

British Boast Of Sending Carter Into Tailspin

Enumerating the myriad crises facing President Carter—issues which are geared to send him into a political tailspin—the Financial Times of London gloated that the crucial question facing Carter's backers now is simply "whether or not Mr. Carter can get things done." The newspaper then helpfully ticked off six items: the dollar, energy, the Panama Canal issue, the coal strike, the Mideast crisis, and rumors of a Cabinet reshuffle — any combination of which could result in Carter's Waterloo. Following are excerpts from the March 14 article written by the Financial Times' U.S. Editor, Jurek Martin:

... Suddenly a series of disparate yet inter-related problems is coming to a head to test his (Carter's) leadership qualities severely. If he wins enough of them, as Mr. Robert Strauss, his resident political expert, claimed yesterday that he would, then confidence will be restored, and the dollar, inter alia, will rise. The consequences of failure were not touched upon by Mr. Strauss. The state of play on the salient items looks roughly like this:

The Dollar: Once again the Administration seems to have made the mistake of allowing expectations to be built up too much.... Since marshalling additional financial resources to protect the dollar is impressing no one, all eyes are turned to the next link in the chain, the energy policy.

The Energy Bill: This now possesses huge symbolic importance. In whatever form it emerges—if it does emerge—it will have a minimal impact on oil imports for a couple of years.... Increasingly, Administration sources are speaking of the necessity for the President to impose additional levies on imported oil,.... With relations between Capitol Hill and Dr. Schlesinger, the Energy Department, fractious at best, the impression exists that if anybody is calling the tune on energy, it is

such senators as Long and Jackson, not the Administration.

The Panama Canal: ... This has now become the litmus test of the Administration's ability to persuade Congress and opinion still remains finely divided on how the vote will go.

The Coal Strike: ... This has to date been more a test of Mr. Carter's executive leadership rather than his powers of persuasion over the legislature....

Foreign Affairs: ... the PLO raid has patently reduced the leverage which the President can bring to bear on Israel in the negotiations. It has certainly made more difficult the task of winning approval for the arms package. Failure to deliver the arms will not improve relations with Saudi Arabia, in particular which could have further ramifications for the dollar.... The President also faces a test on Soviet and Cuban involvement in the Horn of Africa.

The White House Staff: The hot gossip is that a big reshuffle is in the offing, perhaps accompanied by the infusion of new talent. Mr. Hamilton Jordan... is said to be masterminding this effort. Too much still arrives on the President's desk for resolution, which is partly Mr. Carter's own fault and partly reflects deficiencies in the White House Staff. There is no suggestion of immediate Cabinet changes pending....

... The specific dollar measures announced today are just part of this complex mosaic. It is true that there is now a greater awareness of the dollar problem than there was only a few months ago.... But it is just as true that, if what is needed to help the dollar is evidence of Presidential leadership and Presidential success, then that could be provided on one of a number of matters which may not be casually connected.

Panama Canal Treaty Vote Gives O.K. To Carter

The Carter Administration won a significant test of their ability to conduct foreign policy when the Senate ratified the first part of the Panama Canal Treaty March 16 by a vote of 68 to 32.

During the last days the fight for passage of the treaty was carried out successfully by the veteran center forces of the Democratic Party, particularly Senators Robert Byrd (W.Va.), Russell Long (La.), and Herman Talmadge (Ga.) who were acting closely with the chief White House lobbyists and Special Trade Negotiator Robert Strauss. A source in the Administration commented, "This gives us survival, it keeps us from losing. It gives a chance to consolidate, to get on with our relations on the Hill."

Senator Talmadge in his speech endorsing the treaty declared that its ratification would allow Carter to move

on with the urgent tasks of a SALT accord and efforts to strengthen the dollar through expanded exports. "Many problems are far more important to our national security than the canal treaties. The most important problem facing our country today is the need for some kind of enforceable and binding agreement to limit nuclear arms and to lessen the likelihood of nuclear war with the Soviet Union which would destroy civilization as we know it. We also must devote our energies to avert the possibility of another explosion in the Middle East which could bring the U.S. and Soviet Union to a nuclear confrontation. The most important national issue facing the U.S. is the deplorable state of our economy which is bringing down the dollar abroad.... The trade deficit threatens to destroy the value of the dollar."