

Will Republicans Officially Endorse The NAACP Call?

A fight is brewing inside the Republican National Committee for a program of industrial and technological progress. That fight, in part provoked by the NAACP's recently issued statement on a national energy policy, is now creating a significant shift throughout GOP policy-making layers, a shift that was evidenced in several public statements this week.

John Connally, Jack Allen, Ronald Reagan, and William Brock, with the backing of newspapers like the *Cincinnati Enquirer* and the *Dallas Morning News*, all have rejected the GOP's attempt at a new "Democratic" image by backing the NAACP's stand for economic growth.

Carter Energy Bill Isn't An Energy Bill

Former U.S. Treasury Secretary John Connally sharply attacked the Carter Administration for spreading what he called an "alien philosophy" against economic growth in America during an address to the East Texas Chamber of Commerce in Dallas on Jan. 28. Connally, a leading national Republican, is considered by many political observers to be a major presidential front-runner.

Connally hit, in particular, President Carter's opposition to the "B-1 bomber, nuclear power plants, and

hydrogen fusion facilities," and warned that a "no-growth philosophy and excessive concern for environmental factors and consumer protection could mean a decrease in jobs and a damaged economy... We have limitless frontiers of science... This nation was built because we're a daring and courageous people."

Connally stated bluntly that the Carter Administration's National Energy Plan which is stalled in Congress "wasn't an energy bill—it was a tax bill." If the bill becomes law, "it will be disastrous for the nation."

Those sentiments were echoed by Jack M. Allen, the president of the Independent Petroleum Association of America, a major lobbying association representing independent oil producers. Addressing the same group, Allen said that the nation would "fare better without an energy program than with the energy bill passed by the House." Oilmen favor an energy program, but not the one proposed by President Carter. "The American public is beginning to agree that America needs an energy policy that gives incentives for increased production," said Allen, citing opposition to the Carter program from labor groups, consumer organizations, academicians, and the NAACP. "The real reason that President's proposal hasn't passed is that it's a bad bill," Allen concluded.

The statements by Connally and Allen were reported by the *Dallas Morning News* which has editorially endorsed the NAACP's energy policy statement.

Reagan: NAACP Report A 'Hot Potato For Dems'

In his weekly syndicated column, former California Governor Ronald Reagan posed for Republicans across the country the political potential of the NAACP's National Energy Conference Report — an alliance for progress that could shift the political makeup of the U.S. Congress during the 1978 elections. Below are portions of that article, title "Hot Potato for Dems," which appeared on Jan. 27.

For weeks, the White House treated it like a hot potato, hoping it would go away. But it didn't. The National Association for the Advancement of Colored People's National Energy Conference Report surfaced instead in a Detroit newspaper.

No wonder the White House was worried about it. It hands the Democrats a headache and the Republicans an opportunity.

Though it is cloaked in carefully worded language, the NAACP's message from Black Americans to the Carter Administration is very clear: Your energy program is the work of white elitists who "have theirs" and want to slice a shrinking pie into smaller pieces...

Sustained economic growth has been the mechanism that has turned the American dream into a reality of prosperity for wave after wave of newcomers to these

shores. So why not us, the Blacks are asking...

Contrast (the NAACP report) with Energy Secretary James Schlesinger's recent warnings that Carter might slap unilateral import fees on oil to jack up prices or to cut consumption...

That runs against the American grain... The black leaders understand, as energy gurus don't seem to, that increased economic activity means more jobs and more jobs mean denting the stubborn 14 percent unemployment rate among Blacks.

President Carter is in a spot on this issue. Committed to an energy policy that is counter to the American instinct to solve problems, break barriers, and grow, his pursuit of it pleases his party's left-liberal wing while increasing the impatience of Black Americans and other minorities...

