

The U.S. Senate

GOP chairmen to reverse track

by Barbara Dreyfuss

With an overwhelming mandate from the American electorate, the largely conservative Republicans who will now head the major committees have already announced their intention to start work on new policies.

Senate Banking Committee—Senator Jake Garn (R-Utah): The Senate Banking Committee perhaps best illustrates the changing outlook of the Senate. Whereas the outgoing committee chairman, liberal William Proxmire (D-Wis.), working closely with House Banking Committee chairman Henry Reuss, has tightened Federal Reserve Board control over the banking system and backed legislative changes favoring the big New York banks, new chairman Garn will take the committee in the opposite direction.

One issue the committee will review shortly is whether the McFadden Act, which prohibits state-chartered banks from operating across state lines, should be changed. McFadden has protected local banks from competition by major, especially New York-based, banks. The Carter administration strongly favors changing the law. Garn, however, is concerned about the fate of small, regional banks. We want to prevent "a few large banking institutions in this country from dominating the industry," he declared.

Garn also opposes the activity of the Depository Institutions Deregulation Committee. The DIDC, headed by Federal Reserve Board chairman Paul Volcker, has publicly called for the controlled disintegration of the nation's economy. The DIDC forces banks to join the Fed and phase out protective regulations for savings banks. "I did not expect DIDC to do what it is doing. . . . They are not following our intent of gradual change," warned Garn, adding that he will press for legislation that regulates DIDC activity.

While Proxmire backed the International Monetary Fund, Garn wants better "oversight over the international financial institutions," said his aide. Garn will instead emphasize expanding the Export-Import Bank to facilitate U.S. exports to the Third World.

Senate Appropriations Committee—Senator Mark Hatfield (R-Ore.): Reversing the decline of the all-volunteer army, increasing pay and benefits to attract more

qualified people, will be the highest priority of the new chairman, declared his aide. Hatfield was vigorously opposed to the Alaska Lands bill, sarcastically termed the Alaska lock-up bill by one of his aides because of the millions of acres it would take out of development.

Senate Finance Committee—Senator Robert Dole (R-Kansas): Senator Dole is not ideologically far apart from the current committee chairman, Russell Long (D-La.). Dole is already working for passage of the \$39 billion tax cut, worked out by Senator Long and the Finance Committee earlier this year. Dole wants the legislation passed into law during the lame-duck session of Congress beginning Nov. 12, so that Americans can see lower tax bites in their paychecks as early as January.

Another issue Dole will move on quickly is the wind-fall profits tax on the oil industry. Of prime concern to him is reducing the tax on the two million small royalty owners, many of whom are dependent on royalties for their retirement financing. He also hopes to increase oil production by lowering the tax on newly discovered oil and newly drilled oil wells.

As chairman of the Finance Committee, Dole will have to deal with the problems of the Social Security Administration. Aides report he is reviewing the possibility of a major temporary loan to the social security system from general revenues to alleviate the immediate cash-flow problem of the system. For the long term, the committee will review the benefit package, putting it more in line with revenues.

Although President-elect Reagan has not given high priority to the catastrophic state of health care, Dole has, and intends to make it a major issue. He has introduced legislation on this previously and has worked with Senator Long on one proposal for such insurance.

Senate Armed Services Committee—Senator John Tower (R-Texas): As with Senator Dole, Tower is not very different in views from the outgoing committee chairman, John Stennis (D-Miss.). In a press conference Nov. 11, Tower detailed the policies he intends to focus his committee on. "For the first time in approximately 25 years the GOP has the chance to shape a course for a legislative agenda, particularly in national defense. The election results reflect a strong public sentiment behind the efforts to restore our military strength, and it's my expectation to begin vindication of that trust immediately."

Tower declared that he wants to focus on developing the MX system, the manned bomber, probably a B-1 derivative, the Trident II, and a long-range theater nuclear force modernization program. Tower expressed concern about the ability of the U.S. to retain a trained military force, as well as its capacities for a combat-sustaining base, especially ammunition and spare parts adequacy. These issues will be addressed in the 1981

fiscal year supplemental budget, he announced, calling for a quick passage of the 1981 defense appropriations bill. In the supplemental budget he proposes pay raises for the middle grades, and money for fuel costs to help alleviate these problems, said the Senator.

