

The contributions Joan made to the Senate during her tenure are remarkable. Joan serves on the Capitol Advisory Committee which meets regularly to address the preservation of the Colorado State Capitol building, one of the most remarkable buildings of its kind in the Nation. She was also active in the American Society of Legislative Clerks and Secretaries, a group sponsored by the National Conference of State Legislatures.

In addition, she helped pave the way to bring the Colorado State legislature into the age of technology. Joan took part in the earliest meetings that began the computerization of the legislative process in Colorado.

Mr. Speaker, Joan earned the respect of both legislative staffers and legislators. In fact, Patricia Dicks, Colorado's current Assistant Secretary of the Senate, said, "Joanie and I worked together, and have been friends for 20 years. Joanie was a very good teacher who was very kind and patient, but always made sure that staff was updated and knowledgeable. When Joanie was injured during the session, the transition was seamless to the point that we never missed a beat. This is a tribute to her as a person and as a leader."

Legislators who served with her while she was Secretary hold her in the highest regard. Senate President Tom Norton of Greeley, Colorado, remarked, "During the 6 years I served as Senate President, Joanie did an outstanding job of maintaining the efficiency and decorum of senate operations."

State Senator Ray Powers of Colorado Springs added, "Joan always welcomes us in the morning with a friendly smile and good conversation. Her pleasant demeanor and strong work ethic were two of her strongest assets, and my colleagues and I always appreciated her."

Joan's daughter, Kathy, said it best, "Mom loves to help people. She has a big, kind heart and generous personality."

The Colorado State Legislature expressed its sincerest appreciation to Joan Albi's dedication and dedicated service by passing a tribute in her honor in the 1998 legislative session. A retirement party will be held in her honor at the governor's mansion in Denver on September 15, 1998, which is tomorrow.

I first became acquainted with Joan in 1986 when I was working as a Senate majority administrative assistant in Denver. Then when I became a Colorado State Senator from 1987 to 1996, I had the privilege of continuing my working relationship with Joan. Working with her for over 10 years, I can attest to her generous and pleasant demeanor and administrative abilities as Secretary of the Senate.

Mr. Speaker, Joan's presence at the State House of Colorado will be clearly missed by all. The friends she made over the years in State government wish her well and the best in her retirement. We all say, "Thank you Joan."

CAMPAIGN FINANCE INVESTIGATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Indiana (Mr. SOUDER) is recognized for 60 minutes as the designee of the majority leader.

Mr. SOUDER. Mr. Speaker, let me first say at the beginning of my remarks tonight that one of the questions that I received all weekend, and that many others are, is do you guys do anything out there other than talk about certain pending matters that have been widely discussed this past weekend? And the answer is of course we do.

We have not had the first hearing on the specifics of what everybody in this country seems to be talking about. At the same time, I agree with what the gentleman from California (Mr. LANTOS) said earlier that it is important that we focus on numerous issues. Earlier today, I was down here discussing the Head Start debate and the Community Services block grant debate, and quite frankly, I got no media inquiries about revising the entire Head Start system in the United States. I got no media inquiries about revising the Community Services block grant and what innovative programs we are doing, since we do not believe the solution is always the Federal Government, what innovative solutions we are trying at the community level to develop. Quite frankly, I got no questions about it back home in Indiana this past weekend.

Mr. Speaker, it is not that Congress is not doing other things here. It is that few people are asking us about anything but this subject. When I tried to go to pick up a newspaper at the airport when I was flying back last night, every newspaper in Pittsburgh was cleaned out. Every newspaper in Washington was cleaned out. And they probably were not hunting for the latest stock market reports.

But it is important that while we focus on the many matters, and we daily have multiple committee hearings, multiple meetings with people from our districts and many things, that we also look when we feel there have been problems in the oversight of this country, that it is important that this Congress look at it.

One of the things that I wanted to take some time to discuss tonight is that it is a lot more at stake here than just what everybody has been talking about this past weekend. Tonight I am going to go through some of this.

I sit on the Committee on Government Reform and Oversight, chaired by the gentleman from Indiana (Chairman BURTON), and I have listened to much of what has gone on. I want to make a couple of critical points tonight. And I want to illustrate right off the bat that there is a huge number of people that have made this investigation in campaign finance, in many of the other things that we have looked at in our committee, difficult to achieve.

Mr. Speaker, 116 people have refused to cooperate with our committee at this point; 79 witnesses have taken the Fifth Amendment; 18 have fled the country; and, 19 have refused to be interviewed by investigators.

I am going to go through some of these charts in a minute, but I want to illustrate a point. We can see on this chart that there are what, about 10 names per chart roughly. In trying to keep with the rules of the decorum of the House, it was deemed, and I believe correctly deemed, that it would not be appropriate for me to show the massive scale of the extent of the lack of cooperation we are getting by extending these across the front of this. But I am going to take a second here and show, if I was able to put these charts up simultaneously to give an idea of the scale how far these charts would have gone.

In other words if we had put every name up, they would have covered the entire front of this Congress. They would have covered up this entire front. If I stacked them on top of each other, the numbers of people that have refused to cooperate with this investigation would go to the top of the ceiling.

It is not one person, five people, 10 people, 20 people, 30 people. A few weeks ago I was in a parade in the town of Saint Jo in my district for the pickle festival. The pickle company that is based there has an annual pickle festival. The number of people in this cover-up are approximately the number of people in the town of Saint Jo.

I graduated in a high school class of 68. The class before me had a little bit smaller size than that. In other words, the number of people refusing to cooperate are about the size of my high school class and the class behind it. If one was trying to find out something that we had done and everybody in the class and the class behind would not cooperate, how would they find out what is going on?