If Republicans will put aside the empty rhetoric about "base broadening" and get down to the serious business of linking their job and tax reform programs with the hopes of blacks and other minorities, they may be able to forge an ad hoc coalition in time for this year's elections... If Republicans can persuade Black voters that they are the party of optimism on the energy issue and the Democrats are the party of pessimism, they may have the beginnings of the resurgence they have been hoping for.

Where Does The GOP Stand?

Exclusive to the Executive Intelligence Review

The Republican Party has to date offered no public comment, either for or against the national energy policy statement recently issued by the NAACP. However, that statement has clearly exacerbated factional differences within the Republican leadership, leading to clearly contradictory actions by GOP National Chairman William Brock.

During the Republican National Committee's winter conference on the weekend of Jan. 21-22, the party leadership hosted "country preacher" populist Jesse Jackson, who urged the RNC to endorse "a domestic Marshall plan to rebuild our cities," or else "we are going to have to teach people like Carter a lesson in real politics...there are going to be worse riots than the 1960s unless something is done." Jackson defined this "something" as "a revival of the spirit of the people that will attract industry and jobs. A servant is worthy of his hire, but more than money is derived from work. For from it comes the joy, the fulfillment and the self-esteem of doing a job well done."

Chairman Brock hailed Jackson's "Arbeit Macht Frei" speech by telling reporters, "I wish we had Republicans who could talk like that."

Two days later, on Jan. 23, Brock reversed himself in a private off-the-record meeting with members of the Council on Foreign Relations. According to a leading Republican present at the

meeting, Brock specifically cited the NAACP statement as exemplary of the popular outrage that has been sparked in this country by the Carter Administration's incompetent energy proposals. Brock singled out the proposed congressional compromise energy program for its failure to address the urgent need for capital investment and, implicitly, upgrading technology.

To demonstrate his point, Brock cited the example of the Japanese nuclear energy program as the only rational choice that energy-dependent nation could have made to meet its future needs—a choice that the Carter team had deliberately tried to sabotage. Moreover, Brock argued that the best antidote to protectionism was to adopt an energy program that guaranteed ample energy supplies, a steady rate of investment for capital formation, and productive jobs—not temporary, make-work for unemployed ghetto youth. As a case in point, Brock sharply criticized the burden of environmental protection devices industries, such as U.S. Steel, are forced to pay for with no capital relief in sight. It is because of this kind of shortsightedness that the American electronics industry has already been destroyed, and it was because of the same shortsightedness that the leading Western nations engaged in cutthroat trade war in the 1920s, with all the unspeakable consequences implied, Brock added.

Industry Reps Take Up The Growth Call

The White House Conference on Balanced National Growth and Economic Policy held last week saw an open debate over the proper orientation Administration policy should take. Testimony was heard from both proponents of economic growth and those who feel that "con-

INDUSTRY

servation" of the United States' resources is necessary. While much of the debate was couched in terms of government's proper role, the actual context was the open fight on Capitol Hill over energy development.

Rep. Morris Udall (D-Ariz.) headed the list liberals suggesting that for the U.S., the age of economic expansion is past. Udall called for "labor-intensive" jobs programs and said that whatever the outcome of "all these struggles, the government should try to be just a little bit more neutral."

Countering Udall, was testimony from Ford Motor Company Chairman Henry Ford II and Dr. Morris Levitt, executive-director of the Fusion Energy Foundation. Ford asserted that not only was economic growth desirable, but necessary for the continued well being of the U.S. and criticized the "web of rules and regulations" tying up the development of resources. Levitt directly addressed the need for an inexhaustible source of energy "such as thermonuclear fusion power." This sentiment was shared by Robert Georgine, the president of the Building and Construction Trades union who observed that the delay in regulatory procedure "must be eliminated."

Here are portions of Henry Ford's statement before the conference.

My primary concern is whether there will be growth at all, given our government's increasing preoccupation with national policies that effectively impede growth. As I look at our country today, I see a powerful but uncertain and unsteady giant being trussed up in a growing web of