

Energy Insider by William Engdahl

Not another energy reorganization

The attempts by anti-growth moles to finish off the DOE should be rebuffed by Congress.

The Reagan administration is making a renewed push to gain congressional passage for the Federal Energy Reorganization Act of 1982, S.2562. Were this particular bill intended to ensure more effective federal backing for advanced nuclear and magnetohydrodynamic (MHD) energy R&D, it would fail to fulfill the purpose. Unfortunately, S.2562 is not even that.

Less than five years after Congress created a cabinet-level Department of Energy uniting nuclear, solar, and fossil energy programs with nuclear weapons programs, the administration has committed itself to dismantling the agency.

On May 24, about five months after the President announced that foolish proposal, Sen. William Roth, a Trilateral Commissioner, introduced S.2562. It was cosponsored by colleagues who knew better but had made a stupid back-room compromise—Majority leader Howard Baker from Tennessee, the staunch supporter of Clinch River Fast Breeder; Energy Committee Chairman James McClure (R-Ida.); and Armed Forces chairman Tower (R-Tex.).

A Senate source claims that S.2562 is "dead in the water" for this term, but largely for the wrong reasons: because it doesn't push alternative energy hard enough, and it retains an excessive nuclear program, in the eyes of liberal Democrats.

The new act proposes to take the bulk of present DOE responsibilities and dump them into the basement of the Commerce building, including the entire nuclear weapons program, approximately 40 percent of the Department of Energy budget. This program comprises some of the least understood and most vital areas of national defense research, and oversees the national laboratories—Lawrence Livermore, Los Alamos, Brookhaven, and so forth. It comprises all nuclear energy technology transfers, such as the provision of uranium for India's Tarapur facility. Given the preoccupation of Commerce Secretary Malcolm Baldrige with launching trade-war provocation against U.S. allies such as West Germany and Japan, the prospect of bestowing on him the entire array of civilian nuclear technology arrangements to wield in the form of energy blackmail is less than appealing.

The Senate Committee on Governmental Affairs, chaired by Roth, held hearings on this new piece of mischief on June 24. Secretaries Baldrige, Weinberger, and Edwards, along with David Stockman's Office of Mismanagement and Budget, all lined up to push Roth's legislation. Baldrige chanted a Friedman mantra: "The underlying premise of this reorganization is a reasoned reliance on the marketplace." This is a code-word for budget-slashing; in a widening

economic depression, it would destroy the precious research efforts in areas such as nuclear fusion and breeders which are the prerequisite for recovery and long-term prosperity.

Roth's effort is part of a process which began under the Ford administration, when the Atomic Energy Commission was dissolved into a branch of an amorphous Energy Research and Development Administration in 1975. This war against the actualization of an Atoms for Peace nuclear era, was followed three years later by RAND technology decoupler Rodney Schlesinger, who drafted the shape of present DOE. The valuable handfuls of top scientific and administrative veterans who avoided purge during this series of bureaucratic upheavals are likely to vanish if another reorganization further reduces the priority of energy.

The Reagan administration, following the advice of glassy-eyed David Stockman and Stockman's OMB assistant, Fred Khedouri, from the anti-nuclear Natural Resources Defense Council, has motivated the package by claiming multibillion-dollar budget economies. By their logic, perhaps we ought to throw the entire Defense Department into Commerce at the same time and really save!

The General Accounting Office, a research arm of Congress, issued its report on Aug. 2, disputing the administration's claims. GAO accused the administration of poor documentation and questioned any fiscal benefits. Others have noted that if budget-cutting were the sole or prime justification, it could be done far cheaper by cutting DOE programs where they are.