

No Need for Large-Scale Industrial Shutdowns Because of Coal

If President Carter and the Department of Justice make a public commitment to protect the lives of United Mine Worker (UMW) members and safeguard the movement of coal by insuring the speedy prosecution of the Institute for Policy Studies networks in the coal fields, a two-to-three week breathing space can be provided for serious negotiations to settle the strike. During that period, if James Schlesinger and the Department of Energy are prevented from interfering in the highly successful coal allocation program that has been very quietly in effect in the last three weeks, there will be no need for the massive industrial layoffs and rolling blackouts that Schlesinger has threatened are inevitable. The President's primary responsibility is to insure that the economy of the United States does not come to Schlesinger's anxiously-awaited complete halt.

The governors' offices in Ohio, Pennsylvania, and West Virginia have been in close touch with local UMW officials, appraising them of planned coal movements in order to avoid violence while the coal is transported. The state energy offices are working closely with the utilities and industry in Midwest states to prevent production shutdowns, and the regional reliability councils have done a skillful job buying and wheeling out-of-state and inter-regional power to keep vital functions operating as efficiently as possible. Some industry has cooperated by eliminating unnecessary power consumption voluntarily and turning to even more expensive alternate fuels to take pressure off diminishing coal supplies.

Real Story on Layoffs

Schlesinger's projections of over 3 million layoffs by the end of this month are psychological warfare. If his IPS networks are not allowed to hold both the country and the UMW hostage through violence, there is no need for large scale industrial shutdowns. Over the last two weeks coal strike-related layoffs have been *less than* the number predicted by the Labor Department's Bureau of Labor Statistics.

On Feb. 24 a special survey by the bureau of Midwest manufacturers estimated coal-related layoffs for the week ending Feb. 25 at approximately 67,400 in manufacturing. This was based partly on utility electric cut-backs expected that week. In its March 2 report, the bureau reported that the actual number of coal-related layoffs among the 7.8 million factory workers in the 11-state midwest region totalled 22,600 — *less than one third of projections*.

Of this total, approximately 40 percent were in the state of Indiana, heavily impacted by the strike, however, this situation is more a function of political decisions than objective problems. In sharp contrast, Ohio Governor Rhodes, facing as serious a situation as Governor Bowen in Indiana, has delayed electricity cutbacks. Working with the union, utilities, industry and coal producers to move as much coal as possible into the

state, the Governor's office has delayed economic dislocation, at least temporarily.

The importance of this cooperation is reflected by considering the impact on industry *nationally* if cutbacks were to occur in Ohio. Seven or eight critical General Motors parts-producing plants in that state buy their power from Ohio Edison. Beginning on Feb. 14 the utility announced it would have to institute a 50 percent cutback to industry. This was delayed and has been postponed twice more because both coal and power have been brought into the Edison system. Were the 50 percent cuts to go into effect, all of GM's assembly plants and supporting operations would be forced to shut down within a short period of time, idling 300,000 workers nationally.

With the exception of two parts plants in Indiana, where mandatory cutbacks have gone into effect, all GM plants are currently operating on normal schedules. Ford Motor Company in the same position is not projecting any changes in production scheduling at least through the end of March, depending upon what the utilities decide to do.

Other industry has complied with all requests for voluntary conservation and has instituted alternate energy system usage to make sure operations run as close to normal as possible. Ford has leased 17 locomotives and 18 generators which run on diesel fuel to supplement electrical supplies. Machinery is being shut off during down times and non-essential lighting has been curtailed. As a result of industry-state-utility cooperation, there are currently no coal-related layoffs in the auto industry.

Keeping Industry Running

Table I summarizes the number of tons of coal moving to utilities in the key coal-dependent states. Three weeks ago state governments, in consultation with utilities, coal suppliers, and industry made the decision to try to move coal rather than implement drastic electrical curtailments. At that time a tentative agreement was reached between the UMW and coal operators, and there was general optimism that the coal would unhindered by violence since the IPS networks were then busy focused on efforts to sabotage the UMW contract ratification.