Or to take another example, years ago there was a "Twilight Zone" episode in 1961 where adults lived in total fear of the immaturity of a normal little boy. Just by using his mind, this boy was able to take away the automobiles, the electricity, the machines because they displeased him and he moved an entire community back in the Dark Ages just by using his mind. And we note that the people in Peaksville, Ohio, have to smile, they have to think happy thoughts and say happy things, because once displeased, the monster can wish them into a corn field or change them into a grotesque walking horror. This particular monster can read minds, he knows every thought and feels every emotion. He is 6 years old with a cute, little-boy face and blue guileless eyes. But when those eyes look at someone, they must start thinking happy thoughts because the mind behind them is absolutely in charge. This is the "Twilight Zone."

Mr. Speaker, what do we do in a government situation, and we have all seen movies like this on TV, whether it is the "Twilight Zone" or others, when a whole town will not talk? People say, "Boy, it is hard for you guys to prove anything." It sure is hard for us to prove anything.

Mr. Speaker, I am going to go through. Understand that 79 people have said, "I invoke my rights under the Fifth Amendment and I refuse to testify on the grounds that it may incriminate me." Incriminate means I could go to jail. Mr. Speaker, 79 people have said they could go to jail. The others have fled the country or refused to have subpoenas put on them.

If we go through the names, the first name we have no public information on him. Terri Bradley, a secretary fined for making political donations for her employer, a Miami Beach developer. The next name we do not have much information. We are trying to get some from them. The fourth one is the son of the Commerce Secretary, Ron Brown.

Chen is a Taiwanese journalist who has written about illegal donations from Taiwanese nationals. Simon Chen is the former owner of the International Daily News, a Chinese language daily newspaper. Wang is a Buddhist nun. I am just going to skip through some of these. Chung pled guilty. Colon is a former head of the Commerce Department's Minority Business Development Agency. He was hired by Dynamic Energy in August 1994. He received a \$3,000 check from Dynamic September 19, and four days later he and his wife, Cheryl, gave \$3,000 for reelection of a given member of the other body, which has been returned.

Then we come to Crespo, Delvalle, we have numerous down to Manlin Fong, who testified that Trie reimbursed her from his bank account in China for part of her \$35,000 donation. Gandhi, which I will go more through, gave \$325,000.

Then go to the next chart, another 10 names that included Norlanda Hill, a former business partner of Ron Brown. Hill has been indicted in separate fraud charges. She alleges Brown told her domestic companies were being solicited for campaign contributions in exchange for being included in trade missions abroad.

Maria Hsia, is a naturalized citizen and close associate of John Huang. She faces charges that she helped launder campaign contributions from the famous Buddhist temple incident. The next group of names are predominantly people who were Buddhist nuns who gave a \$1,000. Then there is Jane Huang, John Huang's wife, who according to DC records raised \$52,000 while her husband was still a Commerce employee. She has denied she raised it, contradicting the Democratic Committee records.

John Huang is a China-born U.S. citizen raised in Taiwan, former executive of the Lippo Group, about which I will

discuss more later. Webster Hubbell who, after he left prison, received \$700,000 in consulting fees from several companies after he left the Justice Department, excuse me.

Several more we are pursuing, but we do not have public information at this time. If we can go to the next chart, the important thing to understand here is the scale. This is not one person, two people, five people, 10 people. It is the scale. And I am not comparing this exactly to that, but I have worked so much with the drug issue, it is as if we were just busting the street guys and not looking at the pattern. And by not being able to get to the first level of saying, "What do you about the next level?" Being able to offer immunity, being able to work with these. We do not know the extent of what sort of cover-up that we are facing.

□ 1845

Intriago is a former Federal prosecutor and he has solicited donations. You have Jimenez, a Miami computer entrepreneur and donor who made his largest contribution, 50,000, to the DNC after a coffee at the White House.

We have Kronenberg is sister-in-law of Pauline Kanchanalak, donated \$500,000 to the DNC on the day of a White House coffee, down to Lin. If we can go to the next chart, Nora and Gene Lum are owners of an Oklahoma gas pipeline company, Dynamic Energy Resources, which last year pled guilty to laundering \$50,000 illegal donations to campaign contributions. Maria Mapili is a long-time employee of Trie's trading corporation. The indictment towards Trie claims he ordered her to destroy subpoenaed documents and she is in that. Mark Middleton, former democratic fund-raiser and White House aid who left the administration in 1995 to pursue business deals with Asian businessmen.

I am not going to go through each of the names here. I kind of hitting some of the highlights. Many of these are tied in clusters around Charlie Trie, whose name you see there, an American citizen and one of two suspects, Antonio Pan is the other, to be indicted in 1997 as a result of the Justice Department's task force. And like I say, we will talk about him more. If you go can to the last chart that we, once again, have individuals who are related to other individuals, people who work for fax machine businesses, straw donors, Buddhist nuns.

There is two additional charts, if you want to just put those up. Are there any additional? We have them all covered?

I am not going to go through all the names on each of these, but maybe you can take them off slowly and show them. Once again, as we go through this, I want to reiterate, "I invoke my rights under the fifth amendment to refuse to reply on the grounds that it may incriminate me."

That means that they believe they have information that could send them

to jail. And what you would normally do is go and get a proffer and say, and what do you have and who approached you about what you fear going to jail about, and see if it is worthwhile to offer immunity to them. And then hopefully you move up and say, and who offered you what in order to get to this person? Our goal here, if you look at this list, it is extraordinary. By putting out this list, we are not trying to make any kind of statement because many of them are Asians. The question is, who abused the Asian population. Who told them that they had to give illegal donations, had to launder money through Buddhist temples in order to get decisions made in this country?

