

## Gingrich admits crimes against the U.S. Congress

by Jeffrey Steinberg and Mark Sonnenblick

Regardless of the outcome of the Jan. 7 elections for Speaker of the House, it is a very safe bet that Newt Gingrich's brief tenure as the most powerful figure in the U.S. Congress is finished—forever. On Dec. 21, 1996, the U.S. House of Representatives Committee on Standards of Official Conduct, the House Ethics Committee, issued a 22-page "Statement of Alleged Violations," followed by a terse, one-sentence admission, signed by Gingrich. The 53-point Ethics document was aptly described by Rep. David Bonior (D-Mich.) as "tantamount to an indictment of the Speaker of the House." The committee found that Gingrich had violated federal tax codes by using tax-exempt organizations to finance Republican Party political operations, including his own re-election campaign; and, had then lied to the Ethics panel in a series of legal filings, submitted over his signature.

The final wording of the Ethics report, which averted a Congressional equivalent of a jury trial of the Speaker, came after a week of hard-nosed negotiating between Gingrich, his attorneys, and the Ethics panel's special prosecutor James Cole, who was appointed early in 1996 to look into the widespread allegations against Gingrich, his political action committee, GOPAC, and several tax exempt 501(c)3 organizations which Gingrich ran or exploited.

Although some of Newt's die-hard Congressional allies tried to rush to his defense, claiming that the Ethics findings fell short of the kind of criminal charges that would warrant his stepping down as Speaker, when the 105th Congress is sworn in on Jan. 7, Congressional Democrats—led by Bonior—made it clear that, if the Republicans try to salvage what's left of Newt's reputation and keep him on as Speaker, there will be hell to pay.

In a press conference on Dec. 21, just hours after the Ethics report was released, Bonior was blunt about Newt's future. "Mr. Gingrich has been found guilty today of very

serious violations. They go to the heart of our democratic system. He has engaged in a pattern of abuse of our tax laws over a period of seven years, for his own political purposes, and he has repeatedly, unequivocally lied to the Ethics Committee and to the American people about it. The Ethics Committee has found Mr. Gingrich's actions have brought discredit on the House of Representatives."

Bonior continued: "The Gingrich case does not end here. It is inconceivable to me that a person who has been found guilty of such serious violations, including repeatedly lying to the committee of Congress, could continue as Speaker of the House. There are serious legal problems ahead for the Speaker as well. The allegations laid out by the Ethics Committee raise grave concerns which I would expect the Justice Department, the FBI, a grand jury, and other appropriate entities to investigate. From the charges in this document, it appears that Mr. Gingrich may have engaged in criminal tax violations. . . . Mr. Gingrich may have also engaged in criminal patterns of obstruction of justice."

Bonior concluded with a shot across the bow at the Congressional Republicans who had already rushed to the Speaker's defense, in a shameless display of damage-control: "It is appalling today, that some of Mr. Gingrich's defenders would try to minimize the seriousness of these violations. Mr. Gingrich engaged in a pattern of tax fraud, lies, and cover-ups, in paving his road to the second-highest office in the land. He is not worthy of that office. And those who attempt to make excuses for him or for his behavior are doing a grave disservice to this institution and to the American people."

### FEC files show Gingrich's crimes

Bonior was right. According to news accounts, there is still a live Internal Revenue Service (IRS) probe of Gingrich,

which could result in criminal prosecution; and, despite efforts by Richard Arme (Texas) and other House Republican "conservative revolutionists" to ram through a settlement of the Ethics case, other Democratic Party Congressional leaders have indicated that they are in no rush to settle the Gingrich matter, and are certainly not committed to a slap-on-the-wrist punishment.

Indeed, the Federal Election Commission, on Nov. 30, 1995, released over 3,000 pages of internal GOPAC documents that had been surrendered by the group, as the result of a May 1994 lawsuit, filed by the FEC against the Gingrich political action committee. Among the materials released to the public were handwritten minutes and audiotapes of GOPAC planning meetings. These records make clear that Gingrich was fully aware of the scheme to use tax-exempt funds to advance his political agenda and the electoral strategy of the Republican Party.

