

But the true test of Mark Fowler and his free-market rhetoric is yet to come. As the new technologies he has authorized—LPTV, DBS, and cellular radio—come on line, telecommunications companies will bump heads in competition as never before. There is a strong parallel between Fowler's "unregulation" and the current wave of airline deregulation, which is reordering that industry. As new competitors enter previously protected markets, there is bound to be a shakeout of those firms that miscalculate the needs and desires of consumers. It is likely that a few "Braniffs" of telecommunications will bite the dust and plead with the FCC for some sort of bailout. If and when they do, Fowler will get his big chance to live up to the pledge he made to a convention of broadcasters last fall. "You are not my flock," he said, "and I am not your shepherd." ■

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Howard Baker delivers the pork

ALAN CRAWFORD

WHEN THE REAGANITES took the reins of power in January 1981, the future of the Clinch River Breeder Reactor, a \$3.2 billion plutonium-generating facility planned for Oak Ridge, Tennessee, was uncertain indeed. Reagan himself had little interest in it, no more, really, than his predecessor Jimmy Carter, who had tried to kill it. Budget director David Stockman, though no foe of nuclear power itself, had been the project's most vociferous critic in the House. Senator Mark Hatfield (R-Ore.), a nuclear-power critic who had voted against the reactor on more than one occasion, was the new Appropriations Committee chairman, and a new crop of budget-conscious members of Congress, Democrats as well as Republicans, viewed the project skeptically.

But the Clinch River Breeder Reactor had one champion who couldn't be ignored or resisted: Howard Baker of Tennessee, the new Senate majority leader. Over Stockman's objections, Baker convinced the president to leave \$254 million for it in the budget that went to Congress.

Opposition had never been stronger—freshmen House members had voted thirty-six to thirty-four against the reactor. But Baker persuaded fourteen of the eighteen new senators to back it, and won fifty to forty-five, after convincing Roger Jepsen, an Iowa Republican, and Richard Lugar, an Indiana Republican, to switch their votes. He even had Vice President George Bush on hand to save the project in case of a tie.

"It just wasn't worth fighting," Stockman told William Greider in the *Atlantic Monthly* interviews. "This [economic] package will go nowhere without Baker, and Clinch River is

just life or death to Baker." Baker got his way, he helped guide the Reagan budget through the Congress, and the Republicans, Stockman excluded, were jubilant.

These are heady days for Howard Baker, who, the *National Journal's* Richard Cohen has written, "has maintained a measure of influence nearly unprecedented for a congressional party leader." *U.S. News and World Report* hails him as "the most respected senator," and his own colleagues are unrestrained in their praise. California Democrat Alan Cranston calls Baker "remarkably effective" as majority leader, and North Carolina Republican John East has "nothing but the highest praise" for him. Wyoming Republican Alan K. Simpson calls him the "glue and grease" that keeps the legislative machine in good working order, a judgment shared even by the persnickety *Washington Monthly*, which put Baker at the top of its list of the best senators, calling him "by all accounts the shrewdest, most effective boss this body has seen since Lyndon Johnson in the 1950s."

If anything, Baker's national reputation has only been enhanced by the outrage he has brought on himself by resisting new-right efforts to cram fundamentalist Christian prayers down the throats of school children and spend federal dollars to promote teenage chastity. However commendable, this resistance can also be seen as politically savvy, for it leaves Baker in the enviable position of having as his only critics professional right-wingers like John D. Lofton, Jr., Richard Viguerie's hired gun and editor of *Conservative Digest*. It was Lofton who accused Baker of trying "to dump the social issue agenda," an aim that stirred up a "hornet's nest among grassroots new-right conservatives." The stings came in the form of a truly memorable broadside denouncing Baker that was signed by Moral Majoritarians, Conservative Caucuses, antiabortionists, and Christian Voicers.

