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Senate

The Senate met at 9:15 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Generous Father, help us to be more gracious receivers. We talk a lot about giving but often find it difficult to give to others what they need because we have been stingy receivers of Your grace and goodness. We cannot give what we do not have. Remind us that to love You is to allow You to love us profoundly. Then we will be able to love others unselfishly. The same is true for the gifts we need from You for our leadership. We need Your supernatural gift of discernment. Help us be willing to receive Your divine intelligence rather than obdurately insisting on making it on our own limited resources. Invade our thinking with insight and inspiration we could not produce on our own. You wait to bless us. We receive not because we do not ask. All through this day, make us aware of our great need for You and the great things You want to do through us. In the name of our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the distinguished Senator from Texas, is recognized.

SCHEDULE

Mrs. HUTCHISON. Mr. President, on behalf of the leader, I wish to make the following announcement. Today the Senate will be in a period of morning business until the hour of 11 a.m. At 11 a.m. the Senate will resume consideration of S. 936, the Senate defense authorization bill. Currently, there are a number of amendments pending which

will require rollcall votes and also a number of filed amendments which are expected to be debated throughout the day. As previously announced, Senators can expect a series of rollcall votes on amendments to the bill later in the day as we make progress on this important legislation.

As always, Members will be notified accordingly when votes on amendments are ordered. As a reminder to all Senators, last night a cloture motion was filed on S. 936. Therefore, all first-degree amendments must be filed by 1 o'clock today. As previously stated, it is the intention of the majority leader to complete action on this bill by the end of the week. Senators should be prepared for busy sessions this week.

I thank all Members for their attention.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. INHOFE). Under a previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under a previous order, there will now be a period for the transaction of morning business, not to extend beyond 11 a.m. with Senators being permitted to speak up to 5 minutes.

INVESTIGATION BY GOVERNMENTAL AFFAIRS COMMITTEE

Mrs. HUTCHISON. Mr. President, I rise today to discuss the solemn importance of the investigative hearings that have just begun by the Senate Governmental Affairs Committee under the leadership of the distinguished chairman, Senator THOMPSON, and the distinguished ranking member, Senator GLENN.

While it is unfortunate that some in Congress have attempted to portray this investigation as an effort by one

side to make political hay, I want to briefly discuss why these hearings are crucial for all Americans of whatever party or ideology.

Through the hard work and bipartisan effort of the Governmental Affairs Committee, there has been evidence uncovered and indications of much more evidence to come that our American political system was put up for sale and that an alarming number of foreign interests were ready and willing to buy. While there have been indications of a wide array of illegal activities in connection with the 1996 Presidential election, much of which the public is aware, Senator THOMPSON yesterday indicated that there may be much the American people do not yet know.

The chairman stated yesterday that his committee has evidence that points to a concerted effort by the Chinese Government to improperly or illegally influence American foreign policy toward that country and toward Taiwan. Mr. President, if this is, indeed, the case, then in my view the American people must know the truth. They have a right to know whether the U.S. Government and U.S. officials who were charged with the duty of serving the interests of the American people instead served their own special interests and the interests of others.

The U.S. Senate is attempting to find the truth through this investigation and I am hopeful and confident that it will do so.

Central to the investigation at this point is a name now well-known to the American people, John Huang. Mr. Huang has been a highly paid executive of a major foreign bank. He was appointed to be a high-level trade official at the Commerce Department with access to an array of classified documents. And finally, he was for a time a key fundraiser for the Democratic National Committee. While alone each of these positions is laudable, in part what this investigation seeks to determine is whether or not Mr. Huang

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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served in all of these capacities at the same time, which would be a crime.

Although it is becoming increasingly apparent that Mr. Huang did not act alone in his efforts to serve as an international influence broker, it is nevertheless interesting to discover that of the \$3.4 million in donations to the Democratic Party that Mr. Huang raised, the Democratic Party has returned almost half of that money, \$1.6 million, to the donors because the contributions were probably made illegally.

