

## Congressional Closeup by William Jones

### Senate incumbents face tough reelection races

Initial polling in the Senate races indicate that a few incumbents could be in serious trouble, possibly strengthening the Democratic hold on the U.S. Senate.

In a tight California race, San Francisco Mayor Dianne Feinstein has a strong lead over incumbent Sen. John Seymour (R). Seymour was appointed to the Senate seat when former Sen. Pete Wilson (R-Calif.) ran for governor. Wilson won, but his austerity policies have made his support less than invaluable for Seymour in his reelection campaign.

Also in danger is Sen. Robert Kasten (R-Wisc.). Kasten is trailing his challenger, Democratic state Sen. Russ Feingold. According to polls taken by Wisconsin Public Radio, Feingold is leading Kasten by a 54-33 margin.

In New York, a hard-pressed Sen. Al D'Amato (R) is trailing former Attorney General Robert Abrams 48-43, according to a poll taken by *Newsday*-WABC. Although this is well within the margin of error for the poll, this does not bode well for D'Amato.

### New curbs put on California water use

Despite a four-hour filibuster by Sen. John Seymour (R-Calif.), the Senate passed a bill regulating Western-state water projects on Oct. 9. Seymour attacked the environmentalist bill as degrading humans by equating their needs with those of fish and wildlife.

The "water resources bill" authorizes water projects in 17 western states, but alters the way water from the Central Valley Project in California is allocated. The bill takes water away from farmers and diverts it to

improve stream flows, save fish, and to be used as a revenue-generating "commodity" to sell to desperate cities.

Bill Bradley (D-N.J.), calling for greater "efficiency" in allocating water, led a gaggle of conservative and liberal, Democratic and Republican, senators who backed the bill. A Bush veto of the bill is possible.

### Speculator giveaway lauded by investment firms

House-Senate conferees, hammering out the final version of the Commodity Futures Improvements Act, which will reshape regulation of U.S. futures markets, agreed to allow the Commodities Futures Trading Commission to exempt swaps from regulation, even as the conferees also agreed to allow regulated futures exchanges to begin trading swaps, the *Wall Street Journal* reported. The moves are a boon to spectators.

The conferees also agreed to grant the Federal Reserve authority to regulate margin requirements for stock-index futures, as Treasury Secretary Nicholas Brady suggested in 1988, when Brady was a Wall Street executive on the President's commission to investigate the causes of the October 1987 stock market meltdown. The legislation was agreed to by the Senate on Oct. 8, clearing the measure for signature by the President. If the legislation is signed into law, the Fed will have oversight of the margins of securities (stocks and bonds), securities options, and securities futures.

In the Senate, an amendment to kill a provision to allow the amortization of intangible assets (such as the "good will" from owning a famous name-brand) was defeated by a vote

of 75-19. Opponents of the provision have argued that allowing the write-off of intangibles, such as subscriber lists, would reignite "merger mania," especially in the food products industry, where name-brands are a vital component of marketing. The legislation received the full support of the leading investment banks, including Goldman Sachs, J.P. Morgan, Morgan Stanley, and Salomon Brothers.

### Metzenbaum attacks free trade agreement

Sen. Howard Metzenbaum (D-Ohio) has denounced the North American Free Trade Agreement (NAFTA) as a "disaster waiting to happen." Metzenbaum recently made the remarks on a tour of U.S.-owned plants in Matamoros, Mexico, which are known as *maquiladoras*. U.S. independent presidential candidate Lyndon LaRouche has called the slave-labor conditions in these shanty-towns an "Auschwitz below the border."

Metzenbaum found Mexicans in an automotive parts company, which shut down its Toledo, Ohio operations this year, making \$2.50 an hour, as opposed to an average wage of \$13 per hour paid to unionized workers when the plant was in Ohio.

The Oct. 16 *Cleveland Plain Dealer* reported that 90 Ohio companies are now operating plants in and around Matamoros. A study commissioned by Rep. Marcy Kaptur (D-Ohio) said that plant relocations to Mexico have already cost the state as many as 43,700 jobs.

"I am compassionate; I feel for these people," Metzenbaum said as he toured the squalid conditions at Matamoros. "But I am a United States senator from Ohio, too. I am concerned

about our jobs back home. I am concerned people in Ohio have no idea what is going to occur."

