

Congressional Closeup by Barbara Dreyfuss and Susan Kokinda

Deregulators gear up attack on ICC

Back-to-back hearings on Capitol Hill in mid-November began to set the climate for further attacks on the trucking industry, the International Brotherhood of Teamsters, and the Reagan administration itself, if it resists further deregulation and destruction of the nation's trucking industry.

Former Carter administration "anti-inflation" czar Alfred Kahn delivered scathing testimony against ICC Chairman Reese Taylor and the Reagan administration at hearings of the Joint Economic Committee on Nov. 17. The hearings were in fact called at Kahn's urging, and may be the opening shot of attempts to "Watergate" the administration around its so-called ties to the Teamsters and organized crime. Kahn charged, "The public—and Congress—have even more reasons to be upset that President Reagan chose to replace Dr. Gaskins [former pro-deregulation ICC Chairman] with a Chairman who enjoyed the active support of the American Trucking Association and the Teamsters—both of them opponents of genuine regulatory reform—and that the newly constituted Commission proceeded in a series of decisions to interpret its mandate under the amended act in a more protectionist, anti-competitive manner than its predecessors. . . . Make no mistake about it: these people are regulators and cartelizers, with a capital R and a capital C."

Kahn's broadside was followed the next day by a meeting of the congressional advisory commis-

sion set up to propose changes in rate-making rules for the trucking industry by January 1983. Chaired by Commerce Committee Chairman and deregulator Sen. Bob Packwood (R-Ore.), whose last service to the administration was to lead opposition to the AWACS sale, the commission includes the author of trucking deregulation, Edward Kennedy. The commission heard the Federal Trade Commission chairman propose the virtual abolition of the rate-making bureaus which allow for the minimal maintenance of an economically viable national trucking system.

Kemp presses Reagan to back E-zones

Aides to Rep. Jack Kemp (R-N.Y.) report that he has stepped up pressure on the White House to back his legislation to create urban free-enterprise zones modeled on the low-wage Hong Kong economy.

A special administration task force on enterprise zones finally met with the President to deliver its recommendations on Dec. 2. Capitol Hill sources report that the task force couldn't agree on a single proposal and instead presented two versions, one developed by the Treasury crew and a second by Housing and Urban Development people. Both proposals differ on points with the bill introduced by Kemp and Rep. Robert Garcia (D-N.Y.). The Treasury proposal reportedly cuts out tax incentives to encourage the hiring of workers within the zone from CETA or welfare rolls. The HUD proposal

includes this tax incentive but at a lower level than in the Kemp bill. Significantly, the task force backed a key Kemp proposal to allow areas designated as enterprise zones to become free-trade zones as well. Under this plan, low-wage light-assembly plants could be set up to produce items whose components could be made in foreign countries or whose product would be exported without tariffs.

But Kemp's aides worry aloud that the White House task force wants to limit the number of zones, running the risk that the proposal will be termed token or experimental.

While Kemp has issued a public warning that the administration should not water down his proposals, he fully expects to work out a jointly approved plan with the White House. The problem, these aides say, is that the White House has "dragged its feet for too many months on this." They worry that by the time something is finally worked out, it will wind up right in the middle of next year's fight over the budget. "We want something passed this year," said a frustrated Kemp aide. "We put together a bipartisan coalition and now the White House might fumble everything away."

Kemp, who has received his prompting on the bill from the Fabian Society networks who control the nominally right-wing Heritage Foundation, is said to think that if a general bill were passed through Congress, radical plans for privatization of services within areas designated as zones could be carried out on a local level. Some individuals involved with the

White House task force, such as Undersecretary for Policy Emmanuel Savas, wanted this and other things spelled out. Kemp's aides say that internal bickering and lack of focus delayed the task force. Now there must be yet another meeting of the task force next month to see if it can agree on a single proposal.

Senator calls for nuclear export moratorium

Barely a week after budget-cutter David Stockman's proposal to shut down the nuclear export section of the Commerce Department became public, leading Senate liberals launched an attack on nuclear exports from a different angle. In testimony before a sympathetic Senate Foreign Relations Committee on Dec. 2, Sen. Gary Hart (D-Colo.) called on the Nuclear Regulatory Commission (NRC) to "suspend all exports until it is confident of the adequacy of International Atomic Energy Agency (IAEA) safeguards." Hart, who is the ranking Democrat on the Environment and Public Works Nuclear Regulations Subcommittee, was testifying at a hearing called at the urging of Sen. Alan Cranston (D-Calif.), an ardent supporter of the Malthusian Global 2000 perspective, in the wake of an NRC announcement that it was considering revising its own export-licensing standards because of determined inadequacies in IAEA safeguards. Hart called the IAEA safeguards a "façade" which are used to "legitimize U.S. international trade" in nuclear technologies.

The NRC announcement that had precipitated the hearings came in a Nov. 27 letter from Commission Chairman Nunzio J. Palladino to the chairmen of several congressional committees which oversee nuclear regulation and export. The letter charged that IAEA safeguards "would not detect a diversion [of weapons-grade materials] in at least some types of facilities."

The Senators' anti-nuclear export drive was given open backing by Richard T. Kennedy, Undersecretary of State for Management and Alexander Haig's ambassador to the IAEA. Testifying before Percy's committee, Kennedy said that, in his opinion, the ability to detect diversion of nuclear fuels to military use "is not generally attainable" by the IAEA.

Major science hearings upcoming

The House Science and Technology Committee, chaired by Don Fuqua (D-Fla.), will hold what one aide called the "most important hearings we will hold in the next decade" on Dec. 10. The hearing is intended to be a major discussion of U.S. science and technology policy and what it must be. This hearing will be the kickoff to follow-up sessions planned for Feb. 2 and 3.

Lead-off witness will be George Keyworth, the President's science adviser. He will be followed by the two previous science advisers, Frank Press and Guy Stever.

"This is perhaps our most important hearing—it will deal with

the grand cosmic scope of things," declared an aide on the committee. "We will be asking searching questions. The first ones will be on the role of the federal government in science and technology. The second will be the fact that the budget document is a major statement of policy, given the major changes the document indicates, we want to know the impact it will have on science programs in the United States and on our technology, which has given the world its high standard of living."

The legislators intend to grill Keyworth about how the administration will determine which high-energy physics programs it will back, whether the administration is concerned about the lack of science-education programs in the country, and whether Keyworth really wants to eliminate all planetary exploration programs for the next decade.

In what committee staffers believe was an effort to set the stage for these hearings, Keyworth had a luncheon meeting with the *Washington Post* Dec. 2 and went into a major attack on NASA planetary exploration programs and general science-education programs. Keyworth announced that he has recommended halting all new planetary space missions for the next decade and using any available funds in the space program only for the experimental payloads on the Space Shuttle.

Keyworth criticized the administration's cuts in the social science budget while calling the science-education programs "ineffective" and announcing that they will be ended by 1982.