It is not a criticism of the Asian community. It is a criticism of the people who used the Asian community.

It is not a criticism of the Hispanics on this list. It is, who told them American democracy works this way. Who told them that laundering money in return for whatever, and it is not clear what exactly was given, is justified? That is what incriminate means.

Chairman BURTON asked a question of FBI Director Freeh, Mr. Freeh, over 65 people at that time, it is now 79, have invoked the fifth amendment or fled the country in the course of this committee's investigation. Have you ever experienced so many unavailable witnesses in any manner in which you have prosecuted on which you have been involved?

Actually, I have, Director Freeh said.

Chairman BURTON: You have? Give me a run-down on that.

Director FREEH: I spent about 16 years doing organized crime cases in New York City, and many people were frequently unavailable.

Chairman BURTON: Was that the only time you have experienced something like that?

Director FREEH: It went on for quite awhile.

Chairman BURTON: So the only time that you have experienced anything like this is when you were investigating an organized crime syndicate?

What kind of commentary is this on our government? We have been talking about a lot of other things this past weekend. But think about this for a minute. Think about this in the context of other things you are hearing.

It started in the case of our Committee on Government Reform and Oversight, a travel office dispute. We noted that they cleared out a bunch of people who, in fact, did not appear to have, they had actually gotten reinstated and back pay for being unfairly fired. We saw patterns of internal favoritism towards certain individuals, towards friends getting government contracts.

We thought, why would you want, oh, it was for prestige, but it actually was not, it was for lots of dollars in different agencies. From there we move in past the travel office to, we get this massive thing, when we are trying, a couple of people were wandering around the White House without clearance. How did they get in? So you start to look at the clearance list. We get these massive lists. I still remember

the day looking at these lists and seeing all these little letters by everybody and going, what in the world is this. How are we supposed to sort out what is going on here? How did these people get in? There were dead people on it, former Senator John Tower. They were certainly skewed toward Republicans, but there were all kinds of codes. This developed into the so-called FBI question, and the files. How did they get these files? These files were not like when you get a traffic ticket. These were for when you apply for government employment, they do a background check. If you want a security clearance to get in, they do a background check on you. If you are going to handle government secrets, they do a background check on you. A background check means also there is information in your files that may not be confirmed. Did anybody have a rumor about you? You cannot see it. But it is in your file.

We found out in our hearings interns were, I do not mean anything like that, I just mean interns were handling the files, which is inconceivable. We heard from the Reagan and Bush White Houses that they had high level people only handling these files, but in the Clinton White House apparently interns were able to do a lot of things. And then we got into the Craig Livingstone who probably would not have passed that, yet he was now in charge of White House security and they could not remember who hired him.

I asked him three different times who hired him and he could not remember. Finally one of the White House people said, maybe it was Vince Foster. I mean, blame it on the dead guy. That seemed to be the strategy.

We could not get any answers to fundamental questions. Then we go through and look at the FBI files and we find out what these codes are. These codes are for coffees, for Lincoln bedroom. We found out that this database has to do with how much money you give to this administration, that it looks like somebody made the decision somewhere in this administration, we do not know at what level or who, that it was going, the White House was going to be turned into a cash cow, that apparently it was for sale in order to maintain your power, much like the travel office was. Apparently, who knows what they were going to do with the different files and who knows what is being done with those files now.

Then we move in and started to go into the Indian gaming casinos where a local decision relating to a poor Indian tribe was overturned, and we see massive, hundreds of thousands of dollars moving into the Democratic National Committee after a decision was reversed at the local level, protecting a tribe that was getting at least \$390,000 per Indian and protecting their basic monopoly in that region.

In addition to that, the chief of staff in the counsel to the Secretary of Interior then left the Secretary of Interi-

or's office and went to work for the Indian tribe that is getting \$395,000 per Indian. Not anything proven yet, but do you know what, it is starting to smell a little bit.

Then you start to go through, what are these land deals where all of sudden there is the Escalante wilderness area, and who was the developer that had a stake in that? Oh, yes, it was the Riadys, the same Riadys that are on this list all over the place. The same Riadys that are laundering money through Huang and Chung and Trie, the same Riadys whose employees are not willing to talk and discuss.

Once again, it has not been proven the links, but we have been nibbling at the little people along the way. How is this going to build and where is this headed and why are not, and why is not this administration pursuing this to a higher level?

Let us get into some of the particulars of this. One thing that often we do not make clear when we discuss this, I want to make sure I make this point, that what would these people want? Presumably they are not just giving money, particularly if they are not even American citizens, because they are really charmed by any of the particular candidates involved. There is something beyond that they are trying to influence, somewhere in our government.

Now, I suggested that possibly there were decisions in the Department of Interior. But do you know there are many things in there that need to be explored, and we need access and we need cooperation to be able to do that. For example, we know that this, the leaders of this government criticized the past President for favoring trade to China during the campaign. It happens to be that the individuals who we are trying to get testimony from disagreed with the challenger's at that time positions. And when he became President, he switched his position to China which agrees now with the people who put this money in.