The indicated coal shipments have staved off shutdowns and increased coal stockpiles minimally at key utilities. The Chessie Railroad, the nation's largest mover of coal, began transporting last week coal for the first time in three months. Most of the coal for the Midwest is coming from nonunion Appalachian mines, stockpiles of coal that companies had previously been afraid to transport, and some from the western mines. (Large-scale import of western coal is not possible because most of the eastern coal-burning facilities cannot use the higher-water, lower-BTU western coal.)

Estimates by experts in charge of power at the critical

ECAR (East Central Reliability Council) regional center in Canton, Ohio conclude that the situation could be stabilized in the Midwest if current supplies are maintained and some additional shipments are added. In the normal peak-load winter season, the system averages a consumption of 3 million tons of coal per week. Since the second week of February deliveries into the system have approached or exceeded 1 million tons per week. For the week ending March 4, 2.33 million tons of coal were burned, with 1.108 million tons received.

As the winter weather diminishes in the next couple of weeks, shipments at a total of 2.5 million tons would provide full normal power. If the current shipments are increased by even 1 million tons from their current level, with continued voluntary conservation, industrial layoffs can easily be prevented. However, since the nation's press is promoting general hysteria, ECAR officials are afraid that the terrorists networks in the union will transport points, now that no contract is in sight.

Three Critical Weeks

The actions taken by President Carter and the Justice Department are the critical determiner in whether there is sabotage of coal shipments and whether there is going to be any negotiated settlement of the coal strike. Fundamentally, both of these questions depend on a federal commitment to get the IPS terrorists out of the UMW. The past month's successful efforts to avert Schlesinger's shutdown of the U.S. economy, and resultant final collapse of the dollar, have provided about three weeks breathing space for Carter to launch the appropriate federal intervention. The utilities and industry can stabilize the situation for that period of time while a contract is being negotiated and ratified — providing the terrorists are properly prosecuted.

— Marsha Freeman

Mineworkers' Leader Calls For Investigation

On March 6 former United Mineworkers (UMW) Vice-President Mike Trbovich called for a "ful scale" investigation of the current coal strike crisis which he recognizes as a staged attack on the United Mineworkers, the U.S. economy, and as an insurrectionary move against President Carter:

"The strike is being used and prolonged by Energy Secretary Schlesinger and others not only in an attempt to destroy our union, but to destroy President Carter," Mr. Trbovich stated. "It is now clear to me that one of the objectives of those who are manipulating the strike is to put Vice-President Mondale into the Presidency. Individuals and groups associated with the Institute for Policy Studies are responsible for wrecking the UMW. Now some of these same individuals linked to Mondale, Schlesinger, and Secretary of Labor Ray Marshall are coordinating the activities of violent sects in the coal fields who are trying to prolong the strike and Watergate Jimmy Carter.

"President Carter said today that he has declared a national emergency and is seeking a Taft-Hartley injunction to end the strike," Mr. Trbovich continued. "If Mr. Carter is serious about ending the strike and returning the mines to production, he must gain the confidence of the mineworkers by showing his and the Federal government's respect for the miners' concerns over the management and state of their welfare and pension funds.

"He must immediately begin an investigation of our union's pension and health and welfare funds to show that they have been systematically destroyed by individuals associated with the former trustee of the fund, the lawyer Harry Huger. A full investigation will show that millions of dollars have been lost and in some cases found their ways into the hands of outside agitators who have used the money to help wreck our union. Mineworkers were extremely upset that the recent contract had provisions which would have them paying deductibles for part of their health benefits. If the people responsible for the destruction of the fund are exposed and prosecuted, there is no reason that any miner should have to pay anything..."

Table I

**Coal Deliveries To Utilities
(In Tons)**

State	For Week Ending On:			
	Feb. 4	Feb. 11	Feb. 18	Feb. 25
Ohio	61,116	76,954	234,692	223,460
Indiana	69,000	57,310	133,097	224,469
Kentucky	155,937	160,112	160,112	339,118
Michigan	15,000	24,000	48,000	42,050
Pennsyl.	64,376	54,248	121,757	129,219
W. Virg.	14,816	20,907	54,727	108,987

* The above states correspond approximately to the East Central Area Reliability Council regional system.

Illinois	234,000	300,000	268,000	336,000
Virginia	3,218	6,717	6,717	34,331

SOURCE: Department of Energy