# Congressional Calendar

## Opposition to Carter's decontrol, a fraud

Despite all the dust being kicked up by Kennedy over President Carter's decision to decontrol the price of domestically produced oil, the American population is going to pay the bill for the White House's oil-shortage hoax—regardless of which side of this "debate" sounds more convincing.

Senator Kennedy's crocodile tears over decontrol hardly cover his three-fold purpose: to build up a populist "Kennedy" image for the 1980 presidential race, draw support for rationalizing the oil industry, and let Carter be the fall-guy for the same version of national austerity and deindustrialization the Senator has openly pursued.

If both houses of Congress do not pass a continuation of oil controls before June 1, Carter will automatically be empowered to begin his "phased decontrol" plan. Yet, a Kennedy bill cosponsored with Senator Henry Jackson (D-Wash.) to maintain full controls on oil at least until 1980 "will not even get out of Jackson's own (Energy) committee," predicted a House staffer who favors control continuation. In the House, Rep. Donald Luken (D-Ohio) has introduced H.R. 3621, a companion bill to the Kennedy-Jackson bill; yet, after two weeks, its proponents are still "plotting strategy."

Aside from the show of opposition, Kennedy's outbursts have already cornered Carter into willingness to tax the oil companies, if decontrol goes through, and funnel the money into low-technology, labor-intensive work programs—a pledge endorsed by Kennedy-ally House Speaker Tip O'Neill. At the same time, Carter has succeeded in bullying the House Commerce Committee into reversing itself by a vote of 21-20, which sent legislation out of committee giving the President the authority to impose a gas rationing plan prepared by Schlesinger.

Earlier this week came the announcement that Carter has directed Energy Secretary Schlesinger to limit the refining of crude oil—the quickest way to create a gasoline shortage this summer. Right in step, highly vocal Kennedy backers as Sen. Metzenbaum (D-Ohio) and ex-Ralph Nader staffer Rep. Toby Moffett (D-Conn.) have repeatedly made it clear they favor government gas rationing at the pump as the preferred form of imposing energy austerity. Kennedy himself called for "equality of sacrifice" before a New York audience April 30.

## Three Mile Island still the lever for assault on nuclear industry

The Three Mile Island incident is still the lever being used by a number of congressional committees to investigate the entire nuclear industry. The Interstate and Foreign Commerce subcommittee on Energy and Power headed by Congressman Dingell, has initiated a General Accounting Office study on Three Mile Island, including what caused the incident, and what happened subsequently at both the plant and throughout the industry. "We are particularly interested in the Price Anderson measure," declared one staff member, referring to the measure that established limited liability for nuclear plants in the event of an incident.

Dingell is wielding committee authority to destroy the Price Anderson measure, which would make it virtually impossible for nuclear plants to get insurance.

Hearings on the Price Anderson measure open in July and in September, hearings will commence on the GAO study of the Three Mile Island incident.

## Standby mandatory wage and price controls authority introduced

Senator George McGovern introduced legislation on April 28 giving the President authority to impose mandatory wage and price controls. The authority for such controls expired last year and has not been reinstated. McGovern has been toying with the idea for some time, declared an aide, but decided to introduce the legislation last Friday after the announcement of the latest high Consumer Price Index. McGovern took the occasion of testimony by "inflation fighter" Alfred Kahn before the Joint Economic Committee (who declared that the inflation problem was getting worse), to propose mandatory wage and price controls.

Already there is widespread speculation that the Carter Administration is going to further restrict much needed industrial credit. As reported in last week's *Executive Intelligence Review*, there are strong indications that Carter will seek to implement the Credit Control Act of 1969. According to one Senate aide, the auto companies and the UAW are already lobbying on Capitol Hill against this measure, which gives the President power to restrict any "nonproductive" credit he thinks necessary.

"I would not be surprised if Carter tries credit controls" declared one congressional source.

### Railroad deregulation: short haul to transport breakdown

Acting on orders from Transportation Secretary Brock Adams, Sen. Howard Cannon (D-Nev) has introduced S. 796, a bill to deregulate the American railroad industry.

The basic provisions of S. 796 will: 1) phase out the Interstate Commerce Commission as a body with a jurisdiction over rate questions; 2) permit relatively unbridled swallowing of small and or financially vulnerable railroads by larger ones, via merger; and 3) permit widespread abandonment of basic service, scrapping up to 70,000 miles of track.

The thrust of the bill is expressed by statements made by the Association of American Railroads, which complains only that this bill will simply not allow companies to get out of the railroad business fast enough.

The major railroad unions, including the United Transportation Union and the Brotherhood of Railroad and Airline Clerks, appear to be maintaining some degree of opposition. "The proposal seems to be put forward by people who have more concern for balance sheets than a balanced, healthy, U.S. transport system," said a spokesman for the UTU. "Many shippers and many localities will lose all service if the bill as written goes through."

Asks UTU President Al Chesser, "Why now, on the threshold of a worldwide fuel catastrophe, would anyone want to undercut the most fuel-efficient transportation system in the country?"—referring to a Department of Transportation plan to eliminate nearly 50 percent of Amtrak's rail passenger service.

Yet, says the union, "we have no problem with deregulation in principle," and looks to modifications of the bill at the time of markup sometime in the next 4-8 weeks, to cushion its negative impact. "They don't have the votes right now," said a UTU spokesman.

Companion legislation to cut 12,000 miles of Amtrak passenger train service, is pending in both the Senate and House Commerce Committees. Under the terms of the legislation submitted by the Transportation Department, the cuts become law on May 22 unless vetoed by either house. On May 1 the Senate Commerce Committee held two votes to send the measure to the floor, but they were defeated, so it still remains in the committee. If the cuts are not vetoed by May 22, they take effect Oct. 1.

### Arab boycott legislation tied to export act

Rumors are flying about the trade community that something is brewing over what is known as the Arab boycott legislation. The measure, which has been law for sometime, forbids U.S. companies to comply with the demands of Arab nations that goods be certified as not directly or indirectly originating in Israel and has severely hurt U.S. companies trading with the Middle East.

Nevertheless, the legislation is expected to be included in its original form as part of the Export Administration Act which goes into mark-up at the beginning of May and will be voted on by the full Senate by May 15. According to a staffer close to the issue, the Business Roundtable, which had objected to some of the provisions under pressure from the business community—and the Zionist lobby—have come to an agreement, and the legislation will go through Congress intact. In March, Secretary of Commerce Juanita Kreps testified to the Senate Banking Committee that the boycott legislation had worked so well it should not be changed.

—*Barbara Dreyfuss*