There are many American businesses and probably a majority of this Congress that favor that position. But it nevertheless was a reversal, and it also happens to be at least circumstantial that these people won a decision in that. This leadership of this government did not have a position on Vietnam. A number of these major donors had concerns, nonAmerican citizens had concerns about our China policy and our Vietnam policy. And those decisions were changed. It is clear that one of the fund-raisers where a million dollars was raised, that the commissioner of the INS attended and that there had been a request to change some immigration status. And after the fund-raiser that status was changed where after she had attended a fund-raiser raising this money, it is clear that decisions were being made and changed like what the individuals wanted. What is not clear yet, and which we really do not have the power

here without some people being willing to talk along this chain and be able to negotiate with people moving up the chain of who influenced what where.

We see the people in the national security office writing handwritten memos, quite frankly, I have never gotten a handwritten memo from them explaining why, when they, on Taiwan, when Charlie Trie and his allies said we do not want you putting so much pressure on the Chinese government vis-a-vis Taiwan, they got a handwritten response back. Not too many people get handwritten responses back. It helps if you have laundered a lot of money back.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. SOUDER. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I commend the gentleman for the special order that he is taking out. There are two things that really affect our country, one is economic espionage, another is national security breaches. You are speaking to those areas. It is so terribly, terribly important that the American people understand this. I commend the gentleman. I salute him for what he is doing here today.

Mr. SOUDER. Mr. Speaker, let me, once again, I want to reiterate, what I have been discussing tonight is not what the rest of the country has been discussing this past weekend for the most part. What I have been discussing is what has the earmarks at some level of an incredibly massive cover-up, 116 people who have either taken the fifth amendment that say if they talk to our congressional committee, they could incriminate themselves, or they fled the country or one way or another avoided us being able to subpoena them. That is a grave situation.

As the FBI Director said, only in organized mob cases has he seen this. It has made it very difficult for us to go ahead with this investigation. And understand we also have, in addition to this, a separate investigation that the gentleman from California (Mr. COX) is pursuing on the China question and the sale of technology. We have a separate investigation going ahead with the gentleman from Michigan (Mr. HOEKSTRA) looking at Teamsters money and how that got tied up in massive corruption and attempting to influence elections with illegal dollars, not to mention special prosecutors on Harold Ickes, pending on campaign finance, looking at the Vice President of the United States. We have many ongoing investigations.

□ 1900

What everybody in this country has been talking about is just a small part. It is inconceivable we are going to resolve this in the next 30 days because this is a massive problem inside this administration. It is unknown at this point to what levels it goes, but, boy, is it huge.

Mr. Speaker, I yield, if he would like to speak, to the chairman of the Committee on Government Reform and

Oversight, the gentleman from Indiana (Mr. DAN BURTON).

Mr. BURTON of Indiana. Let me say to my colleague, the gentleman from Indiana (Mr. SOUDER), that he is one of the most valued members of our committee and he works his tail off, and I hope everybody knows that.

I really appreciate his taking this special order tonight, and I apologize for being an interloper, but the gentleman makes such important points that I think they need to be reinforced, and that is that there have been 116 people flee the country or take the fifth amendment. And people do not do that unless they are trying to hide from the truth.

The thing that bothers me is that many people in this country, and I think the gentleman has alluded to this, many people in the country are saying, why are these investigations going on so long? Why is the Congress spending all this money? Well, the reason is that the White House has blocked us every way they can from getting information.

Many of the people that the gentleman has mentioned here tonight used to work for the White House, were close associates of the President of the United States, and they have taken the fifth amendment against self-incrimination. And it looks like, to many people, that this is an orchestrated effort by the White House to keep facts from getting to the American people. And they feel like if they can run out the clock, and they did it on Senator THOMPSON, if they can run out the clock to the end of this session, that we will all stop and the American people will never get the facts.

We have had to almost hold the President's chief counsel, Mr. Ruff, in contempt of Congress in order to get him to give us information. We have had to take the Attorney General, who has blocked us from getting information, and have the committee vote a contempt citation against her, which is still pending and that may come up before this body. And the reason is they are blocking for the President.

It is okay to investigate other people, but leave this President alone. Leave him alone. Never mind that illegal campaign contributions have come in from Egypt, from Macao, from Indonesia, from China, from Taiwan, from South America, from all over the world. And the American people have a right to know, as the gentleman so eloquently stated tonight, the American people have a right to know if our foreign policy has been for sale, if our national defense has been jeopardized, because this President and this administration was so intent on making sure that they were reelected that they were willing to jeopardize these issues, our national security and our foreign policy.

All I would like to say tonight is that the American people have a right to know. And I want to thank the gentleman very much tonight for coming

down and taking this special order and illuminating this issue for the American people, because I believe once the American people get all these facts, they are going to say that no matter who it is, from the lowest person in this country to the highest office in this land, if they break the law, they need to be held accountable. And I thank the gentleman for yielding.

Mr. SOUDER. I thank the chairman for his leadership and his willingness to take the slings and arrows that go his way for trying to stand up and search for the truth.

Reiterating again that one chart we see here, if I had been allowed, which I am not under the House rules, to display these next to each other, the number of people that have pled the fifth, fled the country, or refused to cooperate would extend from that end all across the dais to that side, blocking this entire front. Or if I stacked them up, they would go up and touch the ceiling. It is not 5 or 10 or 15, it is massive. It is like, as I mentioned earlier, a whole city being in on a cooperative thing and then trying to prove something in the law when we have this type of thing.

Now, among the decisions we frequently have had to make in this body are other issues that have faced us, and there have been all kinds of statements made by Members of this body about other issues facing us, such as, "It should never be sullied," "should never be spoiled by actions of any of its Members, yet today we have a stain on the U.S. House; we have a cloud over its existence." Members in this body have said, "Too many ethical questions have been raised, wanting special counsels." They said, "American people should know where this money came from. Did these donors get anything in return? Are there any conflicts of interest?" Only they were not apparently putting these standards on the current leadership of our government. They were talking about something that was actually a relatively small case inside this body.

