

[From the Washington Times]

CHINA WON'T RELEASE TRIE'S BANK RECORDS—HOUSE INVESTIGATORS CAN'T GET ACCESS

(By Jerry Seper)

The Chinese government, which blocked congressional investigators from traveling to Hong Kong and Beijing to probe campaign-finance abuses during the 1996 election, has refused to release records from two Chinese banks targeted in the ongoing investigation.

Investigators, according to House sources, want to look at financial transactions at Bank of China branch offices in Macao and Hong Kong involving Democratic fund-raiser Charles Yah Lin Trie and Ng Lap Seng, a Macao real estate and casino tycoon also known as Mr. Wu, who visited the White House 12 times, including a dinner with President Clinton sponsored by the Democratic National Committee.

The banks, however, refused to release the documents, saying that they were owned by the Chinese government and that releasing them would violate Chinese law.

Last week, four investigators for the House Government Reform and Oversight Committee were scheduled to leave for China but were blocked by Chinese Embassy officials in Washington who rejected their visa applications. The denial prompted Rep. Dan Burton, Indiana Republican and the committee's chairman, to ask Secretary of State Madeleine K. Albright to intervene in the matter.

In a letter to the committee, the bank's U.S. attorney, Christopher Brady, said that since the financial institution in owned by the Chinese government, it is "deemed to be a foreign state" under international law. Accordingly, he said, the bank is "immune from U.S. jurisdiction"—including any responsibility to respond to subpoenas issued by the committee.

"While the bank would like to try to help your committee as far as practicable, it does not believe that this extends to violating the laws of the jurisdiction where the documents are located," Mr. Brady wrote.

The New York lawyer said in an interview that while he was not aware of what the committee planned to do about the bank's refusal, he said the position "has support in the law."

Committee investigators were described by the sources as "frustrated" in their attempts to pursue accusations that the Chinese government sought to influence the U.S. political process during the 1996 presidential election.

Embassy spokesman Yu Shuning said China "has nothing whatsoever to do with the political contributions" in the United States.

Mr. Burton, the sources said, is expected to appeal directly to the Chinese Embassy for an exception to allow the banks to respond to the subpoenas. Failing that, they said, he will ask the Justice Department to seek a waiver from Mr. Trie to obtain his records directly from the bank.

Mr. Trie and a business associate, Antonio Pan, face trial Oct. 7 on 15 counts of obstruction of justice, conspiracy and wire fraud.

The indictment says Mr. Trie and Mr. Pan illegally diverted money to the DNC through "straw donors," who were then secretly reimbursed in cash by the two men. Mr. Trie also is accused of funneling more than \$600,000 to the DNC. The indictment says much of the money came from foreign sources.

Mr. Trie, who fled to China after the probe began, returned to Washington Tuesday. He has pleaded not guilty.

About \$1 million was wired from the Bank of China to the joint account of Mr. Trie and

Mr. Ng at Riggs Bank here, Senate investigators have said.

Mr. Trie came to public notice in 1996 when Mr. Clinton's legal defense fund announced it was returning \$640,000 in donations he had collected. Fund executives said they did not know the source of cash delivered in two envelopes. Donations included checks with signatures that matched those on other checks and money orders numbered sequentially but from different cities.

White House records show that Mr. Trie's campaign activities won him unusual access to top administration officials to promote personal business interests, including 10 dinners, lunches or coffees with Mr. Clinton, four of them at the White House; four events with Vice President Al Gore, one at the White House; and three White House tours with business associates, along with photos with the president.

Documents show that Mr. Ng visited the White House 12 times, including the dinner with Mr. Clinton. He went six times to see White House aide Mark Middleton, who left the administration in 1995 and is under investigation.

Records also show that on Feb. 6, 1996, Mr. Ng took a tour of the White House with seven other Asian visitors, including Wang Jun, a reputed arms dealer for the Chinese government who Mr. Clinton later acknowledged never should have been granted access.

1998 CONGRESSIONAL OBSERVANCE OF BLACK HISTORY MONTH

SPEECH OF

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1998

Mr. COSTELLO. Mr. Speaker, I am grateful for the opportunity to celebrate Black History Month with my esteemed colleagues today.

Black History Month marks a time in which we may all formally revisit the vast contributions and achievements of African-Americans to our country's rich history. Indeed, the legacy of the founder of Black History Month, Dr. Carter G. Woodson, is that of a poor man, who triumphed over adversity to earn a doctorate from Harvard and devote his life to teaching and recording the history of African-American life.

I would like to use this occasion to highlight two figures from my district in Illinois, whose personal talents and accomplishments have been matched by their dedication to aiding their communities.

Katherine Dunham was born in the beginning of the 20th century. She quickly established herself as a woman of enormous integrity and passion, for the humanities and social causes, which held such salience for her. She enjoyed a prominent place in the performing arts world as a choreographer combining Caribbean dances, traditional ballet, and African-American rhythms to create a dance known as the Dunham technique. Dunham's reputation as an accomplished dancer earned her engagements to dance in over 55 countries.