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But a look at Baker's record shows that you don't have to be a dues-paying, card-carrying member of the Reverend Jerry Falwell's Faith Partner Gospel Club to find Bakermania a bit hard to stomach, especially since we may have yet another Baker winning friends and influencing people in the Congress. Baker's twenty-seven-year-old daughter Cissy is now seeking the Republican nomination from Tennessee's fourth district. Baker *père* isn't the first of the clan to go to Washington, either. Baker's father and stepmother both served in Congress, and Baker himself, elected to the Senate in 1966, married Ev Dirksen's daughter. Cissy would make it three generations.

ONE IS ENOUGH, GIVEN this man's power and the uses to which he puts it. Consider what he saved by rescuing the Clinch River Breeder Reactor. This boondoggle, described by one critic as a "CETA program for nuclear engineers," has already gobbled up \$1 billion in taxpayers' money, even though ground hasn't even been broken. It is ultimately a "\$20 billion program that is \$20 billion worth of pork," in the words of an aide to Congressman John Dingell, a Michigan Democrat, whose House Oversight and Investigations Subcommittee investigated the Clinch River project.

When Congress first authorized it in 1970, supporters said it would cost only \$700 million, but even that would have been no bargain. The demand for nuclear power, after all, has plummeted dramatically, while estimates of uranium availability have also dropped. The Clinch River Breeder Reactor may indeed be able to generate electricity—but not until 1990, eleven years behind schedule, and at a cost so enormous that the government will have to sell the electricity at a loss, and subsidize the plant indefinitely or shut it down.

The Dingell investigation found the project to be a managerial farce, characterized by "unbelievably loose" contracts, which led, in the words of the *Federal Times*, to "apparent ripoffs, swindles, and bribe-taking by contractor employees." But even participants question its worth. Burns and Rowe, the chief architects, admitted in an internal memo in 1973 that "most actions on the project are out of our control, and it is clear that the project

results will be extremely poor."

Baker, through it all, remains enthusiastic, saying Clinch River "has nothing to do with pork. I think it is manifestly a different sort of program. It is an essential, keystone part of our energy program and our energy future, and it should be built."

Clinch River is hardly the only such case. The Tennessee-Tombigbee Waterway has been kept alive, according to one environmental lobbyist who has fought the project, "by the aura of Baker. He doesn't even have to twist arms on this one. Just the fact that he is for it is enough to keep it alive." Tenn-Tom, singled out by the National Taxpayers Union as "one of the most wasteful federal projects" in history, is the federal government's attempt to clone the Mississippi River by cutting a colossal ditch from the Tennessee River to the Gulf of Mexico. When first authorized by Con-

should be intense, "to make it possible to discover new fossil fuels in our own territory and to develop alternative sources in the years ahead. Pilot projects for such development, combined with a windfall tax that will put those profits back into energy, research, and development, are among the first steps on the road ahead."

Under Baker's plan, the government not only finances these ventures, it "tests them, spins the viable possibilities off to the private sector, and maintains supervision over small installations that will measure cost effectiveness against the new energy supplied by private industry." Baker also believes that "government commitment to research and development" must be stepped up, "in order to update technology and modernize our capital stock."

This corporate conservative's enthusiasm for TVA was declared, oddly

Baker doesn't have to twist arms. Just the fact that he's for a project is enough to keep it alive.

gress in 1946, Tenn-Tom would cost \$120 million, the Army Corps of Engineers said. But by the time ground was broken twenty-five years later (it took that long for Congress to be sufficiently convinced of the project's merits to appropriate any money), cost estimates had shot up to \$465 million. Three years later the corps said it would cost \$815 million, though the *New York Times* reports that even while quoting that figure the corps knew it would cost at least \$1 billion, perhaps as much as \$1.4 billion. [See *INQUIRY*, May 14, 1979, for a complete analysis of the Tenn-Tom boondoggle.]

