern to the security and economic well-being of the entire world; and

WHEREAS, a high-export policy accompanied by

investment in hard-commodity production in the United States is the sole measure which can support the value of the dollar as well as provide the goods essential to the fulfillment of the aspirations for industrial development of many nations now still underdeveloped; and

WHEREAS, the Export-Import Bank of the United States enacted in 1945 is situated to finance increased exports from the United States, having financed \$8.6 billion in export financing support in 1976 which generated nearly \$12 billion in United States export sales and generated approximately 500,000 jobs; and

WHEREAS, the purpose of the Export-Import Bank Act of 1945 was to design an institution to overcome obstacles in private market financing of United States exports; and

WHEREAS, the United States now has a trade deficit estimated on the order of \$25 billion, and an aggressive export drive is needed; and

WHEREAS, developing sector nations are now suffering from debt-service burdens to speculation-oriented institutions which are on the order of \$40 billion, and the United States Eximbank would enable bypassing such existing credit bottlenecks for needed industrial development projects; and

WHEREAS, industry and commerce in New York State, especially the steel, electronics, aerospace, transport industries and port facilities are currently undercapitalized, and in many cases obsolete when measured by current American technological potential;

WHEREAS, a large and accelerating increase in demand for New York State exports would serve to revitalize productive employment, and thus the total spendable income of our population generally; now, therefore, be it

RESOLVED, that this Legislative body memorializes the Congress of the United States to:

1. Act in a timely fashion to recharter the Eximbank well ahead of its September nineteen hundred seventy-eight expiration;

2. Expand the funding base of Eximbank from its present fifty billion dollar level to a sufficient level to assure the sponsorship of high-technology trade, with the resultant creation of additional millions high-skill jobs for American workers; and

3. Repeal all restrictions on the originally chartered activity of the Eximbank, such as the Jackson-Vanick amendment and the anti-nuclear export policy promoted by Representative Stephen Neal; and be it further

RESOLVED, that copies of this resolution, suitably engrossed, be transmitted to the President Pro Tempore of the Senate of the United States; to the Speaker of the House of Representatives of the United States; and to each member of the Congress of the United States from the State of New York.