

FOR IMMEDIATE RELEASE Thursday, July 28, 1994 Contact: Clarkson Hine (202) 224-5358

WHITEWATER HEARINGS

TIGHTLY-SCRIPTED HEARINGS FORFEIT CONGRESSIONAL POWER; AMERICAN PEOPLE WILL ONLY SEE SMALL PIECE OF PUZZLE

As the Whitewater hearings get underway, the American people should understand that what they will be watching is a limited and tightly-scripted account of only a small piece of the entire Whitewater puzzle. It's like going to a movie theater, paying six dollars for a ticket, and getting to see only one 60-second movie preview.

Unanswered Questions Remain

Will the hearings examine the RTC's internal investigation into Madison Guaranty? No.

Will the hearings cover the Justice Department's handling of the RTC criminal referrals? No.

Will the hearings take a look at Paula Casey's delayed recusal from the Madison case and the David Hale prosecution? No.

Will the hearings cover the diversion of S.B.A. funds to the Whitewater partnership? No.

Will the hearings examine why White House officials rifled through Vince Foster's office shortly after his death? No. Earlier this month, Mr. Fiske apparently changed his mind, telling Congress that this area of inquiry was off-limits, at least for now.

Will the hearings explore the activities of the Arkansas Development and Finance Authority? No.

Will the hearings take a look at whether any of Madison's federally-insured funds were used to pay off campaign debts? No.

And will the hearings examine the Whitewater transaction itself? You guessed it: the answer, of course, is "no."

Fiske: Masterful Congressional Traffic Cop During the past several months, independent counsel Robert Fiske has been masterful in his role as congressional traffic cop. He has commanded Congress when to "go" and when to "stop," insisting that hearings take a back-seat to his own investigation and exercising an almost complete veto over congressional oversight in the process. To our own discredit, both the Senate

and the House have willingly gone along with this charade. In fact, when historians look back on the year 1994, they will see one of the few occasions in American history when one branch of government, the Congress, willingly forfeited power to another branch, the executive. Mr. Fiske may be a fine person and a fine lawyer, but he is, without a doubt, one of the most powerful bureaucrats we've ever seen. Preferential "Head's-Up"

Earlier this week, White House Counsel Lloyd Cutler insisted that no administration official violated any ethical standard as a result of the nearly 30 behind-the-scenes contacts in which insider information about the RTC criminal referrals was shared. Mr. Cutler's ethical dispensation may or may not be justified, but what is beyond dispute is that no ordinary American would have received the same preferential treatment. No ordinary American, cited in an RTC criminal referral, would have received the same advance-warning "head's-up" from the very people charged with conducting the investigation.

And, if the contacts were on the up-and-up, as Mr. Cutler claims, what was their public purpose? What legitimate investigative goal were they designed to serve?

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* Remarks delivered on the Senate floor, approximately 10:30 AM.