

transformed Occidental from a lackluster financial performer into a dynamic profit-spewing, oil giant. Having instantly tripled its U.S. oil reserves, the company began pumping out vast sums of crude at low cost.

As the months went by, Occidental was able to sell the oil, which ends up at gasoline retail outlets like Union 76, for more profit. Rising oil prices have significantly improved Occidental's bottom line, said analyst Christopher Stavros of Paine Webber.

This year, the company posted first quarter revenues of \$2.5 billion, or 87 percent higher than a year earlier. That's a bigger increase than at nine of 10 other oil companies listed in a survey that Mr. Gore cited last week as evidence of price gouging.

The rise in Occidental oil prices, coupled with the acquisition of the Elk Hills field, has paid handsome dividends for the Gore family.

The vice president recently updated his financial disclosure form to put the value of this family's Occidental stock at between \$500,000 and \$1 million. Prior to the Elk Hills sale and gasoline price spike, Mr. Gore had listed the value of the stock at between \$250,000 and \$500,000.

Gore aides insist the vice president's push to sell Elk Hills does not constitute a conflict of interest. They point out the family's Occidental shares were originally owned by Mr. Gore's father, who died in 1998, leaving the stock in an estate for which the vice president serves as executor.

Although Mr. Gore continues to list the stock on his financial disclosure forms, aides said the shares are in a trust for the vice president's mother, Pauline.

"He doesn't own stock because he's trying to avoid conflicts of interest," said Gore spokesman Doug Hattaway. "He's the executor of the estate, but he's not the trustee of the trust. It's a separate thing."

Still, Mr. Gore's recommendation to privatize Elk Hills ended up enriching his mother, who is expected to eventually bequeath the stock to the vice president, her sole heir.

Last week, Mr. Gore began a concerted effort to blame skyrocketing gasoline prices not only on "big oil" but also on Texas Gov. George W. Bush. Gore aides have emphasized that Mr. Bush once ran several oil-exploration firms and has accepted more campaign contributions from oil companies than the vice president.

The Texas governor has dismissed the attacks as an attempt to divert attention away from Mr. Gore's energy and environmental policies, which have driven up gasoline prices. Political analysts say the spiraling gas prices could imperil Mr. Gore's presidential bid because they are highest in the Midwest, which he must carry in order to win the White House.

The political and financial fortunes of the Gore family were established largely with oil money from Occidental's founder, Armand Hammer. Part capitalist and part communist, Mr. Hammer became the elder Gore's patron more than half a century ago, showering him with riches and nurturing his political career through the House and Senate.

The elder Gore enthusiastically returned the favors. In the early 1960s, Sen. Gore took to the Senate floor to defend Mr. Hammer against FBI Director J. Edgar Hoover, who wanted to investigate Mr. Hammer's Soviet ties.

In 1965, the elder Gore helped Mr. Hammer obtain a visa to Libya, where he opened oil fields that turned Occidental into a multinational powerhouse.

When the elder Mr. Gore lost his re-election bid in 1970, Mr. Hammer installed him as head of an Occidental subsidiary and gave him a \$500,000 annual salary. The man who

had begun his career as a struggling school-teacher in rural Tennessee ended it as a millionaire oil tycoon.

The younger Gore also benefited from Mr. Hammer's generosity. He was paid hundreds of thousands of dollars in annual payments of \$20,000 for mineral rights to a parcel of land near the family's homestead in Tennessee that Occidental never bothered mining.

When the younger Gore first ran for president in 1988, Mr. Hammer promised former Sen. Paul Simon "any Cabinet spot I wanted" if he would withdraw from the primary, according to a 1989 book by the Illinois Democrat.

Mr. Gore and his wife, Tipper, once flew in Mr. Hammer's private jet across the Atlantic Ocean. They hosted Mr. Hammer, at several presidential inaugurations and remained close to the oilman until his death in 1990.