Now Mr. Huang has asked the Senate for immunity from future prosecution if he testifies before the Governmental Affairs Committee. Whether Mr. Huang is ultimately granted immunity or not, his conduct and that of dozens of others who have been subpoenaed must be uncovered. This will inevitably involve a give-and-take process between the majority and the minority on the committee. That is to be expected, given the sensitive nature of this inquiry. But simply because the investigation touches on sensitive issues does not mean that it should not move forward. In fact, the history of our country has been one of constant vigilance against the kind of secret manipulation of power that is at the center of this investigation. Only by fully exposing wrongdoing can we be satisfied that all that can be done is being done to tell those who would seek to thwart our system that America's foreign and domestic policy is not for sale.

Mr. President, in addition to the critical need to expose the illegal activities of those in positions of authority in our Government, let me also say that we in Congress should act to address the related issue of campaign finance reform. Let me be clear: the Governmental Affairs Committee and this Senate have the duty and obligation to immediately and fully investigate allegations of criminal wrongdoing with regard to the most recent Federal election. But once the criminal investigation is complete, I am confident that the evidence brought out at these hearings will help shed light on how we might reform our campaign fundraising laws to prevent many of the abuses of the system that this investigation will also highlight.

I have introduced a bill in the Senate that I believe can serve as a vehicle to not only achieve consensus on this important and contentious issue, but that will put a stop to the types of excesses and abuses of our system that have eroded the integrity and public confidence from our Federal political system.

For example, my bill specifically prohibits contributions from any foreign entity or any foreign person, including green card holders who are not citizens of this country. I believe that effecting this change of current law would be a positive result of what we have learned from the 1996 Presidential election. It is simply not healthy for our democracy to have foreign influence in the

election process. That is a sacred right and a sacred responsibility that the American people have, to democratically elect our President, our Congress, and our other State and local leaders. Anything that impinges on that right is not warranted, and I hope we will be able to take action soon to prevent this type of conduct from ever happening again.

In addition to the issue of foreign influence in our election process, I am hopeful that the Governmental Affairs hearings, which I think are being conducted in a very fair and bipartisan way, will also tell us what other things we should do to make sure that our campaign laws protect the integrity of our election system.

Mr. President, I want to thank the distinguished chairman of the Republican conference, Senator MACK, for asking us to come forward and talk today about the importance of this investigation and the importance of the integrity of our American election system.

I yield the floor to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. Mr. President, I want to thank the Senator from Texas for her comments this morning and for her involvement in expressing the importance of the actions on the part of the Governmental Affairs Committee. I also want to express my support for the committee itself and the inquiry that began some 6 months ago. As elected officials, it is our duty not only to change the laws when necessary but to abide by them. The hearings that began in the Governmental Affairs Committee yesterday are an inquiry into just how well the Clinton administration abided by the law during the last election cycle. The Democrat Party and the White House would like the American public to think that they did nothing different than anyone else, and that everybody does it and therefore we must change the law.

That just simply is not true. No, not everybody does it. Before we begin considering what new laws to pass, we ought to examine who has violated the ones we have on the books now. In my view, the administration will have no standing to debate the issue of campaign finance reform until they prove that we can live and that they can live within the law as it currently stands. It does little good to create new laws if our leaders don't follow them with principle, integrity, and some semblance of morality. We ought to have leaders who adhere to the spirit of the laws—rather than to push the envelope of propriety.

Unfortunately, there are credible allegations that the Clinton administration exhibited precious little principle, integrity, or morality in the conduct of their last campaign. The committee will be looking into whether the Clinton administration knowingly accepted illegal foreign contributions, allowed

money laundering to occur, or actively engaged in the unlawful solicitation of campaign donations in Federal buildings. Worst of all, the committee must determine the true nature and extent of what appears to be a calculated attempt by the Chinese Government to buy influence in the last election.

Senator THOMPSON's committee has uncovered evidence of a detailed plan by China to illegally increase their influence over the United States legal process. They found that China has invested substantial sums of money in this effort and that the White House was made aware of the plan prior to the election but did nothing to prevent it from succeeding. Disturbingly, the Chinese plan continues today. The committee must now determine who knew or should have known about this plan and how it came to be implemented.