## **E**nergy bill would monitor Japanese nuclear safety

The energy bill passed by the U.S. Senate on Oct. 8 mandates a White House study on the alleged "safety risks" of Japan's plutonium shipments. The bill requires the President to submit his report to Congress within 60 days.

Greenpeace and the Nuclear Control Institute's Paul Levanthal, who helped run the 1979 Three Mile Island hoax as an aide to then-Sen. Gary Hart (D-Colo.), are behind this, Levanthal's office said. (For background, see *EIR*, April 17, 1992, "Nuclear Program in Japan Under Attack.")

The study must consider the safety of the casks containing the plutonium, the risks to U.S. states, and the adequacy of states' emergency plans in the event of an accident (see *Strategic Map* in last week's *EIR*). Congressional aides said this would allow Congress to attack Japan early next year. Five U.S. states or territories, including Guam, Hawaii, and Puerto Rico, have already expressed "grave concerns" about the safety of the containers holding the plutonium.

## **R**estrictions on tuna fishing pass Congress

A bill which would ban the use of purse-seine nets to catch yellowfin tuna by 1994, entitled the "International Dolphin Conservation Act of 1992," passed the Senate by voice vote, passed the House in a 389-15 vote on Sept. 24, and is awaiting sig-

nature by the President.

The bill, sponsored by Rep. Gerry Studds (D-Mass.), is motivated by Greenpeace and the People for the Ethical Treatment of Animals' (PETA) campaign to stop the deaths of dolphins which might get caught in the nets. Eco-terrorist pressure and propaganda had already forced U.S. canneries to boycott any tuna caught in purse-seine nets. As the Sept. 23 *Wall Street Journal* pointed out in an editorial, the effect of the bill will be to force U.S. tuna fishermen to either stop fishing or to catch the smaller, less tasty skipjack tuna, which is then canned at greater cost and with the addition of tuna fillers of hydrological protein. The United States also has an embargo on imported yellowfin from foreign fleets (like Mexico and Venezuela) with large dolphin kills.

As documented in the fall issue of *21st Century Science & Technology* magazine, the dolphin issue is a sham. Out of 17 million dolphin, U.S. fishermen will inadvertently kill about 500 this year, while foreign fishermen will kill about 14,000. The American Tunaboat Association opposes the bill and is supporting an international agreement that aims to reduce dolphin kills to near zero by the turn of the century, using advanced U.S. purse-seine technology.

## **P**OW-MIA hearings reveal unresolved mysteries

The Select Committee on POW-MIA Affairs continued its investigations on Oct. 16, taking testimony from Assistant Secretary of Defense Duane Andrews. Andrews, responding to charges by Sen. Charles Grassley (R-Iowa) that the Defense Intelligence Agency was trying to cover up information about the possibility that some

of the missing might still be alive, said that Grassley was incorrect in telling the Senate that a little-known Air Force unit known as the Joint Services Survival, Evasion, Resistance, and Escape Agency (JSSA) had been brought in over DIA's head to reevaluate photo data because of doubts about DIA's performance.

Grassley, Sen. Robert Smith (R-N.H.), and some POW activists have accused the DIA of systematically devaluing intelligence information from photography, radio intercepts, or human sources that might indicate that some of the 2,266 servicemen listed as "unaccounted for" could still be alive. Air Force pilots were taught survival techniques by the JSSA, which included signals to be used in case they were shot down behind enemy lines. The DIA officials responsible for examining the various "sittings" of POW-MIAs were not acquainted with the signals, and the JSSA people were never brought in to examine the photos. Andrews explained that this was not done because the JSSA "is not an inspector general and has no one qualified in intelligence analysis or photographic interpretation to perform such a function."

Senate investigators have uncovered nearly 20 sets of four-digit numbers in photographs that may be linked to special numbers assigned to U.S. pilots in Southeast Asia for use in emergencies.

In response to charges of a cover-up, a delegation led by former Chairman of the Joint Chiefs of Staff Gen. John Vessey and Sen. John McCain (R-Ariz.), himself a former POW, met with Secretary of State Lawrence Eagleburger and a representative of the government of Vietnam. As a result, Vietnam has agreed to release 4,000 documents and pictures dealing with POWs held during the Vietnam War.