

Congressional Calendar by Barbara Dreyfuss and Susan Kokinda

House Committee slashes fusion and NASA budgets

The House Appropriations Committee in early May proposed major slashes in the FY 1981 magnetic fusion budget. At the same time a House Appropriations Subcommittee cut a supplemental appropriation for the NASA 1980 budget that would have crippling effects on its space program—and that of Europe. The cuts in the fusion budget were \$60 million, bringing the entire budget down to \$373 million from the Department of Energy's proposed \$403 million. This total is far lower than the \$433 million proposed by Rep. Mike McCormack (D-Wash.) to achieve a working fusion reactor by the end of the century. The appropriations committee cuts, if accepted by the full House, will severely delay the design of the next-step engineering test facility, and hurt all on-going fusion experiments.

At the same time the subcommittee proposed terminating NASA's Solar Polar Mission, its most important scientific project, on the grounds that NASA has refused to "balance" its budget. The termination of NASA's Solar Polar Mission has raised the ire of the Europeans who are paying for half of the \$320 million project and have already spent \$30 million on the program, which would simultaneously launch two satellites crossing the poles to orbit the sun in opposite directions, resulting in unique data on solar phenomena. The Director of the European Space Agency has indicated to NASA that they now consider the U.S. an

"unreliable partner in international cooperation" and NASA spokesman fear that NASA-ESA cooperation more generally will be severely crippled.

Trucking dereg heads for House vote

A deal has been struck between the Carter administration, Senator Howard Cannon (D-Nev.), and Rep. James Howard (D-N.J.) that will rush legislation to effectively deregulate the nation's trucking industry to a House vote by next week, well-placed Capitol Hill sources report.

These sources say that the Surface Transportation Subcommittee of the House Public Works Committee, chaired by Rep. Howard, marked up a bill that had the full blessing of Howard Cannon and President Carter. Cannon sponsored trucking deregulation through the Senate last month. According to the deal, the Public Works Committee will report out that bill, with no significant changes, for a House floor vote next week. With backing from House Speaker Rep. Thomas 'Tip' O'Neill (D-Mass.) the bill will sail through the House.

Cannon plans to introduce the House version of the bill for a Senate vote; it is expected to pass quickly. If that happens, a possibly long drawn out series of conference committee discussions will be avoided and a bill will be on the President's desk for signing by early June.

A study commissioned by Democratic presidential contender Lyndon H. LaRouche revealed that trucking deregulation would be "far costlier than the Vietnam War" to the American economy. Losses in production due to deregulation were placed at a staggering \$500 billion over 8 years, by itself capable of producing an economic collapse.

It is well-known on Capitol Hill that both Cannon and Howard have been blackmailed by the Carter Justice Department around its "Abscam" and "Brilab" probes. Last week, Carter people upped the pressure on Howard, threatening to cut off more than \$1 billion in federal highway funds for the New York-New Jersey area unless he delivered an acceptable trucking bill.

The leadership of the American Trucking Association, the trucking industry lobby, has evidently deluded itself that they are going to be able to "live with deregulation." The ATA steadfastly refused to mobilize its membership for anything more than a perfunctory letter writing campaign. Now, reliable sources report that the ATA is apparently going to claim some kind of "victory" when the bill is finally passed since it will be only "80 percent as bad" as the Cannon bill. The ATA leaders are said to so fear the wrath of the pro-deregulation Interstate Commerce Commission, which has threatened to unilaterally deregulate the industry, that they were "afraid to push too hard against any bill."

The leadership of the International Brotherhood of Teamsters (IBT) has likewise refused to mobi-

lize its membership for more than letter writing.

Synthetic fuels bill going to floor soon

The House and Senate Conference Committee that has been working on the omnibus synthetic fuels production legislation, S.932, is finishing up its work and staff aides expect final details of the bill to be worked out at a conference committee meeting May 21. The conference committee bill is an amalgamation of a House proposal introduced by Congressman Moorehead (R-Pa.) last year to establish a synthetic fuels industry, and a proposal by Senator Henry Jackson (D-Wash.) to establish an independent synthetic fuels corporation.

The new bill would establish a synthetic fuels corporation, an independent government corporation using government money, to oversee production of synthetic fuels. The aim of the bill is to produce 500,000 barrels of synthetic fuels, an extremely expensive, highly inefficient energy source, by the year 1987, and 2 million barrels a day by 1992.

As it is anticipated that it would take 9 months to 2 years to establish a functioning corporation, the bill would place the development of the synthetic fuels industry under the Department of Defense, using the Defense Production Act as a basis. Thus, a large part of U.S. energy development would be militarized.

The bill would award government contracts to companies at

guaranteed prices and give out loans and loan guarantees. The bill provides for \$3 billion to start synthetic fuels production. Over the next 4-5 years an estimated \$17 billion will be needed, and later, approximately \$68 billion will be required to achieve the goals set out in the bill.

The conference committee is working on the final points that still separate the House and Senate proposals. These deal with amendments added by the Senate to finance solar energy production, geothermal energy production, and biomass production. The bill does not deal with nuclear energy, the most efficient, productive energy source.

Kemp calls for "little Taiwans"

Rep. Jack Kemp (R-NY), a top economic advisor to Ronald Reagan, introduced the "Urban Jobs and Enterprise Zone Act" on May 1 in an effort to foster "job-creation" in decaying inner cities. The brainchild of several British economists, including Sir Geoffrey Howe, Chancellor of the Exchequer, the legislation has the explicit intent of fostering what Kemp oddly terms "high-technology, labor intensive jobs" like the electronic component assembly industries in Taiwan. It would do this by targeting depressed urban areas as "enterprise zones" which would suspend safety regulations and most business, property and payroll taxes as an incentive to luring small businesses to open up in the areas and provide employment for the

urban poor. The bill would increase the depreciation allowance for small businesses operating in the zones.

Whether Kemp knows it or not, his legislation corresponds to a Club of Rome plan to deindustrialize and deurbanize American cities by dispersing skilled blue collar workers, leaving only low-wage service, labor-intensive industries. Kemp boasts about mobilizing "human capital," and Stuart Butler, a British economist now resident in the U.S. at the Heritage Foundation and the moving force behind the bill admitted that "these (jobs and) employees may commence with low-paid, unskilled work ..." An aide to Kemp added that a substantial exemption from payroll taxes for firms operating in the "enterprise zone" was explicitly geared toward fostering "labor-intensive" industries. The aide said that Kemp would like to incorporate many of these enterprise zones as "foreign trade zones" where components could be imported to the U.S. duty-free. "You know, like the industries in Taiwan."

Kemp's aide went on to talk about the misallocation of federal resources into loan guarantees for declining industry, citing Chrysler as an example and stressed that Kemp's bill would be a more appropriate direction into small, starter industries.

Kemp points out that the current British budget calls for the incorporation of six "enterprise zones."

Republican Presidential candidate Reagan is reported to have "loved" the bill.