BAKER'S ZEAL FOR costly federal projects perhaps reaches its zenith with the Tennessee Valley Authority. He is not merely tolerant of the TVA, as one might reasonably expect a conservative Republican to be. An enthusiastic supporter, he wrote in his 1980 book, *No Margin for Error*, that the TVA "provides a model for many of our future energy projects." Indeed, Baker believes the government role in the development of energy sources

enough, at a time when rate hikes to the 2.8 million households whose electricity it supplies have made it "the most hated institution in Tennessee," as one TVA official put it. According to S. David Freeman, TVA chairman and a Carter appointee, the authority can no longer function as a supplier of cheap power, the "availability of energy in the eighties" becoming "as important as the low price of energy in the thirties and forties." With that in mind, Carter administration officials pushed the TVA into the development of all forms of energy—solar, nuclear, and synfuels—and even work on an electric car. In the process, the TVA became a "mini-Department of Energy," says Robert L. Sansom, a Washington energy consultant and Knoxville native who wrote the Reagan administration's transition report on the TVA.

Flood control no longer occupies much of its time. Its plants burn so much high-sulfur coal that it has become the region's worst polluter, and has had to accept a negotiated settlement with the Environmental Protection Agency, with consumers paying over \$1 billion in clean-up costs.

The TVA has also become the backbone of the nuclear-energy industry, though its pledge to construct seventeen nuclear plants has been reduced under the Reaganites to ten.

This is an agency about as shielded from public scrutiny as the CIA. Its wholesale rates are set without public hearing and without judicial review, its board exercising control over a \$5.2 billion power-production budget. There are no clear rules regarding the letting of bids for its projects. It receives preferred rates for borrowing money, and pays no state or federal taxes. And though it was created to encourage development of the once-depressed Tennessee Valley, its rapidly rising utility rates, Sansom found, now work to deter industries from locating there.

But the bad news about the TVA gets even worse with mention of the Murphy Hill synthetic-fuels plant, a TVA project planned for a 500-acre area of Alabama forest and farmland, to turn 20,000 tons of coal a day into synthetic gas.

The Murphy Hill project, which carries a \$3.5 billion price tag, was dreamed up by TVA officials in response to a Carter plea that new ways be found to burn eastern coal. It was fraught with difficulties from the start: There is no known customer for the gas Murphy Hill is supposed to produce. There isn't even a pipeline to deliver the gas to the customers, if the TVA could find any. Carter tried to kill it, and so did Reagan, but this project, like all the others, has its own constituency. Congressman Tom Bevill, an Alabama Democrat, has been its chief supporter on Capitol Hill, and his support only increased when the TVA selected his own district as the plant's site in 1980. Though the administration did not choose to include Murphy Hill among the synfuels plants it would try to save, Bevill persuaded the White House to include \$95 million in the budget, with the condition that the project find private-sector sources of funds. It hasn't been able to find any.

Howard Baker's position on Murphy Hill? "I don't think he's ever really had a position on it," an aide to the senator said. "He usually just goes along with what TVA wants in the budget. He thinks it's a TVA decision." But according to a well-placed Capitol Hill energy specialist, Baker would not oppose this project because he cannot afford to cross Bevill: "Look, Bevill is chairman of the House

Appropriations Subcommittee on Energy and Water Development. Every TVA and Army Corps project has to go to Bevill, and Bevill can kill anything that Baker wants to keep, so Baker isn't about to oppose this project, because it means so much to Tom Bevill."

To sum up, the TVA is a classic case of government hubris, its empire spreading, its costs mounting, and its willing customers dwindling. It is hardly "a model for our future energy projects," as Baker would have it.

BAKER'S ENTHUSIASM for home-state boondoggles might well cause cynics to suspect wrongdoing, and cynics have, but with little foundation in fact. While Baker has always been willing, even eager, to go to bat for the friends back home, there's no evidence he has ever paid off the ump. Negotiating with the opposing pitchers, he would say, is just part of the game.

Most frequently questioned are Baker's involvements with the Knoxville-based Stearns Coal and Lumber Company. In the 1950s and early 1960s, Baker, then a Tennessee attorney, tried unsuccessfully to persuade the federal government to allow his client to strip-mine its holdings under land Stearns had sold, while retaining the mineral rights, to the U.S. Forest Service in the 1930s.