The FY 1982 budget will be devoted to "new systems modernization," he told reporters, and will be carried out in a "bipartisan spirit." He predicted work on an enhanced radiation warhead, and increased shipbuilding because "another carrier force is desirable."

Tower has attacked the Carter Doctrine projecting American military strength into the Middle East in times of crisis, calling it a bluff the U.S. could not back up. In his first press conference after the election, Tower called for adequate military forces to meet such crises. He said the U.S. needs 10 additional ships in the Indian Ocean, air, sealift, and amphibious assault capabilities.

Senate Agriculture Committee—Senator Jesse Helms (R-N.C.): Helms's first activity as head of the committee will be to review ways to reduce the rate of growth of new food stamp users, and to reform the programs generally, according to one of his chief aides. Beyond this, Helms intends to keep the "delicate mix of programs in the bill, which works, but not to mismanage it as the Carter administration did," declared the aide. "Carter had a cheap food policy; he manipulated the program to lower prices, and that killed farmers."

The aide was referring to the Food and Agriculture Act of 1977, which comes up for reauthorization in January, and covers price supports as well as most other farm matters.

Senate Labor and Human Resources Committee—Senator Orrin Hatch (R-Utah): Organized labor considers Hatch, a cochairman of the National Right to Work Committee, one of their main enemies. He was a vigorous opponent of labor law reform last session, legislation vigorously lobbied for by the AFL-CIO. He has strongly supported a subminimum wage for youth, despite warnings from organized labor that this will depress wage levels generally.

But following the Republican sweep in the Senate, Hatch announced that he plans to pursue what he termed a more "moderate approach." "There is no reason for the labor movement to be alarmed. I come from the labor movement. I believe there should be labor unions. If the unions give me a chance, I think we can do good things together for the country. I made it clear to them that my door will always be open," declared Hatch. "There is no reason for a confrontationist approach." In this spirit, Hatch said he would not move to repeal the Davis-Bacon Act, which requires minimum wages on federally fi-

nanced projects, but instead change the way the law is enforced.

Senate Judiciary Committee—Senator Strom Thurmond (R-S.C.): Senator Thurmond will be a very different chairman from the current committee head, liberal Ted Kennedy, who has backed decriminalization of marijuana, an end to the death penalty, and forced school busing. Thurmond announced that he will press for legislation next year to reestablish the death penalty for murder, treason, and kidnapping. "I think the death penalty helps deter crime," he told reporters Nov. 6. Thurmond also said he opposes forced school busing because it is "impractical" and favors abortion only in extreme cases. He indicated he might support a constitutional amendment limiting abortion.

Senate Energy Committee—Senator James McClure (R-Idaho): McClure is one of the Senate's most ardent spokesmen for nuclear energy development and nuclear exports. He led the fight against the Nuclear Nonproliferation Act of 1978, which prohibits nuclear energy exports to Third World nations that don't agree to stringent surveillance procedures. This year McClure fought for, and won, Senate approval for the sale of nuclear fuel to India.

McClure has strongly supported the fast breeder reactor; he recently warned that Carter planned to scrap the breeder if re-elected. He has fought hard against the windfall profits tax on oil producers, and will likely try to amend it. McClure has stated that he favors synthetic fuels production, but has reservations about establishing a major synthetic fuels corporation, fearing it will become another federal bureaucracy.

Senate Foreign Relations Committee—Senator Charles Percy (R-Ill.): Percy, a board member of the Chicago Council on Foreign Relations, is, unlike the other Senate Republican chairmen, also a leading member of the Eastern Establishment. A vigorous opponent of nuclear energy sales to the Third World, he wrote the Nuclear Nonproliferation Act, commonly called the Percy-Glenn bill. A supporter of decriminalization of marijuana, Percy sponsored an amendment that prohibits the U.S. from conducting paraquat spraying abroad. As a result of the amendment, Colombia could not use U.S. aid to buy paraquat to eradicate its enormous marijuana crop.

Senate Budget Committee—Senator Pete Domenici (R-N.M.): Domenici has been a strong proponent of a balanced federal budget, although he thinks a constitutional amendment may not be necessary to achieve this. Domenici believes "a strong budget committee will realize these objectives," declared an aide to the senator. He also supports a vigorous tax cut.