

for a Carter-Congress confrontation when the legislators reconvene in mid-September.

Sperling confirmed in an Aug. 28 article what this news service reported previously: that Mondale "is known to have been a leader" in convincing Carter to "get tough" with Congress. That "get tough" act — which has Carter preparing to "face down" Congress in behalf of proposals (such as the energy bill) that were drawn up by London for the explicit purpose of destroying the United States — is well on its way to ruining the President's relations with Capital Hill.

This is not to say that Carter shouldn't be "getting tough." The question is: *tough on whom?*

## Who's Backing a Carter Showdown with Congress

*A top aide to Agriculture Secretary Robert Bergland recently elaborated on his boss's role in the President's new hardline posture, publicly associated with Carter image-maker Gerald Rafshoon:*

*Q: Were the statements that Secretary Bergland made recently against Congress OK'd by the White House?*

*A: Thank God that I was there so I can answer this.*

There is no Rafshoon-Carter conspiracy. Godfrey Sperling of the *Christian Science Monitor* has a regular series of breakfast meetings with officials and he brought this up with Bergland last week. Bergland thinks that this policy should be the policy of the White House. But the White House didn't know about it. In fact, the White House called up and asked us what Bergland said. They noted his comments with interest but that is all they said to us on it.

*Q: Do you think that there are people at the White House and in the Administration besides Bergland who support the policy of putting tremendous pressure on Congress?*

*A: There is a large faction in the White House and Administration, including Rafshoon, which thinks the President should do this. Bergland has been disappointed that the Cabinet has not been more active in supporting the President. He feels that this pressure on Congress is the only thing that Congress understands.*

*Q: Who in the Administration supports this view?*

*A: The people with Hill experience understand this. By this I mean such people as Brock Adams (Transportation Secretary), and Califano (HEW Secretary).*

## Conference Of U.S. Governors Endorses Pronuclear Resolution

U.S. governors firmly closed the door on any antinuclear initiatives within the National Governors Association at its annual meeting in Boston Aug. 29-30. This was accomplished by near unanimous passage of a resolution calling on Congress to rapidly implement all aspects of nuclear fission, including programs for nuclear waste storage and shipment, expedited nuclear plant siting procedures, the construction of more light water nuclear reactors, and most importantly, U.S. development of the fast breeder.

A strong axis led by Gov. Meldrim Thomson (R-NH), Gov. Dixy Lee Ray (D-Wash.) and Gov. James Edwards (R-SC) launched the drive for a U.S. nuclear fission policy. Gov. Ella Grasso (D-Conn.) alone attempted to push solar energy development with a resolution which Gov. Meldrim Thomson termed "inaccurate" in its claims for solar potentials.

The British-inspired deindustrializers among U.S. political leaders have clearly lost their battle against nuclear energy development. Their attacks on the vitality of the U.S. industrial economy, however, continued at the conference with a major "fiscal conservative" cost-cutting push for the federal government, and championing of Proposition 13-style tax-cut proposals for states and cities.

This thrust was launched in the keynote of British-controlled Senator Edward Kennedy (D-Mass), nominally speaking on his health care bill. However, all of the tax revolt, cost-cutting resolutions in circulation at the conference failed to pass, with the sole exception of a resolution by Gov. Jim Hunt (D-NC) calling for a balanced federal budget by 1981.

### *Kennedy v. Carter Gambit Flops*

Attempts to set up Kennedy in opposition to Carter fell flat. At the opening press conference, rigged questions concentrated on Kennedy's presidential prospects in 1980, and whether governors preferred the Kennedy Health Plan to Carter's. Gov. Michael Dukakis (D-Mass) brought this line of questioning to a close with his comment "Let's cross that bridge when we come to it."

The Caucus of Democratic Governors followed up by approving a resolution of support for Carter, throwing a wrench into efforts to further weaken Carter on the eve of the Camp David Summit.

The political chemistry of the Governors Conference was substantially heightened by the presence of U.S. Labor Party 9th Massachusetts congressional district candidate Graham Lowry. The governors received a

message from U.S. Labor Party Chairman Lyndon LaRouche warning of the war danger and pointing to the Bonn-Bremen agreements and a U.S. export boom as the only basis for competent tax and fiscal policies.

A full fight over the attempt to downgrade the Princeton tokamak breakthrough broke out in the subcommittee on nuclear energy meeting. Following a presentation by General Electric's Dr. Tom Vanderslice, a representative of the *Executive Intelligence Review* asked for his comments on the fusion breakthrough. Vanderslice deferred to John Deutch of the Department of Energy, the same DOE official personally selected by Schlesinger last week to downplay the fusion results. The effect of the disinformation campaign was indicated when even Gov. Ray indicated pessimism about speeding up the timetable for fusion development.

#### *Crisis of Leadership*

The problem of positive leadership in the U.S. was brought out even more clearly by Carter Special Trade Negotiator Robert Strauss's speeches on Fiscal Policy and Trade. Protrade Strauss, said to be sent by Carter to mend fences with the governors, called for voluntary wage and price restraints, and gave lip

service to cost-cutting. Both Gov. Ray and Edwards of South Carolina raised the question of a strong U.S. dollar, with Edwards noting "This country didn't suffer from inflation until the dollar was taken off the gold standard." In the meeting of the energy committee chaired by Gov. Caroll of Kentucky, Caroll called for Congress to enact a production-oriented energy program to make the dollar strong.

After Strauss's speech, North Carolina Gov. Jim Hunt's sole surviving resolution for a balanced federal budget by 1981 was raised. Gov. Milton Shapp of Pennsylvania, the Chairman of the Governors Fiscal Policy Committee, suggested instead that the only way for the government to save money is to spend it: "A dollar invested properly by government in youth can save a large number of dollars that would be required for sustaining these people as adults.... There are no easy solutions to the fiscal morass that our nation is now experiencing. But increasing the productivity of our people and of our industry is one of the key ways to improve things."

The rest of the governors may well have agreed, but with 36 gubernatorial elections this fall, everyone except the retiring Shapp voted for a balanced budget.

### What The Governors Had To Say

#### **On Kennedy**

"I don't detect any real interest in Kennedy out West. Most of us in the state of Washington realize that the president was elected for two more years. A lot could happen in that time."

— Dixy Lee Ray (D-Wash.)  
*former chairman, Atomic  
Energy Commission*

#### **On Energy**

"It could be catastrophic for the nation if Congress fails to pass legislation that increases energy production. If that happens, the nation could face substantial unemployment, extended inflation, and continued devaluation of the dollar."

— Julian M Carrol (D-Ky.)  
*chairman, National Resources and  
Environmental Management  
(the main energy committee  
of the Governors Association)*

"If we are going to power the computers to do paperwork for Kennedy's national health plan, we will need nuclear power. But nuclear power is the question of the U.S.'s prosperity. It's not too much government regulation that is the problem, but energy production."

— Meldrim Thomson (D-NH)

#### **On the Dollar**

"This country didn't suffer from inflation until the dollar was taken off the gold standard. We need a hard currency. Production is collapsing, there is no backing for the dollar."

— James Edwards (D-S.C.)

#### **On President Carter**

"I disagree with Carter on many issues but to have his weaknesses constantly put forward before the nation is a disservice to the American public. It's as if you planted a tree and every week pulled it out of the ground to look at its roots."

— Dixy Lee Ray (D-Wash.)