I commend Senator THOMPSON and his team for uncovering this shocking infiltration of our electoral system by another government. Judging by the level of complaining by Democrats, he must be close to the truth. When you get right down to it, these hearings are about the lack of shame in this administration. No one in this administration is ashamed of the fact that they may have broken the laws to win the election. No one in this administration seems to be ashamed of the fact that the President and Vice President reportedly leaned on donors for the comfort of the White House. That is illegal. And no one in this administration seems to be ashamed of the fact that overnight stays in the Lincoln bedroom were for sale to the highest bidder. The White House should not be for sale. No one in this administration seems to be ashamed of the fact that poor religious people were preyed upon for illegal donations. They should be beyond such political manipulation. No one in this administration seems to be ashamed of the fact that fundraising safeguards were jettisoned so that illegal foreign cash came rolling in with no questions asked. Compliance with our country's election laws is not optional. No one in this administration seems to be ashamed of the fact that a midlevel political appointee potentially compromised our national security.

He should never have been in a position to do so.

This administration seems incapable of being ashamed of any of this. Rather, they continue to rationalize their actions in an attempt to deflect the negative publicity with hollow calls for campaign finance reform. Unlike others who attempt to tear down our current system, I hope Senator THOMPSON and the members of the Governmental Affairs Committee are able to restore some confidence in our system through these hearings. Calling people to publicly account for their wrongdoing is the first step in that journey.

Finally, I want to thank Senator THOMPSON for his forbearance. He has

shown great tolerance and conducted himself like a gentleman, at times when courtesy has been hard to muster. The administration continues to stonewall the committee on producing documents; witnesses have claimed their fifth amendment privilege; targets have fled the country; and a paper trail consisting of millions of pages have been left for the committee to unravel.

Today, I express my gratitude to him for taking on this unpleasant job, and I wish the committee members patience and good judgment in exercising their duties to uncover what has heretofore been covered up.

I thank the Chair and I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I believe there is a special order pending.

The PRESIDING OFFICER. The Chair advises the Senator from Alaska that we are now in a period of morning business.

Mr. MURKOWSKI. I thank the Chair.

Mr. President, today is the first day of testimony in the Senate Governmental Affairs special investigation of the 1996 Federal election campaign contributions. There is, of course, but one purpose to this investigation. That purpose is to review campaign financing practices during the 1996 election to determine whether Federal laws were violated.

I think it is fair to state that Federal campaign laws in question are relatively straightforward.

It is illegal under U.S. election law for a noncitizen to contribute to campaigns;

It is illegal for anyone to contribute to a campaign in someone else's name;

And, it is illegal to solicit campaign funds on Federal property.

Yesterday, at the opening of these hearings, Chairman THOMPSON announced exceedingly alarming evidence of violations of these Federal laws. The gravest of these violations is an alleged covert plan by the Chinese Government to subvert the 1996 United States election process.

I note, Mr. President, that was headlined in the Washington Post this morning.

The chairman indicated that the plan implemented a series of alleged illegal efforts by high members of the Chinese Government to influence United States policy by giving substantial sums of money. The intent had to be clear: To cultivate relations with the White House to influence foreign policy.

Two key figures in the committee's investigation are John Huang of the

Lippo Group and Charlie Trie, a Macao-based campaign fundraiser. Between Huang and Trie, nearly \$4 million in questionable funds were raised. Over half of those funds have already been determined to be improper contributions and have appropriately been returned by the Democratic National Committee.

This allegation goes to the very heart of the workings of our Government, and questions must be answered.

First would be: What efforts were used by foreign nationals to influence U.S. policy?

Second, to what extent was the U.S. political process infiltrated?

Third, ultimately, was the United States compromised at any particular time?

Additionally, these hearings will focus on the disturbing use of President Clinton's perquisites of the Presidency as a fundraising tool.

Even though Federal law precludes campaign fundraising on Federal property, the committee has revealed the following information.

During the 5 years that President Clinton has resided in the White House, an astonishing 938 guests have spent the night in the Lincoln bedroom.

This figure is an unprecedented escalation of past Presidential practices.

Presidential historian Richard Norton Smith stated that there has "never been anything of the magnitude of President Clinton's use of the White House for fundraising purposes * * * it's the selling of the White House."

On March 15, 1997, the White House counsel, Lanny Davies, stated, "It's fair to say these additional functions at the White House were for the purpose of encouraging support for the President's campaign, including financial support."

These overnight guests at the Clinton White House donated at least \$6 million to the Democratic National Committee.

Additionally, President Clinton hosted some 103 Presidential coffees. Guests at these coffees, which included a convicted felon and a Chinese businessman who heads an arms-trading company, donated some \$27 million to the Democratic National Committee.