We look at the past rhetoric that has been used on the floor of this House about something relating to dollars that pale in insignificance. Never a charge that huge decisions, like the foreign policy of the United States, not even a charge, let alone a provable charge. They were not proven in the cases of any Members that have been discussed at this level. But apparently we can demand here that the American people should know where this money came from, did these donors get anything in return, are there any conflicts of interest. But if it is the administration, we are not going to do a special prosecutor for that. And I think that Members of this body need to sort through what kind of standards we have.

On Sunday I was with the Air Guard in Fort Wayne, who had a counterterrorism exercise on chemical and biological warfare, as units are

doing all over the country, and cities, as we are concerned about terrorism. And I want to repeat what the gentleman from California (Mr. LANTOS) said earlier. Ironically, we have to stand behind our leadership of this country now more than ever. Because when there is perceived weakness, as there is in this country right now, every tin horn dictator, every terrorist around the world is saying, I wonder if this is a good time to push the United States. I wonder if this is the time I can get away with killing somebody; dropping a bomb; doing this; blowing somebody up. No, it is not, because we will stand as a United Nation. But we will not do this indefinitely, and we have to have leadership that we can count on.

But getting back to my point here, it is that we have to look at the totality of this. We have to ask, in our United States military, in the people in our Air Guard in Fort Wayne, what standards do we have for them? Do we have a different standard for some elements of our country and another standard for the soldiers or the generals? Do we have one standard for government employees and not for other parts of the government? Do we have one standard for schoolteachers and not for other parts of people in public service?

I am not really talking about what everybody else has been talking about. I am talking about what is for sale. Have we sunk so low, are we so obsessed with power in this country that we will sell it to people who are not even American citizens and able to hold that power?

I want to digress to one other case. I am a history buff, and as we go through things like this Current Abuse of Power book on Nixon with the tapes, which is disgusting, I mean this is the kind of book we see about the current leader's administration. It is a spin cycle. We have not proven this point yet, but we are getting a lot of this point. But as we go back through history, Warren Harding went down as a bad President, even though in the end he was not found to have the faintest idea of what was going on on Teapot Dome.

And what we see in this administration and what we do not know is to what level of government this goes to. But we do know they corrupted the travel office, they misused the FBI files, they have sold favors throughout, they have special prosecutors on at least five Cabinet members; that Harold Ickes, who has a fascinating story of how he basically got excluded from policymaking, went into the fund-raising like other higher-ups like this, and then got back into the policymaking, because apparently the price to be at the table was you did the fund-raising. Which put tremendous pressure, even if it was not directly ordered, it put tremendous pressure. If an individual was not to be consulted unless they produced money, think of the pressure that put.

I want to give, I am trying to think which is the best example, and I am sure we will have other chances to bring this up, but let me give my colleagues an example of James Riady, who is probably the biggest. James Riady is an Indonesian-based banker and son of Mochtar Riady, chairman of the Lippo Group, a \$5 billion Asian empire. James Riady is a permanent resident of the United States. He met President Clinton in 1977, in Arkansas, when the President was serving as that State's Attorney General. He was then sent by his father to Arkansas to learn the banking and finance business. In its report on campaign finance, the other body suggested the Riady family had a long-term relationship with the Chinese intelligence agency. James Riady is the deputy chairman of the family's main business, the Lippo Group. The Riady family, including its businesses and partners, donated more than \$700,000 to the Democrats between 1991 and 1996. Mochtar Riady and his son James have told close associates that they helped get Huang his Commerce Department position, which is a foreign trade position, in return for their political support for the leader of our country. Other reports indicate that James Riady has claimed Huang was "my man in the American government." James Riady visited the White House on 19 occasions, 6 of which were to see Deputy White House Chief of Staff Mark Middleton. He lives in Indonesia and has refused to be interviewed by the committee.

Here are some questions we would like to ask him: Did you lobby the President to get John Huang his job at the Commerce Department? Did the President ask James Riady or his father to pay a \$100,000 fee to Webster Hubbell while Hubbell was under investigation? Did the Lippo Group receive any classified information from John Huang while he was at the Commerce Department? What were the Riadys hoping to get in return for the hundreds of thousands of dollars they gave to the Democratic Party in the 1990s?

I could, and will at future time, go through other questions, but at this point I see the gentleman from Michigan (Mr. PETE HOEKSTRA), who is here and he has been investigating another part of what looks like, not knowing what levels, but orchestrated efforts to get around our laws in this country.

I yield to the gentleman from Michigan.

Mr. HOEKSTRA. I thank the gentleman for yielding. As we begin to talk about the things that have been going on, I think it is also important to recognize that the gentleman and I are going to be part of the first Congress that has gone about doing its business, whether it is oversight, and that is the committee that I share, an oversight subcommittee on the Committee on Education and the Workforce, but we are going to be part of an historic Congress, because for the first time in 29 years, in 15 or 16 days, we will have a surplus budget.

So as the gentleman and I have been carrying out our responsibilities of oversight of our laws, and the Congress as a whole, and I serve on the Committee on the Budget as well, has been getting a lot of other things done as well. So there are a number of things that are going on here in Washington that are different and effective and positive versus what there is sometimes seen as the ugly part of our job, which is doing the oversight.

