

But Schlesinger's extreme political vulnerability, along with that of his energy package, cannot be disguised. Syndicated columnist Jack Anderson alleged on national television Nov. 24 that his sources in the Administration are saying that Carter believes the Energy Secretary has made a botch of the program, and that Schlesinger will be the Administration's first Cabinet official to be dumped.

Behind such rumors, and the shrieking of the liberal Democrats, is the reality that Congressmen especially from heavily industrialized districts are now hearing things from their constituents during the recess that lead them to believe that the Schlesinger creation will be impossible to defend politically when they come up for reelection next year.

Schlesinger's reception at national conferences of the Anti-Defamation League of B'nai B'rith and the National Association for the Advancement of Colored People, where he lyingly retailed two different lines last week, was hardly warm, although both organizations are firmly entrenched in the liberal wing of the Democratic Party. That lawyer Max Kampelman, the longtime confidante of Sen. Hubert Humphrey, felt it necessary to raise sharp questions about Schlesinger's "kill the breeder" policy was a significant measure of the disaffection expressed by "Carter's staunchest supporters."

In addition, the possibility of a sudden "bolt" by diverging factions in Congress, and the disintegration of the compromise package or its rejection by the full Congress, cannot be completely discounted.

If the compromise holds together, the chief political loser will be Jimmy Carter. The *Washington Post* served notice today in a front page article that as of now the basic strategy of the "British faction" grouped around Vice President Walter Mondale is to pass "a bill nobody loves" and then attack Carter all year long as the "Herbert Hoover" who promoted the kind of 1930s social crisis Schlesinger nostalgically harks back to in his every speech.

Schlesinger Hits A Snag At The ADL

The following is part of the speech of James Schlesinger before the Anti-Defamation League this week. He was then questioned by Max Kampelman, an ADL executive member. We print both the question and Schlesinger's answer:

We have a broader problem that will become more critical in the 1980s, a worldwide problem: the ability to increase oil production will begin to peter out. By the early 1990s, oil production will begin a long slide downward. We must have vision and foresight that is the purpose behind the national energy plan.

Our energy problems have affected all of us intellectually — we all know that problems are there — but not vicerially. The national energy plan will have to be supplemented by other legislation and action after 1978.

We face the danger of balkanization — by interest group, industrial group, and by region.

The national energy plan is quite simple — we have

been prodigal in energy matters in the past. If all the world were consuming at our rate, all the possible oil in the world would be exhausted in 15 years. Americans are the highest consumers of oil because we have been prodigal. We have opportunities for improvement.

The other thing is to move to other fuels than oil and gas. Coal is abundant, though less convenient and less clean. But we must go back to coal. But it is not only coal that we must make more use of — it will be solar, it will be nuclear to some extent. So we have regulatory measures and we are relying on price mechanisms.

I think we will get a good bill from congress, though probably not strong enough to achieve the president's goal by 1985. We will have to supplement it with other measures.

The underlying premise is to take advantage of the time we have to alter our capital stock and equipment to move from oil and gas and make them more efficient.

The economic consequences are but a prelude to the possibility of dissatisfaction: if we are negligent today — severe economic difficulties in the 1980s will undermine public faith in our system — we will shake the political and social fabric of our nation as it has not been shaken since the 1930s.

Max Kampelman: I think this Administration needs a change in basic approach....I think most people do not have to be convinced that there is an energy problem, but there are confused signals coming from the Administration as to how to meet the problem. You are depending on achieving a national consensus. You talk only briefly about nuclear power...Now, a majority of both houses of Congress passed funding authorization for the breeder, but the President vetoed it....This veto reduces the impact of the sense of severity of the power crisis on the public. And another example. There is so much emphasis on environmental concerns coming from the White House, which seem to take precedence over solving the energy problem. All this produces a confusion of signals which also leads to a confusion on the part of the body politic.

Schlesinger: I agree with you, but not entirely. The House gave the President virtually all he requested except the gas tax. I think we will get a good bill out of Congress. What we are doing is moving the price of oil and gas so that industry will move towards coal. We do not want to rely on the price mechanism, but we do not want to fight it. Regarding the trade-off between energy and the environment: It is a difficult trade-off. Some argue as you do. It is a logical position. Some further adjustment may be necessary. Regarding the breeder: Clinch River Breeder Reactor should not be built, in my judgement, simply because it is not cost effective. It is the wrong facility at the wrong time. But the President has indicated he will preserve the breeder option. We are spending more on breeder research than Europe is. The breeder is not a solution to our energy problems. We can construct L.W.R.'s and coal plants. We have a problem with LWR's in licensing — we will shortly come forward with streamlining legislation which will help this problem. In the long run, if we still need nuclear plants, we will have the breeder option. But the President has made clear that we do not want a plutonium economy. The real energy problem is not electric power produc-

tion. It is liquid fuels. The energy problem on which we should concentrate lies elsewhere.

