

# Congressional Calendar

## Liberals call for energy purchasing agency

Led by John Conyers (D-Mi) and Benjamin Rosenthal (D-NY) in the House and John Durkin (D-NH) in the Senate, Kennedy-affiliated liberals are trying to channel the rage of Americans against Schlesinger's energy hoax into a major attack against OPEC. Following the policy set in Treasury Secretary Blumenthal's statements last weekend that the rise in oil prices is directly linked to OPEC actions, these congressmen have introduced legislation to establish a federal corporation to purchase all oil imports. The supporters of this bill have stated that it would allow for actions in the market that could cripple the Organization of Petroleum Exporting Countries.

Kennedy's allies such as Congressman Toby Moffet (D-Ct) are claiming that this proposal is the answer to the speculation on the Rotterdam spot market which is driving up prices. Moffet, justifying the Rotterdam market speculation, declared that it was unfortunate the U.S. government had to aid the speculation through their \$5 rebate program but "this had to be done. We could only get the oil in Rotterdam. Yes, it does lead to higher prices but that is why we need a national purchasing agency."

Hearings are on tap in the House Ways and Means Committee. While nothing is yet scheduled in the Senate, where the bill was introduced May 22, Energy Committee Chairman Henry Jackson (D-Wash) has supported some form of a national agency in the past.

## Congress in Wonderland

With national polls and private district tallies showing that 70 percent of the American population knows that the energy "crisis" is a hoax, Congress has apparently decided that its job is to "prove" otherwise.

Following President Carter's lead, Senate Majority Leader Robert Byrd intoned on May 3 that "the American people need to be convinced that there is a problem. . . . Once they understand that the problem is there I believe that the American people can stand up to the tough issues." Richard Ottinger (D-NY) more bluntly stated on June 5 that "frankly, I want to see crisis and more crisis, because that is the only way people will accept the shortage and begin to cut back."

Byrd and Ottinger are not alone. During the previous week, a half dozen congressmen reported that recent trips to their districts revealed that none of their constituents believed that there was an energy shortage. Rather than launching an investigation into who is fabricating the crisis, Congressmen Toby Roth (R-Wi), Arlan Stangeland (R-Mn) William Hill Boner (D-Tn), and others considered methods to propagate the hoax. Stangeland went so far as to introduce a resolution calling for the creation of a National Energy Council to gather "reliable data" on the energy problem and publish the results. The Council would be chaired by the vice president.

None of the erstwhile gentlemen mentioned the Administration's support of the Rotterdam speculative spot market or the

Administration's dumping oil into the currently irretrievable strategic reserve as the reasons for the created crisis.

## International trade legislation proliferates

With the Administration due to send its trade reorganization legislation to the Hill around July 7, congressional trade initiatives are proliferating.

At the end of May, Congressmen James Jones (D-Ok) and Bill Frenzel (R-Mn) announced their intention to introduce legislation which would beef up executive international trade responsibilities under the Department of Commerce. Their legislation would take trade functions from the Treasury and State Departments and police them in the Commerce Department, as well as put the Export-Import Bank under the Commerce umbrella. The Office of the Special Trade Representative would be left intact.

A spokesman for Frenzel said that the Administration is tending more in the direction of their legislation rather than the wholesale creation of a new department of International Trade as called for by Senators Abraham Ribicoff (D-Ct) and William Roth (R-Del). In fact, the spokesman said, the Administration may want an even less substantial reorganization. The international business community, according to a spokesman for the Chamber of Commerce, has been lukewarm to the Roth-Ribicoff proposal, recognizing the potential

for a Department of Trade to be transformed into a Department of International Trade *War*. That sentiment, coupled with the Administration's reluctance to repeat its Department of National Resources reorganization fiasco, has apparently impressed Roth and Ribicoff. The two are reportedly less adamant that the Administration include de facto support for their legislation as part of its multilateral trade negotiation legislation.

### **M**onetary Control Bill back on line

In a vote of 26 to 14, the House Banking Committee voted June 5 to endorse the Monetary Control Bill H.R.7, which is aimed at greater Federal Reserve Bank regulation of banking institutions. The bill had been defeated by the committee in March, because of tremendous opposition by the banking community, including the American Bankers Association, but this opposition was not successful now in defeating the measure.

The bill requires that *all* financial institutions hold reserves at the Fed on 11 percent of the amount above \$35 million in their demand deposits. It would also eliminate existing reserve requirements for time and savings deposits at commercial banks, except for short-term commercial deposits.

The ABA had been supporting an alternate proposal introduced by Rep. Stanton (R-Oh) which would have called for voluntary Fed membership. It would then require reserves of 1-3 percent on the first \$35

million deposits and 11 percent on deposits above that \$35 million. If the total deposits then fall below a certain level the Fed would be allowed to take reserves from non-member banks. The Stanton proposal lost in the committee by a 22 to 18 vote. According to one committee staffer, "the ABA waged a very vigorous battle here, but they lost. We think then it might have a good chance in the entire House."

### **W**ill the breeder make it through Congress?

The House Science and Technology Committee voted May 24 to support the full \$183 million funding for the Clinch River breeder program, a necessity if nuclear energy programs are to be greatly expanded to provide the energy for expanded industrial programs. But, the Senate Energy Committee in a surprise vote, has voted 9 to 8 against the breeder program. Declared Congressman Tom Bevell (D-Ala) about the unexpected Senate vote: "I think the vote in the Senate committee last week is the first casualty of Harrisburg."

The funding legislation will be before the House floor in approximately one month and about the same time it will be before the full Senate. According to a Capitol Hill aide deeply involved in the issue, "the sentiment will be, I suspect, to fund the breeder." However, word on Capitol Hill is that President Carter will veto the bill when it gets to him.

### **P**ublic Financing Bill defeated in committee

The Public Financing Bill, H.R.1 was soundly defeated in the House Administration Committee May 24 by a vote of 17 to 8. "We thought we had more support," said one backer of the bill.

The bill, referred to by many Capitol Hill sources as the "Incumbents Protection Act," was originally drafted by the Democratic Study Group and Common Cause. The bill would have allowed up to \$60,000 in federal matching funds to a candidate, but would have limited a candidate who accepts public money to spending only slightly more than \$150,000.

Federal Elections Commission Chairman Joan Aikens noted recently that the bill's requirements to release matching funds within 48 hours of a candidate's submitting documentation made it virtually impossible for any verification to be made. She also insisted that the provision lifting the spending ceiling if an opponent had spent \$75,000 was equally unenforceable. Opponents also said that incumbents have many advantages such as free mailings and ready publicity that challengers try to overcome through extra spending efforts.

House Democratic leaders met June 5 and decided that it would be a losing effort to try to bring the bill to the House floor through the Rules Committee, since there is overwhelming opposition to it in the House.

—Barbara Dreyfuss