I thank the gentleman for inviting me down here, because we have had the enviable task of spending the last 15, 16 months taking a look at the International Brotherhood of Teamsters, America's largest private sector trade union, who in 1989 signed a consent decree because of a racketeering charge that basically put them under the oversight of a Federal court and the Federal Government. They are under the supervision of the Justice Department and the courts are watching them.

Now, why is Congress involved? And I think this is where the connection can be made about oversight and the impact to the American taxpayer and the impact to the rank-and-file people in the Teamsters. Let me just lay out what happened.

In 1996, the Teamsters conducted a new election for president of the Teamsters. It is a process they go through every 5 years. They conducted their election, and 7 months later the election got overturned. The person who was elected, his election was invalidated, Mr. Carey, and it was determined there needed to be a rerun election. And it is like, okay, that is fine, the Teamsters will conduct their new election, which we are still waiting for that to happen because there was one problem: The 1996 election was paid for by the American taxpayer.

That is why in this case we are even doing more oversight than what the Labor Department normally does for union activities and other reviews of American labor law. In this case the American taxpayer paid for a Teamsters election that was invalidated because of corruption. It was somewhere in the neighborhood of \$18 to \$20 million of American taxpayer money. We paid for the election for the Teamsters in the U.S. and in Canada.

□ 1915

So American taxpayer dollars were used to fund the Teamsters election in Canada, \$18 million to \$20 million.

The gentleman was talking about the campaign fund-raising. Sometimes people say, well, there you go, making your accusations again. Where is the beef?

The gentleman's committee has had difficulty in interviewing witnesses. He has had difficulty getting access to certain information. We have had some of the same problems, but we do have some court documents and these basically are what the defendants have pled guilty to.

Three people have pled guilty to various money laundering schemes. An-

other person has been indicted. The number two person at the AFL-CIO is pleading the Fifth.

Now, the amazing thing to me is taking the Fifth, meaning that we know where he is, we believe that he has been implicated, but he will not come and talk to us. He will not tell us about his participation in this.

For the three people who have pled guilty, what did they do? Who was involved? We have come across some of the same players as the gentleman has come across, and without getting into their names, this person was a 41 percent owner of a political consulting firm. This November Group performed work for, among others, the IBT, the Carey campaign, and the Democratic National Committee and its 1996 coordinated campaigns with State democratic parties. What did they do?

In general, the use of treasury funds in connection, and here we are talking about general treasury funds of the Teamsters, general treasury funds in connection with a Federal election was limited by Federal election law to non-partisan voter education and get-out-the-vote efforts. Political spending by the IBT was supervised and directed by the IBT's director of government affairs. What did they do?

Statutory charges: Co-conspirators were not charged as defendants herein. Others known and unknown unlawfully, willfully and knowingly did combine, conspire, confederate and agree together with each other to make materially false statements and representations and to falsify, conceal and cover up, by trick, scheme and device, material facts in a matter within the jurisdiction of the executive and judicial branches of the government in violation of Title 18.

What does that mean?

Sections 1341 and 1346: To embezzle, steal, abstract and convert funds belonging to the IBT, in violation of Title 29 of the United States Code.

Basically, what happened is the leadership of this union stole money from its own rank and file.

If we go on a little further, we find out, willfully and knowingly having devised and intending to devise a scheme and an artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations and promises, namely, a scheme and an artifice to deprive members of the IBT. These people were working for the President of the IBT, and what were they going to do? A scheme and artifice to deprive members of the IBT of, A, money, B, their right to the honest services of their officers and employees and, C, their right to have the 1996 IBT election conducted in conformity with the rules. They did everything they could to break the law. And others, blank and others, caused IBT general treasury funds to be applied to promote the Carey campaign in violation of Title 29, United States Code; illegally using and diverting IBT general treasury funds, including embezzling, stealing, abstracting

and converting such funds to make contributions to political organizations in order to obtain in exchange donations to the Carey campaign.

This is where the DNC gets involved, but before we move and talk a little bit about the Democratic National Committee, the terms in here are embezzling, stealing, abstracting, converting, such funds to make contributions to political organizations in order to obtain and exchange donations to the Carey campaign.

We talked about how this affected the taxpayers. We spent \$20 million on a failed election. We are going to spend \$4 million on a rerun. The Teamsters were very generous. They said they would contribute two. So their own leadership is, well, you know, we are beyond that, but they embezzled and stole.

What was happening to the net worth of the Teamsters as their leadership was embezzling, stealing and abstracting and converting such funds to make contributions to political organizations? The net worth of the Teamsters a few years ago was \$157 million. As recently as a few months ago, within the last half year, their net worth was \$700,000, still a big number but when you go from \$157 million to \$700,000, you wonder what these people were thinking, but now it is not that surprising.

Embezzling, stealing, abstracting and converting such funds to make contributions to political organizations in order to obtain in exchange donations to the Carey campaign. The union leadership was stealing their rank and file members' money and they were going to other organizations to find a way to scheme, to launder money through. One of those organizations they went to was the DNC.

Does the gentleman have a question?

Mr. SOUDER. Yes, I have a question. I want to see if I understand the scope of this and how this starts to interrelate.

Carey was running for the leadership of the Teamsters against Jimmy Hoffa, Jr., and he felt he needed more money to run. So if I understand what the gentleman is saying, they, Carey, the forces, depleted their own members' funds but to complete this they, in effect, gave money to a third source, or second source, which is the Democratic Party, which then in return made sure that additional dollars got back to Carey, not necessarily all that had gone out but Carey got it personally, because if he had stolen Teamsters funds for his own campaign that would have looked bad. Is the gentleman saying that, did I get that correct, that it went to a third party and then some of that came back, matching contributions came back? How did some of that work?