White House officials have denied that such events were planned with the intention of raising specific amounts of money. However, President Clinton's Chief of Staff, Harold Ickes—who will testify before the committee—recently turned over a large number of documents that show figures for both expected and actual donations from nearly every White House coffee.

Here's a comparison. President Bush hosted one Presidential coffee. No money was raised. And I am told the cost was \$6.24 cents.

The accuracy of that I will leave to the historians.

But, finally, Mr. President, on March 11, 1997, this body voted unanimously to hold this investigation.

I commend Chairman THOMPSON for his commitment to Congress and to the

constitutional duty of the oversight process; that is, to provide the American people with a fair, unfiltered, and bipartisan view of the 1996 campaign practices. The American public deserve no less.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THOMAS). Without objection, it is so ordered.

Mr. INHOFE. Mr. President, I have been in the chair for the last few minutes listening to some of the comments that have been made. I would like to read one paragraph that I saw in yesterday's Wall Street Journal.

I would like to ask everyone, Mr. President, to listen very carefully, because we are only talking about three of a long list of things that are being investigated right now as far as the alleged transgression of the President.

Yesterday's Wall Street Journal has the editorial of which this is just one paragraph:

Travelgate, trumped-up Billy Dale prosecution, the secret health-care task force, the 900 FBI files and bouncer/security chief Craig Livingstone, alerts to the White House from high Treasury officials on Resolution Trust Corporation investigations, the guy who told the congressional committee he lied to his diary, the brightest minds in the Democratic Party suffering massive memory loss at congressional hearings, the "lost" Rose Law Firm billing records, Webster Hubbell's passage of the Justice to jail, Vince Foster's torment, the Lincoln Bedroom rented out, Charlie Trie on the run, John Huang taking the fifth, Jim and Susan McDougal convicted, the Buddhist monastery/money laundry, the drug dealers let in for the White House photo-ops, the routinely cavalier treatment of legal and judicial procedures, and independent counsels appointed for three members of the Cabinet, one sitting American President and, for the first time in history, one First Lady.

Everyone does it? We don't think so. At least up to now.

In this long list of alleged transgressions, the investigation right now is really only dealing with three things.

It is interesting for me that every time something comes up concerning campaign contributions that have been taken illegally, the President comes out and says we need campaign finance reform.

I would only comment, as did the Senator from Alaska, Senator MURKOWSKI. How do we know that we need reform of campaign contributions until we live under the laws that we have today?

Currently it is illegal—under our current law—to accept foreign money from foreigners. It is illegal to launder money. It is illegal to solicit or accept money on Federal property.

That is what this is all about.

So I just hope as the debate goes on about campaign finance reform that we adopt an attitude that we should comply with the laws that are on the books right now and see how far that goes to resolving the problems.

Mr. President, I see that there is no other Senator seeking time, so I ask unanimous consent that I be recognized as if in morning business on another matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

STORM CLOUDS ON THE HORIZON

Mr. INHOFE. Mr. President, I am very honored to be serving as the chairman of the Readiness Subcommittee of the Senate Armed Services Committee.

Today at 11 o'clock we will begin again the discussion on the passage of the defense authorization bill.

As chairman of the Readiness Subcommittee, I have jurisdiction over the readiness of our forces to defend America: Such things as military construction, such things as military pay, such things as training, and the like.

In carrying out my responsibilities, I have visited many, many bases throughout the world and here in the United States. I have had occasion to be recently in Camp Lejeune Marine Corps Base; Fort Hood, TX; Corpus Christi Naval Base; and the Dyess Air Force Base.

My concern is that with all the people we have talked about and talked to in the committee meetings that we have had in the Readiness Subcommittee of the Senate Armed Services Committee, we keep getting assurances from the administration that we are in a state of readiness that would meet the minimum expectations of the American people, and yet the information that we get as we go around certainly contradicts that. We have statements made by a number of people who are in the field. When you get past the top brass here in Washington, we find that we have very, very serious problems.

Mr. President, I plan to make several statements concerning this as the development of and discussion on this bill takes place after 11 o'clock, but I would just suggest that we have not found ourselves and put ourselves in a state of readiness that meets the minimum expectations of the American people. The administration has said many times we are in a position to defend America on two regional fronts, and I can assure you that is not the case. In fact, as we watched the Persian Gulf war, I regret to say that we are not in a state of readiness today to be able to defend America against that type of aggression.

