"comprehensive" and "far-sighted" response to the Club of Rome-sponsored "Limits to Growth" report, published by MIT's Jay Forrester and Dennis Meadows in 1972.

Like "Limits to Growth," the "Global 2000 Report" starts out from Malthusian premises to project a grim future in which human growth can no longer be sustained by the world's diminishing "finite resources." The study predicts "regional water shortages," widespread deforestation, a 20 percent increase in land area covered by deserts, and sharp increases in real prices of food, energy, and non-fuel minerals occuring within the next 20 years.

One of the key buzzwords promoted by "Global 2000' is that of "carrying capacity," the notion that the earth has only a fixed amount of available water, arable land and other resources, beyond which any population growth is excessive. The study states that "the populations in sub-Saharan Africa and in the Himalayan hills of Asia" have already "exceeded the carrying capacity of the immediate area, triggering an erosion of the land's capacity to support life." The conclusion to be drawn: populations in these areas must necessarily die.

According to Worldwatch Institute's Lester Brown, an adviser to "Global 2000," the "carrying capacity" notion must also be applied to eastern Africa, where ten million persons are presently threatened with starvation. "The desertification problem is growing," Brown stated in a recent interview. "The entire East African plateau appears to be slowly deteriorating under pressures of population and deforestation. The same thing is happening in northeastern Brazil for the same reasons."

"There's a need for much more education on carrying capacity issues," Brown continued. "I've been at so many international conferences where Africans said, 'We've got lots of space.' But it's not just space, it's the availability of water and arable land. What I've proposed informally within the U.S. government is to sponsor Global 2000 studies country by country. AID [the Agency for International Development] would work with the governments and help them to understand the relationship between population policy and carrying capacity. This is not a natural thing for many of these governments to understand."

Brown's colleague at Worldwatch, Erik Eckholm, has just joined the State Department's Policy Planning staff. In an interview, Eckholm pooh-poohed estimates by the London *Economist* and other sources that ten million lives are at risk in northeastern Africa: "They always say that. During the Sahelian famine, there was talk of six million at risk. But afterwards studies were done which showed that the death rates increased by only tens of thousands over normal. . . . There's enough aid going into these areas. People are adaptable, they go into the cities and manage to survive."

Transportation

Trucking dereg crashes ahead

by Richard Freeman

A month and a half after the deregulation of U.S. trucking, the industry is in the steepest decline since the 1930s. If certain plans now sponsored by the Interstate Commerce Commission are implemented, American trucking companies will undergo a shakeout that will conclusively wreck the domestic transportation system.

Trucking is highly dependent on the consumer goods-producing sector. The Federal Reserve's interest-rate crunch last October and imposition of credit controls this March have devastated the U.S. consumer sector. Hardest hit is auto production, the leading item transported by truck. Consumer electronics, building materials, home furnishing and so forth have also suffered. American Trucking Association figures show that from May 1979 to May 1980 (the latest month available), trucking traffic has plummeted 25.2 percent nationwide. The decline was 10 percent for New England, 13 percent for the Pacific region, 29.1 percent in the Northwest and a whopping 36.7 percent in the Midwest.

The ICC moves in for the kill

Companies that have already folded include the nation's 17th largest motor carrier, Wilson Company, which went into bankruptcy court with $22.4 million in defaulted loans when its Dallas-based Strickland Transportation Co. failed. Others are the Thomas Inman Company of Tulsa, Oklahoma, and the giant Johnson Motor of North Carolina, which employed 2400. Another major carrier, McLean Trucking, will probably report a heavy loss for 1980, its first red figures in 34 years.

Even the industry giants, such as Consolidated Freightways, the number two company, are merely making money on reduced freight traffic by charging higher rates.

In this depressed atmosphere, the Interstate Commerce Commission under chairman Darius Gaskins is implementing the full deregulation of the trucking industry. Only a few firms are certain to survive. The safety, low costs and efficiency of U.S. trucking will not. Soon the United States will have a dangerous junk heap of a trucking industry like Great Britain's which can scarcely be called an industry at all.

Gaskins is a protégé of Alfred Kahn, the man who deregulated and has done much to destroy the airline industry, when both were at the Civil Aeronautics Board. Gaskins also served under U.S. Energy Secretary Charles Duncan. Duncan is a past director of the Southern Railway. Railroads, which already have the bulk of the nation's producer goods transport locked up, are in line to benefit if the trucking industry collapses. Many rail companies are now buying trucking companies to be there to pick up the pieces when the trucking industry is shaken out. But the U.S. internal transportation industry will never be the same without an efficient trucking industry and trucking collapse will just further intensify the destruction of the U.S. economy.

Gaskins' game plan is the following: destroy the rate bureaus that set collective trucking rates and replace them with a system that charges "differential" prices for different standards of service. At the same time, the ICC is already wiping out the collateral of trucking companies in the form of operating authority certificates—the licenses that restrict access to the market to qualified carriers.

Abolishing the profit structure

The trucking industry, like the farm sector, works on a system of parity. A trucking firm needs to cover its costs plus requirements for expansion and improvement of fleets and terminal systems, and some fair level of profit. The ICC policy will remove that profit and irreparably damage the capitalization of the industry. The Carter administration, Senator Ted Kennedy, and Republican candidate Reagan are nevertheless all advocates of deregulation.

The first assault against the trucking rate bureaus began earlier this year when the ICC denied the large Rocky Mountain Bureau a rate increase from Jan. 1 through June 30. The ICC's objective, according to one motor carrier executive, was twofold. "First, they wanted to get the trucking companies to support the deregulation bill," he told *EIR* Aug. 4. "The ICC's message was, 'If you don't support dereg, this is how we're going to treat you in the future.' Second," he added, "the ICC offered rate increases to companies that would break from the Rocky Mountain Rate Bureau and file for independent action to get rate increases."

The attempt to break the Rocky Mountain Rate Bureau was the precedent for "X-Party, NC-128," the proposed rule change introduced this year by ICC General Counsel Ed Schack under Gaskins' instruction. Open hearings on this rule change were held July 29. The proposed new rule would give trucking firms 90 percent of the rate increase they requested, thus under current circumstances nearly precluding profits.

This would also set up trucking companies for a fight with the Teamsters, because the carriers need a certain rate of rate increase to meet the 9 percent wage increase for this year negotiated with the union.

The three-tier system and "free entry"

What ICC chairman Gaskins is proposing is the Canadian model. There a trucking company typically operates three companies under different names. If a shipper wants good shipping service, he must pay accordingly. If he wants only fair service, he will pay less, get poor service. Delivery time is five to six days, if he pays an even smaller sum. Gaskins lauds this "free market philosophy." It is in fact a formula for mass trucking bankruptcy and poor service.

Moreover, the certificate of operating authority which some truckers paid millions of dollars to get is now worthless. The certificate was obtained by either: 1) having a route before the ICC was created; 2) applying for the route; or 3) buying the route from another company. The certificate could be used as collateral to get bank loans for new trucks, or as a sign of stability to pay off creditors in case of bankruptcy. Now with "open entry," certificates are granted gratis, and the old certificates and millions of dollars are worthless.