

Connally is the exact opposite of California Governor Edmund Brown, Jr., with his talk of the "limits" of modern life. If Brown's political appeal stems from combining this attitude with his low-key, cool style, Connally's comes from combining his call for "vitality" with an aggressive manner.

Connally has what used to be called a manly charm. But it is not simply the big head, the big body, the deep baritone with just enough Texas twang. The secret of his appeal seems to be that this open, outgoing style is matched by the substance of what he says.

"It's an exciting time in which we live," he told his audience in Alabama. "We act as though there are no more frontiers. But there are, in science and medicine and technology." And at another point he said "You have to get bigger and bigger, just for efficiency."

So it is no accident that Connally appeals mainly to businessmen and to the rising entrepreneurs of the South and Southwest who form the bedrock of the Republican Party there.

They like the aggressive things he says and the aggres-

sive way he says them. He does not turn on conservative audiences the way Ronald Reagan does, but he impresses them, and he appeals to a broader group.

Connally has a lot of political problems. He was close to Nixon and Lyndon Johnson. He has a reputation as a wheeler-dealer. He jumped parties in 1973. He was indicted, though acquitted, on a bribery charge in 1975.

Like so many people, he is a bit more complex than he seems. He has made a lot of money and held high positions and his ambition is obvious.

While he can drum up business and promote himself before a crowd, he can also recite poetry and talk a bit wistfully about how he'd like to spend more time at home.

It isn't impossible, then, that Connally would decide not to try for the big prize in 1980. He might just help Republicans next year, and then go home to his ranch, his law practice, and his family.

It's not very likely, either. That would be placing limits on himself, which is hardly what is expected from John Connally.

Labor, Industry: Expand Exim Bank To Strengthen U. S. Economy

The following comments of business and labor representatives show significant support for the perspective put forward in former Texas Governor John Connally's proposals, and for the U.S. Labor Party's proposal to use the U.S. Export-Import Bank to facilitate a high-technology export recovery of the dollar:

LABOR

An official of a large Midwest local of the International Brotherhood of Electrical Workers:

Many of the Building Trades locals boycotted the AFL-CIO convention because they knew that Meany would come out for protectionism and make-work jobs. We knew it was a power play of Meany, Kirkland and the liberals against the Building Trades Union. Meany has written off thousands of jobs for labor. We agree with the necessity of high technology exports and are very interested in your proposal.

A ranking official of a New England building trades council:

The AFL-CIO convention was a rotten mess. Nuclear energy development and your proposal are what's needed.

An official of a state-wide midwestern organization of the International Brotherhood of Teamsters:

Meany's trade policy is a disaster for the country. Although most Teamsters are Democrats, we think that Carter is not heavily enough wired to handle the job. We support a high-technology export policy. The problem is

Carter and Meany. Your proposal sounds very interesting.

A top official of the International Brotherhood of Teamsters from the Midwest:

We take your proposal very seriously.

A highly placed spokesman in the International Brotherhood of Teamsters of a southwestern state:

High technology exports are essential to U.S. recovery. Your proposal is a very important development.

BUSINESS

The President of a New England industry group backed by labor and known to be committed to developing nuclear energy:

An expanded export policy is crucial to U.S. recovery. We would like to work with you on expanding the role of the Exim Bank.

A businessman from Texas:

A lot of people here are concerned about our balance of payments deficits and that the collapse of the dollar will drag the whole U.S. economy down. This Exim bank proposal is very interesting.

A representative of a Texas firm:

Get me the Exim Bank proposal. I'm sure you would not mind if I turned it over to our local newspaper for editorial comment... (in reference to the Carter Administration's rejection of an offer from Iran to buy several nuclear power plants from the U.S.) My God! That deal would have wiped out our balance of payments deficit!

A Midwestern director of a business association:

The London crowd destroyed the economies of Italy, Sweden, France, and West Germany as well as their own. Now they're out to destroy ours. The U.S. will go bankrupt like Britain if we don't fight back.

A member of a municipal Chamber of Commerce in Georgia:

If your proposal does what you indicated to me, then if there is anything we can do to get this process going, we will do it.