With that, I will yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I would first like to say I appreciate the

leadership of the Senator from Oklahoma. Senator INHOFE has done an outstanding job in working to preserve the defense of his Nation, and his comments about our lack of preparedness are very serious. I think this body, as a body traditionally considered to be the long-term evaluator of national security interests of this Nation, needs to listen to what he says. I thank him for those comments.

INVESTIGATION BY GOVERNMENTAL AFFAIRS COMMITTEE

Mr. SESSIONS. I rise at this time, Mr. President, to make some remarks about the hearings going on in the Governmental Affairs Committee. I think they are most important hearings. I think it is important we remember that the committee, headed by the excellent and fine Senator from Tennessee, Mr. FRED THOMPSON, was commissioned by this body. They were mandated by this body to go out and discover the facts and to conduct an investigation of illegal and improper activities in connection with the 1996 political campaigns. So they have a responsibility and a duty that falls to them at this point whether they want it or not, whether they wish they did not have it, and they have to see it through and do it in a formal and proper way. I think the committee is at a point where it is not dealing with exact science, but with a process by which that committee needs to go out and find the facts, apply those facts to the law, to decide what actions ought to be taken and to evaluate it that way.

It was by a 99-to-nothing vote that this Senate, Democrats and Republicans, directed that committee to do its work. And so we ought to let them do their work and let them follow the evidence where it leads, to let them apply that evidence to the law and to analyze the results and make recommendations for the future.

A key part of that investigation is gathering the facts. I served for 12 years as a U.S. attorney. That was the Federal prosecutor for the southern district of Alabama. And, as such, I had the duty for many years—to handle major corruption-type cases involving complex white-collar crime, and so I have had a lot of experience in that field.

I have not been commenting on this case and the evidence because I think we ought to let the committee do its work. I made one previous statement about this investigation a few weeks ago addressing my concerns to the grant of immunity, and I think we ought to talk about that and a few other things today.

This investigation is dealing with a serious question, and that question is whether or not a foreign nation, not really considered a friendly nation, Communist China, may have systematically and intentionally set about to influence the American election in 1996 and, in fact, to influence American policy.

We know that the President of this United States was a great critic of President Bush because he said President Bush was too accommodating to China and needed to be more tough in dealing with China. And then, after he becomes President, we know that he now is a leading spokesman in this country for accommodation with China.

So whatever that is about, the facts in this case will have to tell us. But I do think it is clear that we are dealing with unusual types of problems with campaign financing. This may not be only a technical violation of the law, but it is a situation in which we may have a foreign power, an adversary, a Communist nation, with the largest standing army in the world, attempting to influence elections.

We need a bipartisan effort, similar to those conducted in the past. We need the spirit of Howard Baker in the Watergate hearings who, as a Republican, made sure that he cooperated in that investigation and sought the truth. We need the spirit of Warren Rudman, Republican, who participated in the Irangate matters that were investigated here. He always sought to get to the truth regardless of politics. I have not seen that, frankly, by some in the leadership in the other party on this committee. It seems to me there has been too much partisanship.

Now that those committee hearings are proceeding, they need to proceed professionally and objectively and all members need to pull together to find out the facts and get the truth out.

I did want to talk, Mr. President, about the question of immunity. We had the not unusual, if you are familiar with complex prosecutions, situation yesterday when the committee hearings commenced that the ranking member from the Democratic Party announced that Mr. John Huang, who had been the main focus in the investigation, was prepared to testify if he were granted immunity.

I think we have to be very careful about that. In fact, at this point, I would advise the members to say no to immunity at this point in the process. There may come a time when immunity is necessary, but at this point I do not think it is. That is my experience after many years of prosecuting. You use immunity, first and foremost, to get the testimony of the little fish, to find the people who may know something about the case, and then that helps you develop the real facts of the case and go on to the higher-ups.

I was very concerned a few weeks ago—and it is the only comment I have made about this matter since I have been in the body—when members of the Democratic Party were refusing to grant immunity to little fish in this case. Now that they are talking about one of the top ones, they are suggesting that maybe we ought to grant immunity to him, but they were objecting to and questioning the wisdom of granting immunity to what they called