Dunham was unsatisfied, though, simply with the respect she had gained as a performer; Throughout the later part of her life, Dunham became engrossed in finding avenues to help others. In the arts field, she developed a school called the Performing Arts Training Center in East St. Louis. This school

offered African Americans the opportunity to become involved in the arts and learn about African cultural history. Recently, in the early 1990's, Dunham has also become a strong advocate for the welfare of the Haitian people.

Another public figure from my district has also challenged herself to find ways to act on her principles and leave a legacy of aid to her community. Jackie Joyner-Kersey, is an Olympic Champion who continues to make history with her remarkable athletic achievements. Nevertheless, it is her current work that has fueled her pride that she is actively giving back to communities across America.

In 1989, Joyner-Kersey founded the JJK Foundation which provides grants for leadership training for individuals in urban cities. One of her chief goals is to eventually provide a Youth Center to her home town community of East St. Louis, Illinois. She says she hopes to show that while:

There is discrimination. I know there is racism. There are things we don't have control over. But we do have control over our dreams and goals.

I hope we will all take time this month and throughout the year to recognize the many diverse contributions of African-Americans to our Nation's history. In so many ways, the qualities that all Americans hold dear such as strength, perseverance, ambition and integrity are evident in the lives of those African-Americans, and illustrate W.E.B. Dubois' belief that "The guiding of thought: and the deft coordination of deed is at once the path of honor and humanity."

THE 1999 BUDGET

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1998

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, February 11, 1998 into the CONGRESSIONAL RECORD.

THE PRESIDENT'S 1999 BUDGET

Last week President Clinton submitted to Congress his 368-page 1999 budget. In it he proposes to balance the federal budget next year—four years ahead of the target set in last year's historic budget agreement. If successful, the budget would be balanced for the first time in thirty years.

The annual budget is the most important government document. It is a plan for how the government spends your money, and a plan for how the government pays for its activities. It affects the nation's economy, and it is affected by that economy. If the economy is doing well, people earn more, unemployment is down, revenues increase, and the deficit shrinks. The President's budget is typically a master plan to focus the nation's attention on a President's priorities.

A few years ago it was nearly impossible to think that an American president would submit a balanced budget this soon. It marks an end to decades of deficits that have paralyzed our politics, shackled the economy, and held the American people back. A balanced budget would mark the beginning of a new era of opportunity for Americans.

The President projects revenues of \$1.74 trillion, spending of 1.73 trillion, and a surplus of \$10 billion. For each tax dollar taken in the President would spend 53 cents on benefits such as Social Security and Medicare,

15 cents on defense, and 16 cents on other domestic programs (education, transportation, law enforcement, etc.). International programs take 1 cent, and interest on the debt consumes 14 cents. The President would reserve 1 cent of each dollar for Social Security reforms, reducing the publicly-held federal debt in the process.

The economic assumptions used by the President seem sound. The President estimates that the economy will slow from 3.7% growth last year to 2% in 1998 and 1999, and that inflation will remain low. This is reasonable, even conservative, compared to most economists' forecasts. However, a recession would put great strains on the federal budget.

Major Themes: As in past years, the largest spending increases come in Social Security and health benefits. In the remainder of the budget, only research, education, and law enforcement rise faster than inflation. Spending in other areas is cut back to make room for these increases.

The major initiatives of the President's budget include a voluntary expansion of Medicare to persons age 62 to 64, provided they pay for their benefits; reducing elementary school class size with 100,000 new teachers; expanding child care tax credits for employers and families; and tax credits and research funding to reduce and protect against global warming.

Research: The President proposes unprecedented increases in research funding for science and technology. The budget requests almost \$80 billion for military and civilian research programs combined. The National Institute of Health, the Department of Energy, and the National Science Foundation have sizable increases in their budgets for medical research, energy efficiency, climate studies, and science education. I support investment in research as an investment in future economic growth.

Social Security: The President proposes to "Save Social Security first" by placing any budget surpluses in a reserve to help reform Social Security. I agree that Social Security should take priority over calls to finance additional spending or tax cuts. I do not think we should squander a surplus that has yet to appear when we have a large national debt and long-term problems with Social Security.

There will be a heated discussion in Congress about the use of possible budget surpluses. Reducing the debt and protecting Social Security would reduce interest payments and raise private investment in the economy. The President's plan puts an obstacle in the way of others who want to give away the surpluses in a sweeping tax cut.

Tobacco: The President proposes to take \$13 billion a year from a proposed tobacco settlement to fund a number of education and health initiatives. The exact source of funds in a settlement is not clear—the original settlement suggested that tobacco companies pay the government large yearly sums, but others have proposed a substantial increase in cigarette taxes. These revenues are highly speculative and uncertain because payment would only come from an overall settlement approved by Congress. If the tobacco settlement does not come through the President has indicated he will find other sources to support his domestic initiatives, or will drop them all together. This adds pressure to approve a settlement.

Next Steps: Congress will begin work on the budget as the House and Senate budget committees form a template budget resolution to lay the groundwork for additional congressional action. Congress will vote on the budget resolution in late spring, and the detailed spending and tax bills will be finalized over the summer. A final budget rec-

onciliation bill is supposed to be completed by the end of the fiscal year September 30. If Congress and the President fail to work out their differences by this date, they must pass a "continuing resolution" or see the government shut down.