Mr. HOEKSTRA. Mr. Speaker, will the gentleman yield?

Mr. SOUDER. I yield to the gentleman from Michigan.

Mr. HOEKSTRA. Mr. Speaker, the Democratic National Committee

worked, and we have kind of split the responsibilities on this, one of the things that we are going at now is this is what was alleged. We know that at certain times the Democratic National Committee went out looking for donors to make these contributions. It is unclear at this point in time whether they found them, but we do know that there were other groups that participated in this scheme very similar to what is alleged to have happened here with the Democratic National Committee where money actually did flow out.

We know with the Teamsters it did flow out, it did flow back to the Democratic National Committee. We are just now trying to figure out exactly what the quid pro quo was. Did money actually then make its way from the Democratic National Committee back into the Carey campaign? Did they find wealthy donors who, instead of writing a check to the Democratic National Committee, maybe supported the Ron Carey campaign? We do not know.

We looked at that early. We focused on what was going on within the Teamsters itself. The gentleman's committee was looking at some of that. We are going to, I believe, have a hearing on that later this month to try to get to the bottom of it. It is very, very difficult.

What we do know is that the scheme was planned, it was agreed to. We do not know, at least with the Democratic National Committee, how far it was actually completed.

Mr. SOUDER. Did not the gentleman say earlier that the Fifth Amendment, which can only be used if you could go to jail, was taken by the second ranking person, did you say, in the AFL-CIO?

Mr. HOEKSTRA. That is correct.

Mr. SOUDER. So the person who might be able to answer that larger question, when you asked, took the Fifth?

Mr. HOEKSTRA. Yes. We invited the gentleman to participate at our hearing and he indicated that if he came to the committee, he would invoke his rights under the Fifth Amendment and he would refuse to reply; going to your chart, he would refuse to reply on the grounds that it might incriminate him.

Mr. SOUDER. One of the similarities that the gentleman is starting to run into, because you have clearly proven from the statements that you have made and from the indictments, that there was corruption inside the Teamsters election; in fact, that election was overturned. Now we are trying to see where their money moved elsewhere, and the larger question that you are moving into, in addition to that, and it is bad enough, I mean, I have talked to irate truck drivers in Fort Wayne who cannot believe that their own leadership would do this, but then the larger question is, like we saw in the Interior Department, like we have seen in agency after agency, who is running what looks like a large scale, coordinated effort, to find millions of

dollars for campaigns in all sorts of illegal behaviors?

Mr. HOEKSTRA. Mr. Speaker, will the gentleman yield?

Mr. SOUDER. I yield to the gentleman from Michigan.

Mr. HOEKSTRA. Mr. Speaker, as the gentleman is well aware, the Justice Department, Miss Reno, has now opened a 90-day investigation into testimony of certain members of the President's staff regarding their testimony to the Senate committee, in regards to specific testimony on their involvement in perhaps supporting Teamster efforts through actions in the executive branch, which is frightening.

It is one thing to run this through a political organization. It is another now to perhaps bring in executive branch agencies as part of this quid pro quo, if you give us money perhaps we can help you over here.

The Attorney General has begun a 90-day investigation into those questions, and we are pursuing those as well.

As good as they got at laundering money, because they were good, because almost all of this stuff was not found out until after the Teamsters election, which means we had to throw out the whole election.

Mr. SOUDER. The one we paid for?

Mr. HOEKSTRA. The one we paid for, the one where the regime, members of the group that were part of the ticket that won the election are still running the Teamsters. Think about it. They were part of the fraudulently elected leadership. They are still running the Teamsters.

I have met with my rank and file Teamsters at the local level. They cannot believe it. They want the same thing we want. They want a fairly elected leadership representing them, because they know what happened under the last leadership.

As good as they got at laundering money, they did get caught. The other thing that they have even gotten better at is making sure that we do not get all of the information that we need. There were documents that were at one law firm and we requested them, and they are at another law firm. It is kind of like one of these things, you have to ask the question exactly right, because if you have anything a little bit out of order, you are never going to find it and you are never going to get it.

They are masters at hiding information, at slowing down the process and trying to turn the tables. Whether it is what is going on in the executive branch, whether it is what is going on at the Democratic National Committee, or whether it is still going on at the Teamsters, they have made it very difficult for almost anybody to get at this quickly and effectively.

Mr. SOUDER. Reclaiming my time, this is a classic example of, oh, what a tangled web we weave when we attempt to deceive.

What we are seeing and hearing from the gentleman, as chairman of the Subcommittee on Oversight and Investigations looking into the Teamsters, what

we heard from the gentleman from Indiana (Mr. BURTON), the chairman of the Committee on Government Reform and Oversight, unfortunately for the American people it is doubtful that we are suddenly going to come to some conclusion and close down everything.

What we see, not knowing at what levels it is going on in this government but what we have seen in agency after agency, investigation after investigation, are people stonewalling information, pleading the Fifth, running out of the country, giving us partial truths, fighting for every little bit of information we can, and it looks like there was an orchestrated effort throughout this entire administration in every agency, uncertain at what levels and by who orchestrated it, for cash, in order to maintain power.

Mr. HOEKSTRA. Mr. Speaker, will the gentleman yield?

Mr. SOUDER. I yield to the gentleman from Michigan.

Mr. HOEKSTRA. Mr. Speaker, Martin Davis, one of the three people who pled guilty, barred from work with the Teamsters and fined \$204,000; Jere Nash, barred from work with the Teamsters, fined \$10,000; Michael Ensara barred from working with the Teamsters and fined \$126,000. Now it gets to be kind of interesting.