Elected to the Senate, his campaign bankrolled in part by company executives, Baker sponsored a bill in 1974 creating the Big South Fork National River and Recreation Area, which included much land in Kentucky to which the company held mineral rights and land in Tennessee that Stearns couldn't sell. Three years ago Baker pushed through the Senate a \$16.5 million appropriation, as compensation for Stearns's land and mineral rights—legislation that profited the company immensely. Before Baker's bill became law, Stearns's total assets were about \$3 million. Its mining and lumbering operations had ceased, and executives were trying to sell out. After the government bought the land, the assets jumped to \$20.4 million.

Noting the proximity of Baker's own land holdings to the planned recreational area, the United Mine Workers in 1974 charged that the senator would himself stand to gain from the area's development. The

miners also charged that coal from Baker's own land was being sold to the TVA, an apparent violation, they said, of federal law. These allegations were complicated by Baker's legislative attempts to relax Clean Air Act standards for area power plants, again to the benefit of home-state interests to which he had been linked.

The *Washington Post*, in its investigation of the Stearns Coal and Lumber business, concluded that although Baker's professional interests in the company during his early years in the Senate are still unclear, "there is no indication that Baker violated any laws or profited financially himself." Not even his record of campaign contributions shows much of a link to the interests for which he has worked so hard—and that isn't because he's taking pains to hide such a link.

To draw that kind of conclusion is to miss the point about Baker, and ultimately about politicians like him, for there are probably a good many of his ilk. Baker isn't crooked or even devious. He does this kind of work for free, readily in fact, apparently serene in the belief that what is good for the back-slapping, glad-handing fellows on the home-town golf course is good for America. He's a character out of Sinclair Lewis, not Theodore Dreiser, and he just wants to help. A master technician, he doesn't even ask vexing questions, it appears. He just does his job, amiably, smoothly, good naturedly—a "pro's pro," as one of his close friends describes him.

You get a sense of what Baker thinks he should be doing from his call, in *No Margin for Error*, for "new institutions" in government to make things go more smoothly still, a "federal magistrate," whose "principal responsibility would be to facilitate the business of [his] neighbors with government." This folksy fellow, like Baker, would be a "problem solver," and "advocate of the interests of the citizen doing business with his government." He wouldn't be a distant bureaucrat or a highfalutin statesman, though he would know "how to work inside the system" and even enjoy "some limited power to stay a regulation's effect for a short time." Holders of this office, instead, would more closely resemble "rural mail carriers."

That's our Howard, all right—a "rural mail carrier." He doesn't read the mail, for gosh sakes, and he doesn't question what is in those plain brown wrappers. He just delivers. ■

Putting World War III on Ice

by Peter Pringle

The nuclear freeze movement takes off

NO ONE SHOULD HAVE BEEN SURPrised when eighty-two-year-old Admiral Hyman Rickover, the outstanding, and unblinking, devotee of the nuclear submarine, offered his services in retirement to the cause of disarmament. The way he did it, saying, "Put me in charge, I'll get some results . . . [unless we disarm] we'll probably destroy ourselves," was perhaps distasteful, but such touching displays of remorse after long affairs with the atom are nothing new in the nuclear age. Several of the Manhattan Project scientists, who worked on the world's first atom bomb, had similar twinges of regret. And David Lilienthal, the first chairman of the U.S. Atomic Energy Commission, became a passionate advocate of curtailing nuclear power. More recently Robert McNamara, who as secretary of defense in the early 1960s presided over the largest-ever expansion of America's nuclear arsenal, joined three other former national-security officials in a call for NATO to renounce first use of nuclear weapons in Europe.

The difference between the born-again nuclear soldiers of yesteryear and today is that now they have mass popular sentiment behind them. Their remorse is no longer merely the confession of an old warrior

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