

National News

AAAS hosts attack on livestock industry

David Pimentel, an agricultural economist at Cornell University, launched an attack on livestock and production at the annual meeting of the American Association for the Advancement of Science held in Toronto last week.

Pimentel, in his speech, claimed that Americans could help solve the energy crisis if they would cut their own protein consumption in half, and eat more grains and poultry.

Another speaker, Alex Hershaf of MITRE Corporation, extended this analysis by claiming that the American taste for beef is "responsible for the . . . abuse of rangeland and forestland and for the loss of soil productivity through erosion and mineral depletion."

Pimentel and Hershaf used the notion of a fixed energy-resource base, discounting increased utilization of nuclear energy, and the continuous improvement in agricultural production that comes about with increased energy throughput in the agricultural sector.

House panel finds defense base ailing

House Armed Service Committee Chairman Melvin Price released a special panel report Jan. 5 asserting that U.S. national security is in jeopardy because of a "serious decline" in the nation's defense industry.

The 52-page report was compiled by a 10-man panel headed by Rep. Richard Ichord (D-Mo.) after 13 days of hearings, with testimony from defense companies, military services, executive agencies and private analysts.

Of the findings, Ichord said: "A shocking picture has emerged from our investigation: the picture of an industrial base crippled by declining productivity growth, aging facilities and machinery, shortages in critical materials, increas-

ing lead times, skilled-labor shortages, inflexible government contracting procedures, inadequate defense budgets and burdensome government regulations and paperwork. Also, we are not buying the required ammunition, equipment, and weapons systems to fight even a short war. . . .

"Plainly and simply, we are not prepared. Our defense production base is ailing, and in the event of a crisis, we do not have the staying power to sustain us until that base could come into play."

The special panel recommends various changes in government contracting procedures as an immediate, short-term solution. It also calls for the President and Congress to initiate action to solve the many problems relating to productivity, quality, manpower and critical materials that afflict the defense industrial base.

Sasser recommends two-tier credit rates

Charging that the Federal Reserve's high interest-rate policies are "threatening to destroy critical sectors of the American economy," Sen. James Sasser, Democrat of Tennessee, last week introduced a Senate resolution demanding that the Fed bring down interest rates.

The resolution, an expanded version of one introduced by Sasser and supported by several Democrats last session, calls on the Fed to "abandon its October 1979 policy of attempting to manage the monetary structure of the country."

In addition, the resolution says that the Congress "should abolish the Open-Market Committee and stipulate that decisions be made by the Board of Governors" and that "the Board of Governors reflect all sectors of the American economy."

The resolution further calls on the Senate Banking Committee and the Joint Economic Committee to "study the advisability of seeking other necessary institutional reforms in the structure and operation of the Federal Reserve System to improve the management of the na-

tion's monetary structure with the goal of providing a stable and positive economic environment for growth and investment while reducing inflationary pressures. . . . The study should include an investigation of the feasibility of implementing a dual prime rate which can be used to channel credit to those sectors of the economy that have suffered from chronic credit shortages as a result of the Board's current monetary policies."

At a Jan. 9 press conference announcing the introduction of the resolution, Sasser was flanked by Merrill Butler, the head of the National Home Builders Association, and Wendell Miller, the head of the National Autodealers Association. Miller declared NADA's support, while the homebuilders are expected to vote their support at their national convention.

Sasser, who said that he has been in a "longstanding battle against the Fed's interest-rate policies," warned that if the Fed and its monetarist chairman Paul Volcker are "not more responsive" to the will of the Congress and the electorate, "it could lead to legislation for institutional changes."

Schmitt bill proposes 30-year space program

Senator Harrison Schmitt (R-N.M.) is planning to introduce into the Senate a bill, entitled the National Space and Aeronautics Policy Act, in the near future, reports Schmitt's office. The bill would commit the U.S. to a large-scale, 30-year program to develop the capabilities for colonization of space.

The bill would allocate 0.5 percent of the United States's GNP for NASA over the next 30 years, a sum estimated to be \$5 billion in 1980, \$10 billion in 1990, and \$15 billion in 1995, as measured in constant dollars.

By 2010, the bill specifies, the United States should have developed the capabilities for routine earth-orbit activities, permanent manned stations in earth orbit and on the moon for scientific research, and for research on industrial and

agricultural processes needed for permanent space colonies.