We talked about the Democratic National Committee. Citizen Action, their national office, implicated in the swap scheme. Who is Citizen Action? Citizen Action is a lobbying political advocacy group here in Washington.

□ 1930

And what do they advocate? Clean and fair elections. Clearly implicated through this whole process. Barred from working on Teamsters elections. But they are part of this swap scheme. You can sit there and say, they are in Washington and they are campaigning. It is kind of interesting what happened. Like many of these organizations, they have a national headquarters and they have State chapters. They are all trying to advocate for the same thing, which is clean and fair elections, at least with Citizen Action. That was one of their key messages. Washington sold them out. Washington was clearly implicated. Washington Citizen Action was clearly implicated in this. So what you see again is the Washington organization is corrupt, illegal activities, and they basically sold all of their locals, the grassroots kind of people, they sold them down the river. It is the same thing that happened with the Teamsters, the rank and file members. They are our neighbors. Their kids go to school with our kids. We go to church with them. We play tennis with them. We see them on the streets. We see them in the grocery store. These are our neighbors. What happens? They got sold out by their Washington leadership. Their Washington leadership stole from their own treasury. It is just too frequent of a story. You and I have seen it way too often in the last three,

four, five years of good organizations, healthy organizations at the local level, the Teamsters advocating for worker rights and better wages and better working conditions and trying to do the right thing at the local level, in most cases doing the right thing. Their leadership in Washington tarnishing each and every Teamster around the country. At the same time that they are robbing them out of their pocketbook. It is unbelievable what happens to some of these national organizations. What I hope is that as soon as possible they can have a fairly run election, they can have new leadership and they can move forward and hopefully they can get out from under this yoke of government supervision and they can have their union back. Just like I hope Citizen Action, their Washington office is kind of shut down but the people who have worked hard for campaign finance reform and clean politics and all these types of things at the local level, they can reclaim their national headquarters and get some good people in there who do not participate in these kinds of activities.

Mr. SOUDER. I think that as the gentleman from Michigan and I both would state unequivocally, one of the problems is that we have too much power in Washington because when you have that much power there is going to be a temptation to cheat. But even given that, what we have seen in his investigation, what we have seen in this investigation is not everybody does this. I hear all the time, "Well, everybody in Washington is corrupt." They are not. There are too many decisions made that are influenced by money in this town. There are too many decisions made out of fear for the next political election. What we are seeing gradually unfold over the last few years is something that in scale we have never seen before. We have not seen the amount of illegal foreign dollars moving in, apparently tied to specific decisions. We have not seen the massive scale laundering going from multiple countries even in. We have not seen this many Cabinet members. I mean even under Harding we were talking three. Going with special prosecutors, and even leading up into higher and higher levels of this administration. We do not know where it ends. We are not likely to find out very soon. But we have an obligation in this Congress. While we are doing the other things as the gentleman from Michigan (Mr. HOEKSTRA) said in the Committee on Education and the Workforce, we have been moving many bills through, having conference committees, we have balanced the budget, we are working on tax relief, this is not the primary thing we do here but it is one important part. That is, to make sure that each American citizen when you cast a vote have that vote honored and that your leadership does not have a secondary agenda, especially, and this is what the Founding Fathers were very concerned about, that any of the leadership would

get illegal foreign money, where foreign nationals or through agents in this country would attempt to influence decisions of the United States Government. That is the weighty matters that we have been pursuing. I hope it does not lead all the way to the top. But to find out, witnesses need to cooperate with the gentleman from Michigan (Mr. HOEKSTRA). They need to be cooperative with the gentleman from Indiana (Mr. BURTON). We cannot have 116 people, by the way we have three more since we have printed these things, that would stretch clear across the front of this, this size sheet if I had been allowed under House rules to put them across, would have covered the entire front of this podium, or clear to the ceiling. We have to have honesty. We have to have American citizens willing to come forth with the truth.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4006, LETHAL DRUG ABUSE PREVENTION ACT OF 1998

Mr. SOLOMON (during special order of the gentleman from Indiana (Mr. SOUDER), from the Committee on Rules, submitted a privileged report (Rept. No. 105-712) on the resolution (H. Res. 535) providing for consideration of the bill (H.R. 4006) to clarify Federal law to prohibit the dispensing or distribution of a controlled substance for the purpose of causing, or assisting in causing, the suicide, or euthanasia, of any individual, which was referred to the House Calendar and ordered to be printed.

ANNOUNCEMENT ON AMENDMENTS TO FOREIGN OPERATIONS APPROPRIATIONS ACT, 1999

(Mr. SOLOMON, during the special order of the gentleman from Indiana (Mr. SOUDER), asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, I rise to inform the House of the Committee on Rules's plan in regard to the Foreign Operations Appropriations bill for fiscal year 1999.

The Committee on Rules is likely to meet on Wednesday, September 16, to grant a rule on the Foreign Operations Appropriations bill for 1999. The bill was ordered reported by the Committee on Appropriations on September 10 and will be filed on Tuesday, September 15, tomorrow.

The Committee on Rules may grant a rule which would require that amendments be preprinted in the Congressional RECORD. In this case, amendments to be preprinted would need to be signed by the Member and submitted to the Speaker's table. Amendments should be drafted to the text of the bill as reported by the Committee on Appropriations.

Mr. Speaker, Members should use the Office of Legislative Counsel to ensure that their amendments are properly drafted and should check with the Office of the Parliamentarian to be certain that their amendments comply with the rules of the House. It is not