NAACP Rejects Schlesinger, Calls For Nuclear Development

A personal appearance by Energy Department chief James Rodney Schlesinger was not sufficient to prevent the National Association for the Advancement of Colored People (NAACP) from concluding its National Conference on Energy with a policy statement recommending the development of nuclear power Nov. 19. Originating from the conference's Energy Supply Workshop, the resolution urged "the expanded use of nuclear energy, especially in light of the safety record of the nuclear industry to date."

By supporting the resolution, the NAACP conference's 300 delegates disassociated themselves from support for the slave-labor makework jobs programs such as the Humphrey-Hawkins bill, in favor of high-technology productive employment. Schlesinger's bid for organized black community support of his policy of sabotaging energy development was coolly received. When queried on the Administration's hindrance of nuclear power, Schlesinger lied that the U.S. was looking into more advanced technologies calling the breeder reactor "obsolete."

Following a speech by Fusion Energy Foundation spokesman Susan Kokinda detailing the development of fusion power by the 1990s NAACP National Executive Board Chairman Margaret Bush Wilson, in a veiled reference to Humphrey-Hawkins, asked the delegates to consider, "whether we have to have big government or big oil save us," Wilson then called for a government-industry-black community "partnership for progress."

Below are excerpts of Energy Secretary Schlesinger's remarks to the conference.

We are going to go through a severe transition in the United States. It is the purpose of the President and the energy plan to achieve a smooth and fair transition.

This impact of the National Energy Plan on the economy will be this: we face a future in which cheap and abundant petroleum will ultimately be in relatively short supply. In the longer run, we will have substitutes, be it fusion or solar, we do not know. But we have a problem in the short run — 10, 15 or 20 years.

We are going to have to learn to conserve — by conservation, we do not mean belt-tightening, but greater efficiency. In the longer run, energy prices will rise again, and unless we diminish our dependence on imported oil, we will encounter sudden disruption, with rising unemployment, inflation, balance of payments problems so severe that we could not import oil even if it were available.

And those consequences would fall most harshly on the minorities, elderly, and the poor.

So we are beginning to make adjustments now in our economy — becoming less dependent on oil by switching to coal and other sources, and more fuel efficiency. Then

we could ride out those economic difficulties of the 1980s. Otherwise, this crisis of the 1980s could have political consequences that could shake the nation as it has not been shaken since the 1930s....

...The overall effect of such a redistribution of income through rebates and taxes would be fairness and equity.

Aside from equity, the goal was expansion of production and job opportunities. If we do not have an energy plan that permits for an expansion of the economy, unemployment will rise. So we need a very careful balance between economy and energy policies. We must use monetary and fiscal methods to prevent any part of the energy plan from leading to higher unemployment. We must achieve economic expansion and at the same time diminish our reliance on foreign energy supplies, and be equitable.

We have made reasonably good progress on Capital Hill — 75 to 80 percent of what President Carter proposed will ultimately come out.

We deal with conservation not by bringing down production of energy supplies. Conservation is intended to reduce the rate of growth from 4 percent to 2 percent. But it must not be pushed to the point where it interferes with expansion of the economy and jobs. But we have had a high level of waste, not because people are wasteful, but because capital equipment has been inefficient.

Connally And Allies Continue High Profile Fight For Nuclear Power

Former Texas Governor John Connally and his associates are continuing a political offensive in favor of nuclear energy and technological and economic development. Speaking before the Republican Unity Conference in Florida last weekend, Connally attacked the Carter Administration for rejecting nuclear fusion energy development, renewed space exploration, and the B-1 bomber. "The Democrats have said no to the economic growth of the nation. They have said no to America's future," he charged.

An associate of the former Texas governor, Rep. Olin Teague (D-Tex.), is likewise calling President Carter's veto of the Clinch River nuclear breeder reactor project "rash and irresponsible," according to a column by Felix McKnight in the Nov. 16 *Dallas Times Herald*. "Our grandchildren are likely the ones who shall pay most dearly for this presidential mistake," the House Science and Technology Committee Chairman reportedly said. "The President has called the energy crisis the moral equivalent of war, and that may well be. But this veto action reveals that the President doesn't seem to know which forces are the enemies and which ones are the allies."

In tandem with these strong pronuclear statements from his colleagues, Dallas oil and gas contractor and former Deputy Secretary of Defense under Nixon and Ford, William P. Clements recently declared his candidacy for the 1978 GOP Texas gubernatorial primary. Mr. Clements announced that, if he is elected, he will use his position as governor to influence national energy policy. "There are ways a governor can influence these