Schmitt's bill would also mandate the development of new power systems, probably nuclear fission and/or fusion-based, for long-range interplanetary exploration and colonization, and calls for manned missions to Mars and Venus.

Schmitt met with President-elect Reagan on Dec. 12, and reported that Reagan "showed a wide-ranging interest in science and technological policy issues, particularly space and strategic defense technologies . . . [and] indicated a strong interest in expanding our scientific and technological base."

British Fabian sketches alliance for decay

In a Jan. 8 interview, former Fabian Society Chairman Peter Hall expressed his full agreement with the recent recommendations of the President's Commission for a National Agenda on the 80s report that U.S. urban and economic policy be geared around the concept of a postindustrial society.

"There are two Americas," said Hall. "One is the 19th-century heavy-industry society; the other is the growing post-industrial society, in some cases built on the shards of the old America. It is the conflict between these two worlds that will produce the crisis and social cataclysm of the next decade. The two worlds are in fundamental opposition. They cannot coexist. In the end, the postindustrial world must crush the other one.

"There is no longer any real point in maintaining the phony ideological distinctions about left and right in economic ideas," Hall continued. "The way I see things, there is a real convergence between quite left-wing Fabian types and the so-called New Right, both here and in Britain, and on the Continent. Both groups unite in their support for local control and local initiative. It is really a question of understanding the roots of these ideas. Look how many members of the Mont Pelerin Society are former Fabians.

"How are such transformations possible? It is only because they are currents of the same liberal economic thought, like Adam Smith and Karl Marx. Both the New Left and the New Right are going to come together around the program of the postindustrial society; they can be bold and innovative. The problem is the center-left grouping, the part of the Labour Party and the Democratic Party that is tied to the labor movement. The labor movement is the main roadblock to the postindustrial era; they will make alliances with certain sections of the ownership of heavy industry to keep their plants open. The power of the labor movement to hold back progress must be broken."

Reagan seeking bipartisan support

President-elect Ronald Reagan asked for bipartisan collaboration this week to help solve the nation's economic problems. On Jan. 7, Reagan met with Democratic senators and announced, "I want to tell you frankly that I believe the problems confronting us are going to require bipartisan action and counsel and guidance. I've been privileged to have some of that advice already." Senate Minority Leader Robert Byrd responded, "I indicated to the President-elect our desire as Democratic senators . . . to work with the President-elect, with the Republican majority of the Senate."

At the same time, one of the President-elect's chief liaisons with Congress told reporters that the new administration wants to work with Congress on a bipartisan basis. He indicated that one particular House Democrat they hope to work closely with is Rep. Jim Jones, the new chairman of the House Budget Committee. Sources close to Jones indicated that the congressman and President-elect may meet shortly to discuss economic issues beyond budget cuts. The Oklahoma congressman is particularly concerned about a tax policy to increase production and industrial investment.

Briefly

● THE HOUSE DEMOCRATIC

Caucus meets during the week of Jan. 19 to wrap up House committee assignments. Things may not go smoothly. Conservatives may be planning to challenge some of the liberals whom the House Steering Committee, under Speaker Tip O'Neill's direction, have nominated to the three major committees, Rules, Appropriations, and Ways and Means.

● JAMES WATT'S nomination for Interior Secretary came under heavy fire this week from the media of the nation's liberal Eastern Establishment. The *New York Times* on Jan. 6 said, "The Senate should be wary of confirming him [Watt]. The job at Interior requires judicious balance of competing interests, not single-minded extremism on behalf of economic development."

● LYNDON LAROUCHE, JR., who chairs the advisory board of the National Democratic Policy Committee (NDPC) and is an *EIR* Contributing Editor, has issued a letter outlining a perspective for making the committee into a mass-based organization. LaRouche announced that he will circulate a videotaped State of the Nation address to fuel this expansion.

● JOSEPH CALIFANO'S law firm in the 1970s, Williams, Califano and Connolly, was the lawyer for the *Washington Post*, which helped hound Richard Nixon out of office. Califano, representing the *Post*, met often with Al Haig, his current client, during the Watergate crisis. The firm also represented international swindler Robert Vesco, whose illegal contributions to Nixon started the investigations into the former President's finances. The firm and its senior partner, Edward Bennett Williams, were also closely associated with the Mullen Company, where E. Howard Hunt, the Watergate burglar, was deployed as a front.