

## **Congressional Calendar** by Barbara Dreyfuss and Susan Kokinda

### **Omnibus Shipping Bill up for a vote**

On March 20 Congressmen Murphy (D-N.Y.), Snyder (R-Ky.), and McCloskey (R-Ca) introduced a revised version of the omnibus maritime bill, a bill that has far-reaching ramifications for all U.S. shipping as well as many labor unions. The Congressmen plan is to send the bill to the floor of the House by April 4.

The legislation is an extensive overhaul of U.S. shipping policy. One of the most important aspects is a provision eliminating the essential trade routes that have been established since 1936. The bill would allow for renegotiation of the routes by the shipping conferences. "This will allow them to rationalize service," said one staff aide working on the bill. "There is a strong possibility too that existing ports will be affected since the changes in the routes will affect which ports are important in shipping."

A spokesman for the National Maritime Council warned that this provision would have a very negative effect on shipping, creating chaos in the industry and destroying many shippers. "It will be open season on the shippers. The policy of stable trade routes has helped exports and imports very much."

The legislation would also adversely affect U.S. shipbuilders, because it provides subsidies for vessels built abroad. At the same time the bill opens up labor contracts for review by the U.S. government. "The labor unions are concerned because they perceive several provisions that are antilabor," declared the Council representative. "Specifically the bill would allow

the Secretary of Commerce to deny subsidy contracts to employers who negotiate contracts that employ more workers than 'necessary for efficient levels.'" The legislation would also give the go-ahead for the Commerce Secretary to review collective bargaining agreements to determine if they allow for the "efficient economic use of vessels by management and labor."

The Senate is also working on a bill dealing with shipping regulations, but the legislation, being drafted by Senator Inouye (D-Ha), does not have the broad sweep of the House bill. The Senate bill deals largely with regulatory control over the shipping industry and in some aspects strengthens it. The Senate bill will be ready for floor action by mid-April, Senator Inouye hopes.

### **Senator proposes blackmail against Europe**

Senator Birch Bayh (D-Ind.) will introduce a proposal shortly that will call for increasing by 50 percent tariffs on imports from European countries that do not adhere to U.S. policy regarding Soviet troops in Afghanistan.

The Bayh proposal parallels legislation that was sponsored by Senators Heinz (R-Pa.), Cranston (D-Ca.), Javits (R-N.Y.), and Stevenson (D-Ill.) to increase funding for the Export-Import Bank, ostensibly so that the U.S. could compete with European subsidized exports. However, an aide to Senator Heinz made clear that the intent was to use the threat of trade warfare to force Europe to stop subsidizing its own exports. "The purpose of this bill is to bring Europe back to the

bargaining table. Our tactic is to say to them that if they don't stop this export subsidizing, then the U.S. will do it too." Hearings on this legislation, the Competitive Export Financing Act, will be held in the Senate Banking Committee April 15 and 16.

### **Hearings on Iran requested**

Two radically different congressional approaches to the Iran crisis surfaced during the last week in March from two Idaho elected officials— Sen. Frank Church and Rep. George Hansen. Senate Foreign Relations Committee chairman Frank Church, working behind the scenes with the administration and the Department of State, has called for an investigation of U.S. relations with Iran up to the point of the shah's overthrow. The proposal came at a committee hearing where Secretary of State Cyrus Vance testified. Vance gave encouragement to the idea, while several Republican Senators on the committee charged that they knew nothing about the proposal until Church and Vance exchanged views on it—giving rise to the suspicion that it had been carefully orchestrated beforehand.

State Department spokesman Hodding Carter fueled that suspicion by delicately noting that such an investigation might prove beneficial in easing relations with Iran. By ending such an investigation at the point of the Khomeini takeover, the Church committee could both coverup the role of the administration in bringing the Khomeini government to power and in allowing the taking of the hostages.

Rep. George Hansen (R-Id), who has been charging administration complicity in the Iran crisis since his trip to Teheran immediately after that embassy takeover, held a press conference on March 31 and introduced a congressional resolution calling for a full investigation of U.S. relations with Iran, including administration relations with Khomeini and their handling of the crisis. Hansen has been outspoken in his charge that the Iran crisis may have been the result of a conspiracy by international financial and oil interests and their spokesmen such as Henry Kissinger, to subvert American foreign policy to their own ends.

## **Bank deregulation bill signed by President**

The President signed into law on March 31 the Depository Institutions Deregulatory Act, the omnibus banking bill that was spearheaded through Congress by Senator Proxmire (D-Wisc.) and Congressman Reuss (D-Wisc.). The bill puts under the authority of the Federal Reserve System virtually every bank in the nation, and provides for a phase-out of Regulation Q, allowing the savings and loan institutions to extend slightly higher interest rates than commercial banks, and allowing states to establish usury laws. The bill passed the House of Representatives March 27 and the Senate March 28.

On March 27 the windfall profits tax on the oil industry also passed the Senate by a vote of 66 to 31 following House passage a week and a half before. The tax would take out of the economy over \$227

billion over ten years. The provision to exempt from taxation the first 1,000 barrels of oil produced was deleted in the final version. Many independents fear bankruptcy because of the severe taxation rates. President Carter signed the tax legislation on April 2.

## **Corporate Democracy Act planned**

At some point prior to Big Business Day on April 17, Reps. Benjamin Rosenthal (D-N.Y.) and Frank Thompson (D-N.J.) will introduce the Corporate Democracy Act, a bill whose goal is to increase "public accountability" of major corporations. The bill, drafted in large part by Ralph Nader's Congress Watch organizations has the ultimate aim of placing corporate management under much more control "by the people"—in this case, the people being environmentalists. The legislation would place the "public" on boards of directors, prevent interlocking directorships, and increase disclosure requirements and penalties for safety and other violations. A little noticed portion of the bill would incorporate H.R. 5040, legislation to deal with plant closings. H.R. 5040, pushed over four years ago by Walter Mondale and widely recognized as a reason for his decision not to run for President because of the adverse reaction to the bill, contains a provision which would establish compulsory worker relocation programs.

H.R. 5040 and the Corporate Democracy Act are only being floated now to create a promotional climate toward later enactment. A

spokesman for Frank Thompson said that it would probably take people several years to "get over the notion that this is socialism incarnate. We see introduction of a discussion draft as important, but it is not a high legislative priority this year."

## **Committee votes up shipbuilding**

The House Armed Services Committee voted on March 26 to increase the Navy shipbuilding budget by \$2.2 billion dollars, while rejecting administration pleas for \$80 million to begin work on a new cargo plane that would be an integral part of the administration's "rapid deployment" program.

The \$2.2 billion increase over the administration request came after extensive hearings in the committee and public concern expressed by committee members, that the U.S. Navy, critical to U.S. warfighting posture, is being reduced to obsolescence. The increased authorization, supported by a vote of 35 to 6, would go toward the construction of 20 ships, two nuclear powered attack submarines, two frigates, and take the aircraft carrier Oriskany and the battleship New Jersey out of mothballs.

Research and Development subcommittee chairman Richard Ichord (D-Mo) led the attack against the cargo aircraft, arguing that the plane would eventually cost \$12 billion and would drain away any money for other necessary programs, such as improvements in sealift capability.