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'Eximbank's Broader Mission'

The following are excerpts of "Eximbank's Broader Mission," the lead editorial in The Journal of Commerce on Dec. 23.

Congress won't have to look far to find reasons to view the Export-Import Bank of the U.S. in a more favorable light. American exports are sluggish, and there is the prospect of yet another \$30 billion trade deficit in 1973, despite the collapse of the dollar and the resulting improvement in export prices. There is, moreover, intensified international competition for shrinking markets.

Eximbank goes to Congress for its preliminary budget request in January and must justify its very existence when its present mandate runs out in September. There have been informal suggestions that Eximbank will ask for a \$10 billion increase in its authority from the present \$25 billion ceiling.

In an earlier administration when Eximbank's former chairman, Stephen DuBrul, sought to make the private community as responsible as possible for export financing, exports supported by Eximbank programs fell to \$8.8 billion. In the 1977 fiscal year, direct authorizations for financing slumped to \$750 million from the previous year's \$2.2 billion.

The new chairman, John L. Moore, Jr., intends to take a far more positive stance. He is careful, however, not to associate himself with the activism of a Henry Kearns, whose exuberance tended to irritate Congress. Nor is he responsive to proposals by the U.S. Labor Party that Eximbank take advantage of its original charter to perform a general banking business and spearhead the recovery of the dollar. The U.S. Labor Party proposal would have Eximbank establish an official in Luxembourg, take in Eurocurrency deposits and lend at concessional rates to developing countries. Spokesmen for Eximbank insist that its charter also constrains it from competing with commercial banks.

But, within his more modest view of his mission, Mr. Moore is making his presence felt. He has reduced the rate for Eximbank financing from 8-9 percent to $7\frac{3}{4}$ - $8\frac{3}{4}$ percent and has shown his willingness to go below that to meet foreign competition. Eximbank has been providing

direct credits of up to 85 percent of contract price, which has been virtually unheard of.

Mr. Moore told the Fidelity Bank that he is considering the idea of insuring private lenders against losses due to changes in interest rates. This option must be examined because longer term fixed rate financing must be made available if the U.S. is to compete for billion dollar projects against the Japanese and Europeans. Such fixed rate funds have been made available at around 8 percent. Mr. Moore would also take a more relaxed approach to determining the creditworthiness of a buyer and would avoid imposing "artificial" country limits.

Notwithstanding the vociferous objections in recent years to Eximbank financing of aircraft, Mr. Moore would do more of the same. He contends that there currently are alternatives to American aircraft.

This country isn't prepared, as some other countries do, to insure against losses due to exchange rate fluctuations and inflation-induced cost increases. The one isn't necessary since American exports are invoiced overwhelmingly in dollars and the other isn't politically feasible.

Eximbank has registered strong disapproval of such practices by France and Italy. It has also sought a general agreement under the renegotiation of a multinational "gentlemen's" arrangement for substantial increase in interest rates, elimination of financing of local costs and longer terms for individual export sectors. More extensive reporting of so-called "mixed credits" has also been requested. The U.S. contends that the French, in particular, have offered credits of up to 25 years with interest rates as low as 3 percent for capital goods by mixing export credits with aid funds. Such credits have been made available to Syria, Egypt, Turkey, and Morocco.

U.S. proposals proved too ambitious, and they have been considerably modified for the discussions to be held under auspices of the OECD in Paris, Jan. 8 through 13. The European Commission, which will be negotiating for all its member countries, has particular difficulty in establishing a consensus in this respect.

The United States is anxious that all official export credit agencies make their practices as public as possible so that American exporters can be given the opportunity to compete on more equal terms.

Eximbank has won the support of the Treasury, which recognizes that an improved competitiveness for American exporters will not only go a certain way to deal with the huge trade deficit but will also serve to head off some protectionist pressures.

Treasury sources said Wednesday that Eximbank direct lending would expand to \$2.8 billion next year, considerably below the goals set by Mr. Moore of \$5 to \$5.5 billion in fiscal 1979. Even the latter amount would be modest when compared to official support for exports provided by other industrial countries. Mr. Moore deserves a sympathetic hearing from Congress and far more understanding from the labor movement, which persists in drawing the wrong conclusions about exports and jobs.