U.S. army combat readiness				
U.Sbased divisions	December 1977	December 1978	December 1979	
1st Infantry Ft. Riley, Kan	C-1	C-3	C-3	
lst Cavalry Ft. Hood, Tx	C-1	C-2	C-4	
2nd Armored Ft. Hood, Tx	C-1	C-2	C-4	
4th Infantry (mechanized) Ft. Carson, Colo.	C-1	C-2	C-3	
5th Infantry (mechanized) Ft. Riley, Kan	C-1	C-3	C-4	
7th Infantry Ft. Ord, Ca	C-1	C-3	C-4	
9th Infantry Ft. Lewis, Wash	C-1	C-3	C-4	
24th Infantry (mechanized) Ft. Stewart, Ga. (RDF)	C-1	C-3	C-4	
82nd Airborne Ft. Bragg, N.C. (RDF)	C-1	C-2	C-2	
101st Airborne (Air assault) Ft. Campbell, Ky. (RDF) RDF—Rapid Deplo		C-3	C-4	
Key	oyment Joint	I Task Force		
C-1 C-2	Fully combat ready Substantially combat ready			
C-3	(minor deficiencies)  Marginally combat ready  (major deficiencies)			
C-4		Not combat ready		
Source  Daily Oklahoman. Sept. 14, 1980. Based on interviews with military officials in Washington, commanders in the field, defense specialists and top-secret documents obtained by the Oklahoman.				

## Another crisis and another committee

by Lonnie Wolfe

Deputy Energy Secretary John Sawhill proudly announced to the Senate Permanent Investigations Subcommittee Sept. 22 that the Carter administration has formed yet another top-level committee—this one to deal with the energy crisis.

Sawhill stated that the administration has created a whole crisis management bureaucracy within the executive branch to deal with any emergency. The centerpiece is the Energy Coordinating Committee (ECC), a cabinet-level group that includes members of the National Security Council. Energy Secretary Charles Duncan, now formally the President's energy crisis manager in the federal government, heads the committee.

The ECC will make policy recommendations on the handling of an energy emergency, Sawhill told the senators. It will be responsible for deploying and coordinating the operations of the Federal Emergency Management Agency (FEMA), the government agency created to manage all emergency or disaster situations. FEMA, created by executive order, is best described as a government within the government having broad-based powers to act in an actual emergency.

Sawhill's statements were designed to reassure Congress that the Carter administration is prepared for an emergency arising out of a disruption of Mideast oil supplies.

## \$5 a gallon gas?

Sen. Charles Percy, the ranking Republican on the committee who called the hearings, expressed his grave concern over the United States' ability to withstand a new oil disruption.

The Illinois senator warned that the developments around the Iran-Iraq war could quickly lead to huge increases in the prices of gasoline, home heating fuel, and crude oil.

Percy said, "Let's suppose that a full-scale war breaks out between Iran and Iraq, cutting off oil from those two nations.... The free world would lose almost 20 percent of its oil. The oil glut today would rapidly vanish, setting in motion the same events that occurred

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in 1973 and 1979.... If history repeats itself ... a supply disruption caused by an Iran-Iraq war could triple or quadruple the price of crude oil again, to more than \$100 per barrel. This time the hard truth of the energy crisis would slam home with a vengeance: gasoline prices of \$4 or \$5 a gallon. Home heating bills of well over \$1,000 per month."

It was in this context that Sawhill, the newly-named chief of the Synthetic Fuels Corporation boondoggle, described his new crisis management bureaucracy. He stated that the United States had more than adequate reserve supplies of oil to see it through a crisis deeper than the 1973-74 Arab oil embargo. According to Sawhill, the United States could handle a similar fourmonth shutoff and still have 40 days of reserves.

Sawhill did not once refute Percy's figures on the amounts of gas and oil price increases, although energy experts watching the hearings were wondering where Percy got his figures. Percy's claim that a shutoff of Iran-Iraq oil constitutes a 20 percent loss of oil to the West is wildly extravagant. The 20 percent figure is more than the total of all OPEC's exports to the West.

Similarly, none of the senators cross-examined Sawhill on how the administration's Mideast policies contributed to the present crisis, or what the administration planned to do about it.

While Sawhill presented enough figures about U.S. reserves to argue against the need for any energy emergency developing in the short or even medium term, DOE sources report that it is currently preparing for just such a crisis somewhere down the road. Four weeks ago a special office of contingency planning was created in the DOE and given the specific assignment of planning emergency measures to deal with a Mideast oil shutoff. Meanwhile, the DOE's office of international affairs is monitoring "world oil flows" and is ready to announce "when crisis proportions are reached," say DOE sources. At that point the ECC could move into high gear.

## Who needs a shutoff?

DOE sources report that it is conceivable that the United States could be forced to cut back domestic consumption without an oil shutoff. This would occur if the U.S. was forced to share its oil supplies with Western Europe and Japan, under agreements coordinated through the Paris-based International Energy Agency. DOE officials stated that even under such conditions, the situation in the U.S. "would not resemble the gas lines of 1973-74 or 1979."

Sawhill and Percy agreed at the hearings that the United States remains vulnerable to an oil disruption, regardless of the stockpile figures. They agreed on the need for new emergency measures including increased

pumping of oil into U.S. strategic stockpiles in the Louisiana salt domes. In addition, Sawhill and Percy declared that the standby gasoline rationing plan could get very messy. Sawhill stated that the administration is now considering asking for the imposition of an emergency gasoline excise tax to cut consumption. Finally, both Percy and Sawhill agreed that the current crisis demonstrated the need for increased conservation efforts.

The Washington Post and the New York Times immediately called for the Mideast crisis to spur new emergency measures. In an editorial Sept. 23, the Post said, "The combat reports from the Persian Gulf are a warning that there may not be time for a gradual, comfortable transition to lower oil imports. Congress needs now to design an emergency gasoline tax that would rise sharply with the degree of a sudden shortage. Congressmen who don't like voting for gasoline taxes might usefully start thinking immediately about the alternative." On the same day, the New York Times said, "With luck the crisis will be contained before world oil supplies are affected. . . . Our luck is bound to run out long before the oil in the Persian Gulf," urging that action be taken along the lines of Sawhill's recommendations.

## Reuss hearings

The Percy hearings were not the only ones to deal with emergency measures. In the House, Cong. Henry Reuss (D-Wisc.) called a session of the Banking Committee to discuss "World War II and the lessons learned on industrial problems." Spectators were treated to an assemblage of old-timer crisis managers including Robert Nathan and David Ginsburg of the World War II War Production Board.

The testimony focused on how to handle the current crisis. Both Nathan and Ginsburg stressed that the nation lacked the appropriate sense of national purpose required to deal with the current emergency. Nathan criticized the new Energy Mobilization Board for its narrow focus on synthetic fuels. "We are ill-equipped to deal with an energy emergency," he said. Ginsburg expressed concern over the failure to comprehend the full depth of the national economic and energy emergency. "What upsets me greatly," he stated, "is that we don't have the contingencies in place. In fact, we don't have a fallback contingency like wage-price controls. We don't have authority for total rationing. We haven't even handed out the coupons for gasoline rationing," he complained.

Ginsburg criticized the administration's lack of planning and foresight. His proposal: set up another committee, an economic policy board, to deal with the economic emergency.

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