

## Congressional Calendar by Barbara Dreyfuss and Susan Kokinda

### Trucking deregulation moving to Senate floor

Senate Commerce Committee Chairman Howard Cannon (D-Nev.) is planning on pushing his legislation to deregulate the trucking industry to the floor of the Senate for quick action, possibly as early as the first week in April. Capitol Hill observers note that there is a growing backlash against various kinds of deregulation and its effects on smaller or less populated states, and trucking deregulation supporters are worried that this may visibly manifest itself to members of Congress during their Easter recess, the second week in April.

Sen. Ernest Hollings, (D-S.C.), a senior member of the Commerce Committee is a case in point. An early and strong supporter of airline deregulation, Hollings has since seen major airline service cut to Charleston, S.C. Hollings strongly opposed the radical moves toward trucking deregulation during the mid-March committee mark-up on the bill. Cannon and the Kennedy forces behind the scenes who initiated the trucking deregulation push hope to force the legislation to floor vote before the actual, devastating implications of the bill can be realized by members of the Senate.

On the Hill, rumors abound that Rep. James Howard (D-N.J.), chairman of the Surface Transportation Subcommittee of the House Public Works and Transportation Committee, will schedule mark-up on the legislation during the last week in March—again to head-off the anti-deregulation sentiment likely to be expressed during the Easter break. Howard, like Cannon, recently changed from a sup-

porter of trucking regulation to a “born-again” deregulator and is threatening to introduce legislation which will go beyond Cannon’s radical reform to completely deregulate the industry. While he is threatening mark-up, it is more likely that Howard will wait to see the final Senate-passed version of the bill before proceeding.

### Senator questions DOE on McCormack bill

At March 23 hearings of the Energy Research and Development Subcommittee of the Senate Energy Committee, Senator Pete Dominici (R-N.M.) sharply questioned Department of Energy witnesses on the administration position on Rep. Mike McCormack’s (D-Wa.) legislation to create an Apollo-style project for the development of commercial fusion energy by the end of the century. Dominici asked a panel of DOE spokesmen how the administration’s position on fusion differs from that of Rep. McCormack. When the DOE witnesses hemmed and hawed, Dominici demanded to know what the administration timetable for fusion was. Finally forcing one witness to admit that the DOE timetable is well into the 21st century, Dominici noted that it is well-known that the American way of doing things is mission goal-orientation and stressed that McCormack and a distinguished scientific advisory panel report stated that a goal-oriented fusion approach could bring us fusion by the year 1995. While Dominici has not yet endorsed McCormack’s bill, Sen. Howard Baker (R-Tenn.), recently retired from the presidential race, has indicated he may devote more atten-

tion to the legislation and focus Senate Republicans in the same direction.

Meanwhile, House Minority Leader John Rhodes (R-Az.) reiterated his strong support for fusion and for the McCormack approach on a recently televised Republican response to President Carter’s March 14 economic message.

### Export companies pushed: prelude to trade war?

During the same week in March that U.S. Steel filed a landmark antidumping suit against European steelmakers, the Senate Subcommittee on International Finance of the Senate Banking Committee held hearings on legislation to foster the formation of U.S. export companies. Sponsored by Senators Adlai Stevenson (D-Ill.), the chairman of the subcommittee, Alan Cranston (D-Cal.), John Heinz (R-Pa.) and Jake Javits (R-N.Y.), among others, the legislation would authorize the creation of U.S. trading companies—monopolies of the kind that represent Japanese economic interest worldwide, and which combine into one company the financing, shipping, marketing, and sometimes production of whole classes of U.S. goods abroad.

While in the abstract, the formation of export corporations is not particularly insidious, the coincidence between the filing of the antidumping suit and the subcommittee hearings and previous policies of especially Senators Heinz and Javits indicates clearly that the intent is to use such institutions for trade war. Supporting this analysis was the introduction in early March of the Competitive Export Financ-

ing Act of 1980 and the Export Expansion Facilities Amendments of 1980 (S. 2339 and 2340, respectively) by essentially the same group of senators. The first bill declares war on the European's use of long-term, low-interest export credits to the Third World and provides a \$1 billion war chest in the Export-Import bank to compete with Europe on that front and to force Europe to stop such practices at which time the U.S. will retire the war chest. Stevenson singles out France in particular for attack: "Nor does the arrangement, (the recent trade agreement) cover the fastest growing, most pernicious area of export credit competition: so-called mixed credits, which purport to mix export credit and foreign aid, but are in fact a guise under which the French and a few others extend long-term export credits at interest rates below minimum rates...France in particular has refused to negotiate an end to this costly practice." S.2340 provides an additional \$500 million to \$1 billion in earmarked credits to compete with Western Europe for Third World markets.

## **JEC calls for tax-cuts**

At hearings of the Joint Economic Committee on March 19, the majority of the committee carried on a fruitless argument with Federal Reserve Board Chairman Paul Volcker about the need for an immediate tax cut. Volcker and Rep. Henry Reuss (D-Wisc.) have essentially ignored that issue and are planning, in public, tighter fed control over the banking community.

JEC Chairman Lloyd Bentsen (D-Tex.), keynoted the remarks of the rest of the committee Republi-

cans noting that it was good the administration was cutting the budget, but that high interest rates alone have hit selected sectors of the economy such as housing and business investment. Bentsen asked Volcker when he or the administration would support the JEC's proposed tax cut as a way of stimulating investment and rejuvenating the plant and equipment of the nation's industry. Volcker waved the question aside, saying only that once the budget was balanced and inflation brought under control, only then would he consider a tax cut.

Lost in the rhetorical fireworks between Bentsen, the Republicans and Volcker, was the exchange between Reuss and Volcker. Reuss commended Volcker on implementation of the Credit Control Act, and the setting of voluntary standards for the issues of commercial bank loans. Reuss then asked how the Fed was going to monitor compliance with those standards and urged that the Fed share the newly mandated monthly reports from the banks to the Fed with the Congress, so that Congress and the Fed can jointly police the banks.

Reuss is moving quickly to tighten control over the nation's banking institutions in the wake of the successful House-Senate Conference Committee resolution of the Depository Institutions Deregulatory Act. The House-Senate Conference resolved all the essential House and Senate differences on the bill in the 3rd week in March and the bill was sent to the House floor March 24. The bill vastly increases the control of the Fed over commercial banks, through the imposition of reserve requirements on all banks above a certain size, and

over savings and loan and other thrift institutions, through changes in regulations which formerly differentiated thrift institutions from commercial banks. The bill is expected to pass through Congress and be signed by the President by March 31.

## **Congressional Black Caucus supports balanced budget**

On March 24, members to the Congressional Black Caucus held a press conference to criticize the Carter administration's proposed budget cuts. They attacked the administration for hurting, in particular, minorities and the poor with their planned cuts. However, all the members of the Caucus, with the exception of Dellums (D-Cal.) and Conyers (D-Mi.) supported the idea of a balanced budget, a surprising endorsement of austerity.

The Caucus did not offer any specific proposals in place of the administration's, but members stated that they would be drafting proposals off an alternative "human needs budget" being drafted by Rep. Parren Mitchell (D-Md.). Mitchell's budget alternative will plan a balanced budget by reducing tax loopholes for industry. That the Caucus is looking at proposals that will severely hurt U.S. industry was indicated by statements by Mitchell that corporations would have to learn that "profits are in and of themselves inflationary." He also attacked such necessary industrial infrastructures as America's inland water systems as merely something for big business. Mitchell declared that such programs should not receive government subsidies.