

Congressional Calendar

Reuss, Proxmire steering Fed membership steamroller

House Banking Committee chairman Henry Reuss is attempting to railroad controversial banking reform legislation through both the House and the Senate. One Capitol Hill source described the action as "impossible by parliamentary standards—but they're doing it anyway."

Reuss on the House side, and Senate Banking Committee chairman William Proxmire, both of Wisconsin, strongly support the Federal Reserve Board's request for legislation giving the Fed the power to mandatorily force banks to join the Federal Reserve System through a series of enforced reserve requirements on all banks. Despite strong opposition from the regional banking community, Reuss finally forced passage of H.R. 7—the Fed membership bill—through the House of Representatives, mandating reserve requirements and de facto Fed membership on all banks. However, opposition to mandatory membership remains strong in the Senate where the Banking Committee on Nov. 7 refused to accept the mandatory provisions.

Reuss and Proxmire are now trying to slip the Fed membership provisions in through the back door. During the last week in October, Proxmire attempted to pass legislation mandating reserve requirements on all banks establishing "Now" checking accounts. The provision, Title II, was knocked out of the Depository Institutions Deregulation Act (a bill regulating savings and loan banks), on the floor of the Senate. (Reuss and Proxmire had hoped to use Title II

as an excuse to consider both the Depository Institutions Deregulation Act and the Federal Membership bill together in a joint House-Senate conference called on to work out differences between the two bills.) Now, despite the fact that Title II has been defeated, Reuss and Proxmire will be combining the two bills anyway! If they cannot force mandatory membership through the conference in its own right, they are expected to tack it onto the Depository Institutions Deregulation Act—even though there is no parliamentary basis for doing so.

Chrysler aid tied to Big MAC blackmail

The administration introduced legislation into Congress Nov. 1 proposing a \$1.5 billion loan guarantee program for the Chrysler Corporation. But a condition set by the administration for the guarantees is that Chrysler raise an equal amount of money under a plan to be overseen by the Treasury Department—in effect, putting Chrysler Corporation under control of the U.S. government. Treasury reorganization intentions were laid out in testimony by Treasury Secretary Miller Nov. 7 before the House Banking Committee. Miller declared that Chrysler could raise its \$1.5 billion in part from "asset dispositions" (i.e. asset stripping) while he also suggested that workers' funds be looted for Chrysler's survival. At the same hearings, Banking Committee chairman Reuss (D-Wisc.) committed himself to supporting a loan-guarantee program if Chrysler production is turned away from high technology production to pro-

duction that both implements energy austerity and provides goods to aid cutbacks in U.S. energy consumption. Reuss declared that Chrysler must "produce goods meeting national transportation and energy goals ... namely that lessen our dependence on OPEC oil." Reuss suggested that the Treasury Secretary determine if Chrysler or an outside body should oversee this production policy.

The House Banking Subcommittee handling the bill will begin mark-up on it before Nov. 9 and it is expected out of the Banking Committee sometime during the week of Nov. 11. The Senate Banking Committee will be holding hearings on the measure Nov. 14-16, and Nov. 19-21. Floor action in both the Senate and House is expected about Nov. 29.

GOP filibusters to stall PAC legislation

New Hampshire Republican Senator Gordon Humphrey announced Nov. 6 that he has enough votes on hand to prevent action on a House-passed bill aimed at curbing the influence of corporate political action committees (PAC) in House campaigns. Humphrey's office reports that they have 42-44 votes lined up to filibuster the legislation if it comes to the Senate floor. The threat of a filibuster—which must be sustained with 41 votes—will be enough to prevent the bill from even coming to the floor, according to a Humphrey spokesman, since Senate majority leader Robert Byrd is busy trying to get through the SALT II treaty and the windfall profits tax.

The House bill would limit PAC money available to any House candidate to \$70,000 over two years and reduce the limit on individual PAC contributions to one candidate from \$10,000 to \$6,000. The bill has been called severely restrictive on corporate PACs, while leaving power in the hands of union PACs untouched. Each local can make individual contributions.

Kennedy support from World Bank chief denounced

World Bank President Robert McNamara came under attack on the House floor Oct. 30 when Congressmen C. W. Bill Young (D-Fla.) and Robert Dornan (R-Cal.) demanded his resignation for his active involvement in U.S. presidential politics.

Citing, for example, McNamara's presence at a private luncheon of Kennedy's campaign advisors recently, Cong. Young said, "Mr. McNamara repeatedly has said the World Bank should not be politicized. He has refused to testify before congressional committees to explain World Bank policies. He does not have time to respond to questions about the World Bank's \$60 million loan to Vietnam. Yet he does have time to return to the political arena for a gathering of the 'best and the brightest' to help organize a campaign for President. No matter how informal Mr. McNamara's relationship is to this campaign," he insisted, "it is clearly improper for him to retain his position as head of the World Bank while advising and supporting any political effort. ... Clearly he should resign as president of the World Bank before he

continues any further participation in any presidential campaign."

Not sidestepping McNamara's involvement in the events immediately following the Chappaquidick incident, Dornan said, "The foreign policy architects who gave us Vietnam, rallied in Massachusetts that tragic July 1969 weekend and controlled all subsequent press releases. McNamara was very much an integral part of that fictitious series of statements that successfully, to date, perpetrated a hoax upon a naive American public. This coverup must end before there is any credibility to this current (Kennedy) campaign for the Presidency."

Committee readies Kennedy's Anti-oil merger bill

The Senate Judiciary Committee will begin mark-up on the Oil Windfall Acquisition Act—previously known as the Energy Anti-Monopoly Act—Nov. 20, and it is expected on the Senate floor shortly thereafter. The bill, sponsored by Senators Kennedy (D-Mass.) and Metzenbaum (D-Ohio) would prohibit the 18 major oil companies from acquiring other companies with assets over \$100 million. The 18 companies were chosen on the basis of those who produce over 150,000 barrels of oil daily. The only companies exempt from the merger conditions would be those who can show such a merger increases production or competition or expands new energy ventures.

Senate debates synthetic fuels program

The Senate began debate last week

on the administration's synthetic fuels corporation proposal. In the form which reached the full Senate, the plan calls for an expenditure of \$88 billion over ten years to establish synthetic fuels production. Senators Kennedy (D-Mass.) and Durkin (D-N.H.) amended the conservation title of the bill to include a series of rebates to home owners for energy austerity programs.

Strong opposition to the proposal by liberals and conservatives is now surfacing on the Senate floor and it is as yet uncertain exactly how much money will actually be allocated for synthetic fuels production.

Energy dictatorship handed to Carter

The U.S. Congress voted this week to give the Carter Administration emergency dictatorial powers over the U.S. economy. Invoking an "energy shortage" that is otherwise widely acknowledged to be a hoax, the House voted 301 to 112 on Oct. 24 to give the administration standby authority to ration gasoline. Then on Nov. 1, the legislators voted 299 to 107 to allow creation of an Energy Mobilization Board (EMB) with special powers to be used in enforcing the administration's "energy conservation" austerity against the U.S. population.

The House also passed a bill giving the EMB considerably more powers than the administration had demanded, including the power to waive contracts and laws which contradict the board's dictates.

—Barbara Dreyfuss and Susan Kokinda