In 1992, when Arkansas Gov. Bill Clinton was considering Mr. Gore as his running mate, the elder Gore wrote a memo describing his son's ties to Mr. Hammer. The document was designed to provide Mr. Clinton with answers to possible questions from reporters.

Mr. Hammer's successor at Occidental, Ray Irani, has continued to funnel hundreds of thousands of dollars into the campaigns of Mr. Gore and the Democratic Party. For example, two days after spending the night in the Lincoln Bedroom in 1996, he cut a check for \$100,000 to the Democratic Party.

Mr. MURKOWSKI. We have heard that the Vice President and the administration tried to stop drilling in Alaska with expressions of concern for the G'wichin Indians, some of which reside in Alaska, and others which reside in Canada.

But has he spoken out for the U'was in Colombia? Is there an inconsistency here? On the one hand, he allows, and evidently ignores, the drilling in the Colombia rain forest on leases owned by Occidental Petroleum, and he seems to have no objection. But in an area the G'wichin Indians in Alaska depend on for subsistence, a significant area which is in the purview of the Senate to make decisions for opening, he does not support oil and gas exploration. My point is, there is an inconsistency here.

The weight of their policy as it twists and reinvents itself is a mystery to me as I try to summon a clear vision of their intent. His beliefs are a confusing world of images and contradictions. I suspect it might be difficult for others, as well.

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#### PROJECTS ON GOVERNMENT OVERSIGHT

Mr. MURKOWSKI. Madam President, I am also going to take the opportunity to address an issue that some time ago my Committee on Energy and Natural Resources asked the General Accounting Office to provide a detailee to conduct a preliminary inquiry into payments made by the Project On Government Oversight to two Federal officials. The Project On Government Oversight is known as "POGO." This report was received by the Committee on Energy and Natural Resources. It was prepared by Paul Thompson, the detailee from the General Accounting Office. It is dated July 2000.

There is no question in my mind after reviewing this that the inspector general of the Department of the Interior should be required to review this report and respond to our Committee. I think it is fitting that the Attorney General, Janet Reno, address and resolve some of the questions that are raised by the inquiry.

Let me share some of them. I read as follows from the report of the POGO on July 2000.

#### CONCLUSIONS

It appears that POGO paid the two Federal officials in connection with their activities to influence the Department toward taking actions and adopting policies that, among other things, (a) directly and indirectly assisted POGO in a project involving matters in which these two individuals were substantially involved as Federal employees and that led to POGO's filing of a lawsuit through which it and the two officials received substantial sums of money and stand to receive potentially millions of dollars more, and (b) benefited the professional and business interests of POGO's chairman and a client of his law firm. The circumstances associated with the payments raised the possibility that the Department of the Interior's development of the policy underlying the new oil royalty regulations may have been improperly influenced by expectations or understandings of the officials that they could personally benefit from using their positions as Federal employees to assist POGO and two of its principals. The officials were substantially involved in key stages of the Department's policy development process in ways that served the interests of the POGO's chairman and its executive director. Whether the payments and circumstances under which they were made could serve to erode confidence in the Department's administration of the royalty management program is a well grounded concern.

Madam President, the entire transcript of the committee report on POGO, prepared for the Committee on Energy and Natural Resources, is available from the committee's website at <http://www.energy.senate.gov>.

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#### TECHNICAL CORRECTIONS TO H.R. 4461

Mr. MURKOWSKI. Madam President, I ask unanimous consent that the following technical corrections to the Agriculture appropriations bill be adopted.

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

The corrections are as follows:

Change the instruction on amendment #3970 to read: "On page 76, after line 5, insert:".

Change the instruction on amendment #3068 to read: "On page 76, after line 5, insert:".

Change the instruction on amendment #3457 to read: "On page 85, after line 8, insert:".

Change the instruction on amendment #3958 to read: "On page 100, after line 12, insert:".

Change the instruction on amendment #3985 to read: "On page 95, after line 22, insert:".

On page 55, line 22, strike "\$1,216,796,000" and insert "\$1,210,796,000".

In amendment #4003, on page 2, line 9, insert "90".