

Congressional Calendar by Barbara Dreyfuss and Susan Kokinda

Equal time for candidates questioned

Congressman VanDeerlin (D-Cal) introduced legislation Dec. 12 that would amend the Communications Act of 1934, repealing the requirement that public broadcasters provide equal time for all presidential candidates. VanDeerlin's legislation would apply to debates, interviews, documentaries on presidential or vice-presidential candidates that are not paid for by the candidates. "We are interested in opening things up for newsmen," declared an aide to the Congressman. However elimination of the equal time provision would seriously affect access to the media by lesser known candidates seeking these offices.

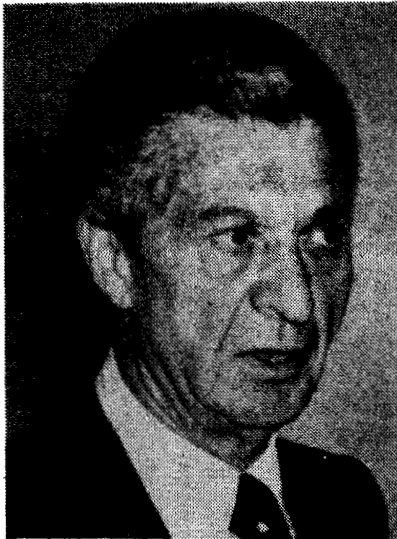
According to staff members of the communications subcommittee of the House Commerce Committee, which is handling the bill, several other congressmen have asked to co-sponsor the bill. A repeal of the equal time ruling was passed by the House in 1970 but President Nixon vetoed it.

Congressman VanDeerlin plans to hold one day of hearings on the measure at the end of January or the beginning of February and will then move rapidly to have the legislation voted out of committee and onto the floor. "We want action on this quickly so that it will affect this campaign," a Capitol Hill source

Conflict of interest charged in Linowitz appointment

The Senate confirmed the nomination of Sol Linowitz to be special representative to the Middle East, on Dec. 20, despite the protests of a

group of conservatives led by Senator Jesse Helms (R-NC). Helms and 12 other Republican conservatives charged that Linowitz stood in danger of gross conflict of interest because he intends to actively maintain his private law practice in the international firm of Coudert Brothers as well as his membership on the board of directors of the *Washington Star* and *Time* magazine.



Sol Linowitz

This unusual situation arises because President Carter in appointing Linowitz to be ambassador designated him as a "Special Government Employee," a position usually reserved for consultants which mandates that the employee serve only a hundred and thirty days out of the year, and which allows retention of private sector employment. Helms noted that while the previous Middle East ambassador Robert Strauss has also been a special government employee, he had resigned from his private practice during his tenure. Helms pointed

out that Linowitz's law firm engages in extensive international practice including in the Middle East and that the potential for conflict of interests is enormous. So too, Helms said, is his membership on the board of directors of the *Washington Star* and *Time-Life*. "If two of our major journals are crippled in reporting or commenting on a major news story of the year then American journalism will be dealt a severe blow... I think it should be self-evident that a major public figure cannot have a role, even a business role, in any of the major media." Despite Helms' protest, the vote was 80 to 13.

Federal "bailout" to gut Chrysler

With the terms of the debate set by Kennedy-man Paul Tsongas (D-Mass), the U.S. Congress Dec. 20 passed a federal "bailout" of the Chrysler Corporation. In order for Chrysler to receive \$1.5 billion in federal loans, the Congress mandated the establishment of a government board whose membership is to include Treasury Secretary Miller, Federal Reserve Board Chairman Volcker, and Comptroller of the Currency John Reinegan—the very people whose tight money policies helped precipitate the Chrysler crisis. The board will monitor Chrysler's compliance with other of the loan guarantees including Chrysler matching the federal loans with another \$1.5 billion, which is to be raised in the following way:

—Chrysler's United Auto Workers employees must contribute \$462 million in wage and benefit cuts over the next three years.

—Chrysler's white collar employees must contribute \$125 million in salary cuts.

—Chrysler Corporation will issue \$162.5 million in new diluted stock. The company workers, largely UAW, must buy this stock from their wages on top of the above wage cuts.

—As overseen by the government board, Chrysler must continue to sell off its most technologically advanced plants around the world in order to raise cash. It is being pressured to sell its biggest and best plant in Mexico.

—Chrysler will strip down its car production to "small is beautiful" compacts.

—Chrysler must also continue to implement expensive environmental controls on its cars.

If at any point the company and its auto workers don't meet the terms of the legislation, Treasury Secretary Miller can discontinue the loan guarantee.

The much publicized vote on the legislation came in the House on Dec. 18 when the final House version of the bill passed by a vote of 271 to 136. The key vote in the Senate came on the so-called Lugar amendment which passed by a vote of 69 to 28. In both votes opposition to the bailout came primarily from Republican and southern Democratic conservatives. However the voting became a fait accompli because in the terms of the choice offered, Senators and Congressmen could ultimately decide between this asset stripping and UAW looting legislation or no bailout at all. This situation was ensured primarily by the activities of Senator Kennedy's close associate, Sen. Paul Tsongas. Tsongas, with support from Republican Sen. Richard Lu-

gar (R-Ind) had drafted the essential outlines of the legislation in the Senate Banking Committee.

Once these parameters were set the only significant debate on the floor was whether Chrysler workers would give up \$400 million, \$500 million or \$600 million in wages. In addition to the irony of liberal Democrat Tsongas' attack on UAW workers, there was the eagerness of conservatives to join in the attack on "big business" in the name of free enterprise. Political observers wonder whether Tsongas' anti-union activities will affect his political mentor, Ted Kennedy's presidential bid.

Conference committee agrees on part of windfall tax

Shortly before the Congress recessed for its Christmas-New Years holiday Dec. 20 a conference committee was appointed to work out differences on the House-Senate versions of the controversial windfall profits tax on oil producers. The committee reached agreement on how much revenue would be raised by the tax prior to the recess. The House had passed a bill that would raise an estimated \$277 billion while the Senate legislation would raise approximately \$178 billion. The compromise figure agreed upon by the conference committee was \$227 billion, although they did not determine the specific taxes that would raise this amount.

The conference committee also agreed that the credits voted up by the Senate for energy conservation

measures for homes and businesses would not be applicable to 1979.

The committee's final task before adjournment was to maintain the repeal of the carry-over provision of the 1978 Tax Reform Act. This provision lengthens dramatically the base period on which capital gains taxes are paid and in effect increases the amount of taxes an individual pays.

The conference committee will reconvene on Jan. 17 to finish the details of the windfall profits tax bill.

Constitutional balancing act?

By a vote of 5 to 2 a Senate Judiciary subcommittee on the Constitution Dec. 19 voted up a constitutional amendment that would require a federally balanced budget. This is the first time that such a proposal has been endorsed by any Congressional subcommittee. The amendment was drafted by Senator Orrin Hatch (R-Utah) and formally introduced Dec. 14 by Senator DeConcini (R-Ariz). The amendment would only allow deficit spending by a three-fifths vote in both houses of Congress, or by a majority vote in times of war.

The Subcommittee chairman, Birch Bayh (D-Ind.) opposes a constitutional amendment but is pushing for much quicker legislative action to force through the balanced budget concept. The Constitutional amendment must be approved by two-thirds of both Houses of Congress and 38 states before it becomes law.

The measure now goes to the full Judiciary Committee headed up by Senator Kennedy (D-Mass).