

Statement of Representative Henry A. Waxman
March 1, 2000

As the investigation into campaign finance violations in the 1996 election unfolded, three central figures emerged: Johnny Chung, John Huang, and Charlie Trie.

By the end of this week, we will have completed over fifty hours of questioning of all three.

Johnny Chung had no information that in any way implicated the President, the Vice President, the First Lady, any Member of Congress, or any Democratic Party official in any illegal or improper activity. And the Committee has no credible evidence that would suggest that Mr. Chung was a Chinese spy or intentionally endangered our national security.

John Huang had no information that in any way implicated the President, the Vice President, the First Lady, any Member of Congress, or any Democratic Party official in any illegal or improper activity. And the Committee has no credible evidence that would suggest that Mr. Huang was an agent of the Chinese Government or took any action that endangered our national security.

It now appears that Charlie Trie has no information that in any way implicates the President, the Vice President, the First Lady, any Member of Congress, or any Democratic Party official in any illegal or improper activity. And the Committee has no credible evidence that would suggest that Mr. Trie was an agent of the Chinese Government or took any action that endangered our national security.

We do know, however, that Mr. Chung, Mr. Huang, and Mr. Trie broke the law by engaging in conduit schemes. All the Members of this Committee -- Democratic and Republican -- should condemn those illegal acts and recognize that it's important that we focus attention on them.

But conduit schemes, no matter how wrong, are not in themselves treasonous. They don't automatically threaten our national security. And, absent additional evidence, they don't indicate misconduct by the President or other officials.

There are only two instances of conduit contributions that do point to possible misconduct by an elected official or an official of one of the major political parties. The first involves Peter Cloeren, a Texas businessman and a conservative Republican. He has plead guilty to participating in a conduit scheme, and he has alleged the scheme was orchestrated by the House Republican Whip, Tom Delay. Chairman Burton, however, has refused to investigate that matter and call Mr. Cloeren in for a hearing.

The second instance involves Haley Barbour, the former head of the Republican National Committee. It's clear foreign contributions were funneled into the National Policy Forum and used in the 1996 campaign, and evidence suggests that Mr. Barbour was personally involved in that effort. But the Republican members of the Federal Election Committee have blocked any FEC action on that matter, and Chairman Burton has refused to hold a hearing on this conduit scheme.

Regrettably, instead of following the evidence where it leads, this Committee's investigation has focused exclusively on one party and, as a result, has been mired in partisanship.

Two and a half years ago, at our first campaign finance hearing, we heard from Charlie Trie's sister, Manlin Fong. She told us that her brother had made illegal conduit contributions, but that he was not a Chinese spy or part of a Chinese conspiracy. Today -- two and a half years later -- we will finally hear from Mr. Trie himself.

Investigations can be like drilling for oil. Sometimes you strike it rich by discovering new evidence of wrongdoing or inappropriate conduct. And sometimes you dig a dry hole. Since Manlin Fong testified in October 1997, we've poured millions of dollars into investigating Mr. Trie, Mr. Huang, and Mr. Chung. Today, we will learn whether we've found oil or dug one of Congress' most expensive dry holes.

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