Conclusion: The President's budget is artfully crafted. It carefully balances increases in popular programs with fiscal discipline elsewhere. The booming economy, aided by tough deficit reduction packages in 1993 and 1997, has enabled the President to make a strong statement of policy and politics. The opponents of the President's budget have not rejected his proposals out of hand. They offer alternatives to meet the nation's problems, such as school vouchers, larger tax credits, business incentives, and other devices. Although there is some sweeping rhetoric about differences with the President, there is strong bipartisan support for action on child care, education, and tobacco. The stage has been set for a dynamic and important debate about the future of the country.

STATEMENT OF THE HONORABLE PETE SESSIONS, THE HONORABLE DICK ARMEY, THE HONORABLE JOE BARTON, THE HONORABLE MARTIN FROST, THE HONORABLE KAY GRANGER, THE HONORABLE SAM JOHNSON, AND THE HONORABLE EDDIE BERNICE JOHNSON TO ENCOURAGE THE DIRECTOR OF THE OFFICE OF NATIONAL DRUG CONTROL POLICY TO DESIGNATE NORTH TEXAS A HIGH INTENSITY DRUG TRAFFICKING AREA

HON. PETE SESSIONS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 12, 1998

Mr. SESSIONS. Mr. Speaker, my colleagues Congressman RICHARD ARMEY, Congressman JOE BARTON, Congressman SAM JOHNSON, Congresswoman EDDIE BERNICE JOHNSON, Congresswoman KAY GRANGER, and I wish to inform other members of the House of Representatives about a situation in the greater Dallas/Fort Worth metropolitan area which demands our attention.

Drug abuse and illegal drug trafficking are a major problem in the Dallas/Fort Worth area, as they are in all other parts of the country. However, there is evidence that points to the establishment of the area as a major transshipment point for major drug trafficking operations. For instance, major Colombian and Mexican drug trafficking organizations have established significant transshipment operations in the Dallas/Fort Worth metropolitan area.

Law enforcement agencies in North Texas have reported dramatic increases in the importation, transportation, and distribution of heroin, methamphetamine, cocaine, and marijuana. And the increased drug trafficking active in the area has become a breeding ground for the proliferation of street gangs and related violent crime.

But, Mr. Speaker, despite the powerful statistics, what brings these problems home to us is the deaths of children recently in and around Plano, Texas. As the Dallas Morning News wrote in a recent editorial, "At least a dozen young people from the Plano area have

died from heroin-related overdoses since 1996." Just this week, we lost 17-year-old Natacha Marie Campbell to a heroine and cocaine overdose. This just adds a tragic, human dimension to our fight against illegal drugs.

Although the law enforcement community has obtained significant convictions and sentences against major drug traffickers, the increased drug activity in North Texas is overwhelming current law enforcement resources. We urge the Director of the Office of National Drug Control Policy to commit the necessary resources to the fights against drugs in the Dallas/Fort Worth area by making North Texas a High Intensity Drug Trafficking area. This crucial designation will mean greater resources or and coordination among area law enforcement agencies. It will help the parents in the Dallas/Fort Worth area take control of this problem.

Mr. Speaker, I would like to submit for the record a resolution recently passed by the Greater Dallas Crime Commission which makes similar points, and urges the Director of the Office of National Drug Control Policy to designate North Texas a High Intensity Drug Trafficking Area.

GREATER DALLAS CRIME COMMISSION RESOLUTION

Whereas: Major Colombian and Mexican drug trafficking organizations have established significant transshipment operations in the Dallas/Fort Worth metropolitan area (the "Metroplex") and North Texas generally since the early 1990's; and

Whereas: Law enforcement agencies in North Texas have reported dramatic increases in the importation, transportation and distribution of heroin, methamphetamines, cocaine, and marijuana into the area since the early 1990's; and

Whereas: Law enforcement seizures of heroin in North Texas have increased by more than 500% in recent years, and the purity of the heroin on North Texas streets has increased dramatically and lethally; and

Whereas: The increased drug trafficking active in the area has become a breeding ground for the proliferation of street gangs and related violent crimes including theft, robbery, prostitution, assault and murder; and

Whereas: The impact of the increased drug activity in North Texas has resulted in an increase of drug overdose deaths in the area, with most of the victims being teenagers or younger; and

Whereas: Although the law enforcement community has obtained significant convictions and sentences against major drug traffickers, the increased drug activity in North Texas is overwhelming current law enforcement resources; and

Whereas: Designation of North Texas a High Intensity Drug Trafficking Area by the Director of the Office of National Drug Control Policy will mean greater resources for and coordination among area law enforcement agencies to combat drug trafficking organizations; and

Now therefore, the Greater Dallas Crime Commission urges the designation of North Texas as a High Intensity Drug Trafficking Area.

In Witness Whereof This Twenty-second Day of January, 1998.

CULLEN M. GODFREY,
Chairman.
NICKIE MURCHISON,
Executive Director.