

Congressional Calendar

Jackson introduces Nazi energy development bill

Sen. Henry "Scoop" Jackson announced on June 11 that he is leading a band of 18 of his upper-house colleagues in a legislative drive for development of "alternative energy resources" for the U.S. At a press conference in the capital, Jackson announced the birth of S. 1308, the Energy Supply Act of 1979, to establish funding for such synthetic fuel production as coal gas.

Production of synthetic fuels has not been discussed seriously since the Nazi effort to develop them in the 1930s. Today, it would require policies of wage austerity and inflated energy prices similar to those of Nazi Germany to produce a payoff for synthetic fuel projects. This hasn't dampened the enthusiasm of either Jackson, or Brookings Institution "economist" Arthur Okun. Okun declared this week: "Germany fought World War II with synthetic oil? Why can't the U.S. use it?"

Points of Jackson's new legislation include:

- cutting U.S. oil imports by 6.2 million barrels a day by 1990;
- speeding up federal approval and demonstration programs for nonnuclear fuels such as solar, geothermal, biomass, coal gas, coal liquification, and massive funding of such fuels;
- establishing the commercial viability for coal shale;
- developing gasohol and solar energy;

- fostering major coal conversion of U.S. industries.

Hearings on Jackson's proposal will begin shortly in the Senate Energy Committee and the Senator has declared his goal is "to bring this bill back to the Senate for enactment before the August recess."

Other legislation for funding of synthetic fuel production will reach the floor of the House over the next two weeks. Congressman Moorehead (D-Pa) has proposed an amendment to the Defense Production Act of 1950 which sets a five-year goal in which 500,000 barrels of oil a day used by the military would be replaced with solid wastes energy sources, coal gas, and oil shale. Moorehead has declared that U.S. national security depends on an energy source independent of oil supplies. Moorehead's amendment provides for \$2 billion of taxpayers money to ensure high-price guarantees for these products. House Majority leader Jim Wright wants to see the \$2 billion figure increased to \$10 billion and will have this proposal offered when the bill reaches the House floor.

New life has been given to S. 730, known as ENCONO, the long-standing proposal for an Energy Corporation of the Northeast. Hearings on the bill, which would establish a supragovernmental northeast regional structure to finance energy conservation and such boondoggles as solar energy programs, will begin July 16 in the Senate Energy Committee.

The anti-industry intent behind the ENCONO bill was reflected in an energy program issued this week by the New England Energy Caucus, headed by Senator Kennedy's Massachusetts collaborator, Senator Paul Tsongas (D-Mass). After endorsing the ENCONO proposal, the group called for cutting in half New England's dependence on fossil fuels and replacing oil with wood-fired industrial plants and hydroelectric power as major power sources.

Under the guise of serving as funding for oil development, another scheme is being pushed by Congressman Peyser's (D-NY) office to establish a government funding mechanism that will sell bonds to pension funds, corporations and others and use the money for oil exploration and alternate energy sources. The plan Peyser is working from was outlined by oil and gas company owner Samuel Lefrak in the *New York Times* June 8. Lefrak called for a National Energy Bank "to finance exploration or technical research in alternative resources." Peyser's office this week acknowledged that Lefrak had called the Congressman to have his staff begin working on his plan.

Hill climate builds for Mexican oil grab

June 6 hearings of the Senate Finance Committee's International Trade Subcommittee on the "evolving relationship between

Mexico, Canada and the U.S." signaled a renewal of congressional interest in the so-called North American Common Market, a scheme floated by Lazard Freres's Felix Rohatyn and other London-linked financiers as a cover for U.S. takeover of Mexico's giant oil reserves.

The energy grab underpinnings of the common market plan were mooted again during last week's hearings, when Rep. Arlan Stangeland (R-Minn), who has cosponsored a resolution calling for an "energy summit" among the three North American nations, testified. Stangeland told the committee that an energy summit would help to overcome blockages to the establishment of a continental common market—such factors as "economics, distribution systems, social considerations, national pride." Strangeland also emphasized that a common market structure would be suited to supranational implementation of new energy resource projects, including the Canadian tar sands, and American coal gasification capabilities.

Also testifying at the hearings were representatives of the Brookings Institution, the State Department, and the office of the President's Special Trade Representative.

No immediate action is expected on the Stangeland Resolution, which was cosponsored by Sen. Robert Dole of Kansas. But an administration study of the North

American Common Market proposal has been mandated as part of the multilateral trade negotiation legislation which is due soon in Congress. Backers of the plan understand that the U.S. must not give the appearance of moving too quickly or precipitously on this issue, if the Mexicans are to alternately be cajoled or forced into acquiescence.

It is likely for that reason that Representative Henry Reuss (D-Wisc), chairman of the House Banking Committee, has issued a call for the consolidation of a "Caribbean coalition" which would include the U.S., Canada, Mexico, Central America, Venezuela, Colombia, and all the Caribbean Islands. A spokesman for Reuss said that while he supports the idea of a North American Common Market, it is a long way in the future, and a coalition which could deal with specific, narrow economic and labor factors is at least a more immediate step in that direction. Reuss has sent his proposal to the administration and to all Caribbean ambassadors to the U.S. for comment.

House hears Freeman vote fraud challenge

Both the Democratic and the Republican leadership of the House of Representatives were thrown into an uproar yesterday as the vote fraud challenge by the Labor Party's Debra Hanania Freeman came

to the floor of Congress. According to a number of congressmen, Mrs. Freeman is the first contestant in this century to actually be seated on the floor of the House while her charges were being presented.

After an unknown Congressman requested a roll call vote—despite O'Neill's and Thompson's fervent pleas for a unanimous voice vote—the chain of votes supporting Thompson's resolution was broken by Rep. Davis, who voted against dismissing Freeman's case. Thompson and other O'Neill flunkies immediately pounced on Davis, so that, in the words of one observer, "you couldn't even see him anymore." Finally, under enormous pressure and near panic being displayed by O'Neill, Davis relented and changed his vote.

During and after the vote, dozens of congressmen and their aides came up to Mrs. Freeman, congratulating her for being the first contestant in memory to get this far, and some even requesting her autograph. But in the back of all of their minds was the question asked explicitly by two congressional aides, "Mrs. Freeman, what do you think of (U.S. Labor Party Chairman) Mr. LaRouche, and what do you think he will do in the 1980 elections?"

—Barbara Dreyfuss
and Susan Kokinda