

## Congressional Calendar by Barbara Dreyfuss and Susan Kokinda

### **R**ecrim amendment introduced to criminal code reform

Under enormous pressure from constituency groups, Senator Charles Mathias (R-Md.) has introduced an amendment to S.1722, the Criminal Code Reform Act, which would strike out the controversial section of the bill which reduces the penalties for marijuana possession to the point of *de facto* decriminalization of the drug. Mathias, whose reelection in 1980 may depend in part on the quality of the fight he wages on this issue, introduced the amendment with eight other co-sponsors—Senators Cannon (D-Ne.), Dole (R-Ka.), Goldwater (R-Az.), Nunn (D-Ga.), Laxalt (D-Ne.), Schmitt (R-N.M.), Armstrong (R-Co.), Hafli Heflin (D-Al.) and Humphrey (R-N.H.).

The Criminal Code Reform Act, authored by Senator Edward Kennedy (D-Ma.) contains the controversial decriminalizing position by virtue of the fact that the conservative Republicans on the Judiciary Committee accepted the provision in exchange for tougher provisions relating to other matters. Mathias, who was bombarded by protests from powerful local anti-drug groups, then held hearings in January on the medical effects of marijuana use. After reviewing the hearings' results, Mathias has decided to make a floor fight over the issue. The Criminal Code Reform Act has been cleared for floor action for some time now and primarily awaits Senator Kennedy's ability to devote enough time outside of his presidential bid

to floor manage the bill. On the House side, the bill is still in committee.

In a related development, the Senate Rules Committee will hold a hearing April 23 on a resolution introduced by Senator Dennis DeConcini (D-Az.) on the creation of a select committee on narcotics. DeConcini, who was a prosecutor in Arizona before his election to the Senate, has very interesting credentials. He has not opposed marijuana decriminalization in the past and is not a co-sponsor of Mathias's amendment. Capitol Hill observers note that DeConcini could be trying to set up an institution by which to further "Abscam" or McClellan-type publicity-ridden hearings rather than a serious investigation into Dope, Inc. The observers added that DeConcini is not likely to get far with his resolution, since Senator Sam Nunn (D-Ga.) seems to have cornered the market on Abscam and Brilab investigations with his Permanent Subcommittee on Investigations and is prepared to oppose the resolution.

### **B**randt Commission policies pushed in Senate

With arguments that should sound a little like "give the patient a pound of arsenic to counteract the stomach ache that an ounce of arsenic gave him," two Senate committees are listening to proposals to increase the power and scope of the International Monetary Fund as a palliative for the economic disloca-

tions which IMF "conditionalities" have caused.

Rep. James Cavanaugh (D-Nb.) testified before the Senate Foreign Relations Committee March 17 on the issue of increasing the U.S. quota to the IMF, and echoed many of the proposals of the Brandt Commission. Cavanaugh called for a new facility to be established which would merge the development functions of the World Bank and the current accounts financing activities of the IMF. Cavanaugh said "These two functions now clearly must be pulled together within a single institution, adequately financed. I think that the new institution must establish a new quota system, a quota system that would maintain the IMF quota financing at a permanent basis of probably not less than 10 percent of the annual world imports."

Cavanaugh's rationale for wanting to augment the institution, which he charged with causing severe economic difficulties in nations which must submit to IMF austerity conditions in order to receive loans, was that "inadequate financing has meant that the IMF cannot go to deficit nations early enough, with adequate enough financing, to establish long-term restructuring programs because it does not have the resources. So, it comes in late with emergency and excessively austere conditionality which, rather than alleviating the problem, aggravate it..."

A source close to Cavanaugh admitted that he owed much in his way of thinking to the Brandt Commission and has arranged for

*Washington Post* editor Katherine Graham and financier Peter Peterson, both members of the Brandt Commission, to testify at hearings early this year on the IMF.

While not echoing Cavanaugh's call for restructuring of the IMF, Treasury Undersecretary C. Fred Bergsten used the same argument to justify increasing the U.S. quota to the IMF in testimony before the Senate Subcommittee of International Finance March 31.

## **Senators demand lower interest rates**

Under tremendous pressure from constituents who are feeling the impact of the Federal Reserve's policy of tight credit and high interest rates, two Senators have sponsored a resolution demanding that interest rates be immediately lowered. On March 26, senators Warren Magnusen (D-Wa.) and Jim Sasser (D-Te.) introduced Senate Resolution S.392, which calls on the Federal Reserve to "immediately take steps to reduce interest rates." The resolution was signed by ten other senators including: Levin (D-Mi.), Bayh (D-In.), Hart (D-Co.), Church (D-Id.), Heflin (D-Al.), Boren (D-Ok.) Ford (D-Ke.), Melchoir (D-Mt.) and Bumpers (D-Ar.).

In introducing the resolution Senator Magnusen warned that "The Federal Reserve's high interest rates are not reducing inflation. On the contrary, as interest rates have soared in recent weeks, so has inflation. At the same time it will bring on recession and higher un-

employment. Once that occurs we will be confronted severe federal budget deficits as revenues decline and spending increases for unemployment compensation, food stamps and so forth. Furthermore, consider the longer run effect of high interest rates on our energy and productivity problems...and how will business, particularly small business, be able to afford to borrow funds to invest in the new equipment, technology and research they will need if productivity is to be increased?"

The resolution itself calls for the lower interest rates because higher interest rates have "raised the consumer price index...increased inflation by increasing prices...and threaten to cause a substantial decline in housing construction...which will lead to severe unemployment." However the resolution also states that the Federal Reserve should use its selective credit controls to restrain credit if it thinks it necessary.

The resolution is expected to be acted on shortly after the Easter recess.

## **Riegle introduces unemployment bill**

Senator Donald Riegle (D-Mich.) on April 2 introduced legislation S. 2518 to extend the unemployment benefits an additional 13 weeks. Under current law unemployment insurance covers 26 weeks, which can be augmented by an additional 13 weeks of extra benefits. The funds are administered by the states and reimbursed by the

federal government, with rates of payment set by the states. In 1974 an emergency unemployment act was passed which extended unemployment benefits an additional 13 weeks in states where the number of unemployed exceeded 5 percent. The Carter administration allowed this act to lapse in 1978.

Riegle and the co-sponsor of the bill, Senator Levin (D-Mi.) are now proposing to add the additional 13 weeks once again, citing a growing "unemployment crisis." According to figures that Riegle released this week, at least ten states would be currently eligible for the extended supplemental benefits program, because of their high unemployment rates.

In Michigan 358,000 workers are now receiving unemployment insurance, and 15,000 are thrown off the unemployment rolls each month as their 39 weeks of unemployment insurance expire.

According to Congressional sources, the main opponent of the extension is Federal Reserve chairman Paul Volcker, who has indicated that he wants people to suffer "pain" in the fight against inflation. The White House has not yet commented on the Riegle proposal, but Congressional sources report that Carter refused a proposal that the administration actually sponsor a similar bill.

The legislation is expected to quickly get the backing of organized labor and minority groups. It is before the Senate Labor Committee, headed by New Jersey Democrat Harrison Williams and action will be taken on it following the Easter recess.