In one noteworthy exchange on Jan. 8, 1991, at a GOPAC strategy session, the group's legal counsel, Dan Swillinger, discussed how GOPAC would help raise the \$85 million needed to win 170 Republican seats in the 1992 Congressional elections: "The way to utilize our non-FEC money is to use ALOF [Abraham Lincoln Opportunity Foundation] for as much research as possible and GOPAC for as much as possible." At the time this meeting occurred, GOPAC had still not even registered with the FEC. Not only was it illegal for GOPAC to be engaged in raising any funds for federal office-seekers, without registering with the FEC; but it was certainly a flagrant violation of the tax and electoral codes to have a tax-exempt group, ALOF, conducting research for the campaign effort.

The chief beneficiary of GOPAC's and ALOF's illegal funding schemes, especially in 1990, was Newt Gingrich! In an audiotape of another GOPAC leadership meeting in August 1990, Terry Kohler is heard asserting, "We're supplying, my guess would be, a quarter of a million dollars of Newt support per year." No one at the meeting challenged Kohler's estimate. In fact, GOPAC picked up the expenses for all of Gingrich's top aides, when they traveled to Georgia to help him campaign for re-election. GOPAC wrote off the expenses as "research," according to documents obtained and made public by the FEC. GOPAC also spent almost all of its "state and local" budget in Gingrich's Congressional District. That year, Gingrich won re-election by fewer than 1,000 votes. By Election Day, GOPAC was nearly bankrupt, as the result of its generous "Newt support."

None of this was a mystery to GOPAC legal counsel Swillinger. He had been a staff attorney with the FEC, prior to coming to work for Newt. According to a sworn deposition by GOPAC office manager Kay Riddley, every piece of correspondence issued by GOPAC, including all letters sent out under Gingrich's signature, were first reviewed by the group's legal counsel, and by its chairman. Yet, an earlier "Report to Charter Members," dated Nov. 11, 1990, de-

scribed Gingrich's national TV show, ACTV, as "sheperded by ALOF, a non-profit 501(c)3 organization chaired by Bo Callaway [GOPAC chairman]. Though legally no longer a GOPAC project, ACTV did rent space and operate out of the GOPAC offices." Another flagrant violation of the federal law.

Also, during 1990, at a GOPAC strategy session, Eddie Mahe, Gingrich's chief campaign strategist, acknowledged the fact that GOPAC's operations were "technically" illegal, and proposed to "correct" that problem: "All you have to do is get a little exemption in the law. . . . But if you're thinking this way you got to make sure that you have your lobbyist retained to get that half-sentence in the dead of night when they write all that stuff. That's when they write all those bills. You find some little, tiny, tiny, tiny staff person who hasn't been to the Cayman Islands for a while looking for a vacation. . . . The whole thing is bought and paid for."

The 3,000 pages of publicly released GOPAC documents are full of such discussions and policy memos. The files that have been assembled by the House Ethics Committee reportedly go even further in detailing the pattern of criminal conduct by Gingrich and his affiliated think-tanks, political action committees, and campaign organizations.

### **Trashing bipartisanship**

The fate of Chairman Newt is also tied to the bigger political controversy of how the incoming Republican Congressional majority will deal with the second Clinton administration. For many Republican lawmakers, the term "bipartisanship" is synonymous with trapping President Clinton into an only slightly watered-down version of the GOP's onerous "Contract on Americans"; and they do not wish to jeopardize that strategy by getting into a no-win showdown with House Democrats over Gingrich's fate.

For another group of GOP hard-liners, linked to Britain's Hollinger Corporation, and its Heritage Foundation and *American Spectator* U.S. appendages, the Gingrich scandal is problematic from an opposite standpoint: They want to drive ahead with the assault on the Clinton Presidency, and they are worried that the Gingrich "ethics" crisis will stand in the way of that offensive.

Both *New York Times* columnist William Safire, a long-time Gingrich crony, and the Hollinger-owned *Daily Telegraph*'s Steven Robinson have joined the ranks of those calling for Gingrich to step aside as Speaker "for the good of the GOP." Safire held private conversations with Chairman Newt, in which he pressed Gingrich to drop his bid to be re-elected as Speaker, in order to facilitate the drive to Watergate the President. And Robinson, from his perch in Washington, D.C., wrote, on Dec. 27, that no leading Republicans have stepped forward to defend Newt from Representative Bonior, and the other Democrats who are demanding his scalp. They've gone "oddly quiet," he noted, and that probably is the kiss of death for Speaker Newt.