

structural unemployment.... I hope we will be entering a new era of openness at the Fed.

There is a cloud on the horizon, and that is this policy of Federal Reserve intervention into the international markets to support the dollar... This is ill-conceived, and cannot do anything but hurt us in the end.

While I am not happy about the decline of the dollar, I do think it helps make our exports more competitive and I favor keeping the Fed away from intervention.

I also think it would be a drastic mistake to link the dollar to anything else, such as the deutschemark. This would be a threat to our monetary independence, we would be turning it over to the West German Bundesbank (the West German central bank — ed.).

At the close of his speech Reuss gave a brief interview:

Q: Congressman, are you aware that the National Association for the Advancement of Colored People has rejected public-works employment with the announcement of an energy program supporting the development of nuclear energy?

A: No I was not; I haven't read their policy (statement) ...Well, if the NAACP's policy is what you say it is, then I am sure God will forgive them.

Q: What do you propose?

A: I think relocation programs could be effective, but not as the only policy, only as an overall attack on structural unemployment. But I have to be very careful about the language I use, because I don't want to sound like Hitler.

Senate Recesses, No Energy Bill In Sight

ENERGY

Senator Henry Jackson's offer of a compromise on the natural gas bill in order to have the Senate rapidly pass an energy bill was of no avail. His efforts failed this week and the Senate adjourned Feb. 10 for a 10-day recess with little headway having been made on the energy bill.

Jackson's compromises would have allowed the price of gas to rise a specified amount yearly until it reached \$2.77 per thousand cubic feet in 1983, when prices would no longer be regulated. This proposal was rejected by the

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Republican members of the Senate compromise committee, six of whom united to draft their own counterproposal which would have put the gas price at \$3.27 by 1983. Jackson, whose strategy had been to split Republicans, was furious, but was forced to reject this since he couldn't give so much ground. Privately, he admitted that it was clear from the beginning that the Republican proposal would not be acceptable to the Democrats.

On Feb. 8 Jackson met with President Carter to tell him he had failed to get a compromise on the gas part of the energy bill, but stoutly declared, "I haven't given up." The next day Jackson met with several of his opponents in hopes of swaying them. "I wouldn't term it 'picking them off,' " he said of his effort to woo them individually.

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U.S. Senate Passes Percy Nuclear Nonproliferation Bill

By a vote of 88 to 3 the U.S. Senate last Tuesday passed the Percy-Glenn Nuclear Non-Proliferation Act, S. 897. The bill will place stronger controls on U.S. nuclear exports, supposedly to control the proliferation of nuclear weapons. Commenting on the bill, Senator James McClure (R.-Idaho) told NSIPS that in his estimation, if the bill had not been rushed in last week by the Carter Administration for a hurried vote in the aftermath of the press scare over the crash remnants of the Soviet Cosmos-954 satellite, opponents of the Percy bill could have substantially weakened provisions which they and nuclear industry say will severely damage U.S. nuclear export prospects. A vigorous fight to propose or amend the negative features of the bill was waged by

Senator McClure and several other pronuclear energy legislators as well as by the U.S. Labor Party and the Fusion Energy Foundation.

A State Department source opposed to the Percy legislation mandate for shackling nuclear exports under a maze of additional governmental checks, said that it will be "difficult to live with this bill". A number of foreign nations considering purchase of U.S. nuclear technology are stalling, waiting to see what happens to the bill. Iran, which has been discussing possible purchase of eight additional Westinghouse reactors, has to date refused to sign a final agreement because of apprehension over the implications of the Percy legislation on Iranian domestic sovereignty.

Percy's office in an interview last week claimed that passage of S.897, which must now be reconciled with a House-passed version and sent to the White House for the expected approval, would actually aid U.S. nuclear exports, but the nuclear industry and others disagree.