

Korean Ties To Congress Are Probed

Tongsun Park Among Those Under Scrutiny

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The FBI and a federal grand jury here are investigating allegations that Washington-based South Korean businessman Tongsun Park and Korean agents have given cash and gifts to more than 20 U.S. congressmen to "create a favorable legislative climate" here for the South Korean government of Park Chung Hee.

The investigation, which is based on information collected during the past six years by the State Department, National Security Agency, U.S. Customs Service, CIA, and other agencies coordinated by the Justice Department's Public Integrity section, according to Justice Department sources.

A government source with close knowledge of the probe said it involves the most sweeping allegations of congressional corruption ever investigated by the federal government even though the investigation is still in its early stages.

According to another well-informed source, the investigation has progressed furthest on allegations involving Reps. Joseph P. Addabbo (D-N.Y.), Robert E. Leggett (D-Cal.), Otto E. Passman (D-La.) and former Reps. Cornelius Gallagher (D-N.J.) and Richard Hanna (D-Calif.).

The investigators are probing allegations that these five and at least 17 other present and former congressmen—both Democrats and Republicans—received large amounts of cash or expensive gifts of furniture, jewelry, vacations, airline tickets and lavish entertainment from Park and others acting on behalf of the South Korean government.

Investigators have already obtained voluminous financial records from Park and the FBI has questioned per-

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sons close to several congressmen involved in the investigation. Suzi Thompson, a Korean-born aide to retiring House Speaker Carl Albert (D-Okla.) also has been subpoenaed by the grand jury, which granted her immunity from prosecution to compel testimony from her.

The investigators must determine whether cash and gifts allegedly received by any of the congressmen can be tied to specific acts performed by the congressmen, unlawfully in return.

Further complicating the investigation are sensitive diplomatic questions raised by the fact that important information about the alleged intent of Korean agents under investigation was obtained from "highly sensitive intelligence sources" inside the highest levels of the South Korean government in Seoul and its embassy here, according to government sources. Investigators, the sources said, believe these "intelligence sources" may include highly placed espionage agents or wiretaps or electronic surveillance.

Intelligence officials reportedly feel that this information is so sensitive that they would rather have the investigation limited than expose current espionage techniques and personnel.

According to one high Justice Department official, intelligence protocols leave the final decision on use of this information to the agency that obtained it. One source stressed that the National Security Agency is not yet fully cooperating with the investigation, and Justice officials reportedly suspect that the CIA also is not cooperating fully.

A State Department official told The Washington Post that his agency had turned over all relevant files in their possession to the Justice Department.

A State Department spokesman told The Washington Post that "the policy of the State Department is to provide to the Department of Justice any information which comes to its attention indicating that violations of U.S. law have occurred. There has been no exception in the current investigation. We have promptly provided everything we have to the Justice Department."

An additional concern of investigators is that much of the cash allegedly distributed by Park and others may be explained by recipients as campaign contributions. Before 1975, it was not illegal for a foreign national to make campaign contributions to congressional candidates. There is a

three-year statute of limitations on the legality of congressional campaign contributions.

The allegations, according to well-informed sources, center around information from intelligence sources that South Korean President Park Chung Hee agreed in the late 1960s to make Tongsun Park the principal intermediary between American suppliers and Korean buyers of various internationally shipped commodities.

In return, according to the sources' account of the allegations, Tongsun Park agreed to use some of the money generated by this arrangement to entertain and give cash and gifts to U.S. officials to improve the "legislative climate" here for the South Korean government.

Among other things, the South Korean government was seeking to maintain high levels of U.S. military and economic aid to the Park Chung Hee regime, keep the 42,000 U.S. troops presently stationed in South Korea, and stem criticism here of the internal control methods of the Park Chung Hee regime and its Korean Central Intelligence Agency.

Under the alleged arrangement with Park Chung Hee, according to the sources, Park has allegedly reported directly to the South Korean president and spread funds among South Korean agents working with him here. The sources said that some of the information from intelligence sources about this arrangement may have included "boasts or lies meant to inflate the agents' roles and cover their embezzlement of funds intended for congressment."

Investigators have learned that Park has converted tremendous quantities of his personal and business funds to cash. In one month alone he reportedly wrote checks to "cash" for over \$900,000, according to a source close to the investigation.

Park also has had regular shipments of cash delivered by a private armored car service to his Embassy Row home and his Pacific Development Inc. office at 1604 K Street NW. Two shipments reported to the Washington Post by sources close to Park totaled \$50,000 and \$40,000.

An attorney for Park, Robert J. Ables, suggested to a Post reporter in March 1976 that the cash might be used by Park, who provides Korean ship crews for an American oil company, to pay merchant seamen. However, a source close to Park's international business activities said that

Park paid the seamen abroad and not in U.S. currency.

In addition, the Justice Department is investigating allegations that Park violated the Foreign Agents Registration Act by not registering as an agent of the South Korean government with the Justice Department. Although Park attorney Ables denied in March, 1976, that Park served as a South Korean agent, Justice Department sources said this part of the probe is continuing.

In investigating several congressmen, the FBI is reportedly conducting "net worth" inquiries to determine if any of the congressmen appearing to be living above their legitimate incomes.

According to another of Tongsun Park's attorneys, William G. Hundley, Park denies all allegations of impropriety.

Tongsun Park's own opulent lifestyle—which includes several expensive homes, lavish Embassy Row parties, worldwide jet travel and the purchase of his own downtown office building—has made him a Washington celebrity in recent years.

The 40-year-old Korean-born graduate of Georgetown University here, has been in the United States on and off since his teens. Although he founded the George Town Club here in the 1960s, he remained virtually un- known in local social and political circles until the last five years.

One newspaper society page story in 1970 said that he had recently "returned" here that year after going home previously for an extended period to tend to his family business.

Beginning then, he emerged as "a male Perle Mesta," by his own characterization, entertaining increasingly important political figures as he worked his way up the social ladder. From entertaining congressmen, he graduated to congressional leaders such as House Majority Whip Tip O'Neill, for whom he gave VIP-studded birthday parties in both 1973 and 1974.

The importance of Park's guests and guests of honor grew as his fortunes increased visibly. Former Attorney General William Saxbe was honored at a lavish black-tie dinner given by Park when Saxbe left to become U.S. ambassador to India.

Among the guests were another former attorney general, Richard Kleindienst, who moved into Park's Pacific Development office building

on K Street NW for a brief period after leaving office.

According to a former Park Employee, the arrangement was to have provided the former attorney general rent-free office space and a \$1,000 monthly retainer fee, but Kleindienst moved out soon after moving in and collected only one month's retainer. He returned a second month's check.

Kleindienst, claiming "attorney client privilege," refused last night to discuss his brief association with Park. "I am not privileged to talk about our relationship," Kleindienst said. "Any comment on (those figures) would have to come from him."

Park himself went from a rented house on 24th Street in 1970 to a \$300,000 mansion on 30th Street, and has since purchased a mini-estate at 2350 Woodland Dr. for \$480,000.

His automobiles include a Lincoln limousine, a new Jaguar, a new Mercedes and a new Rolls Royce.

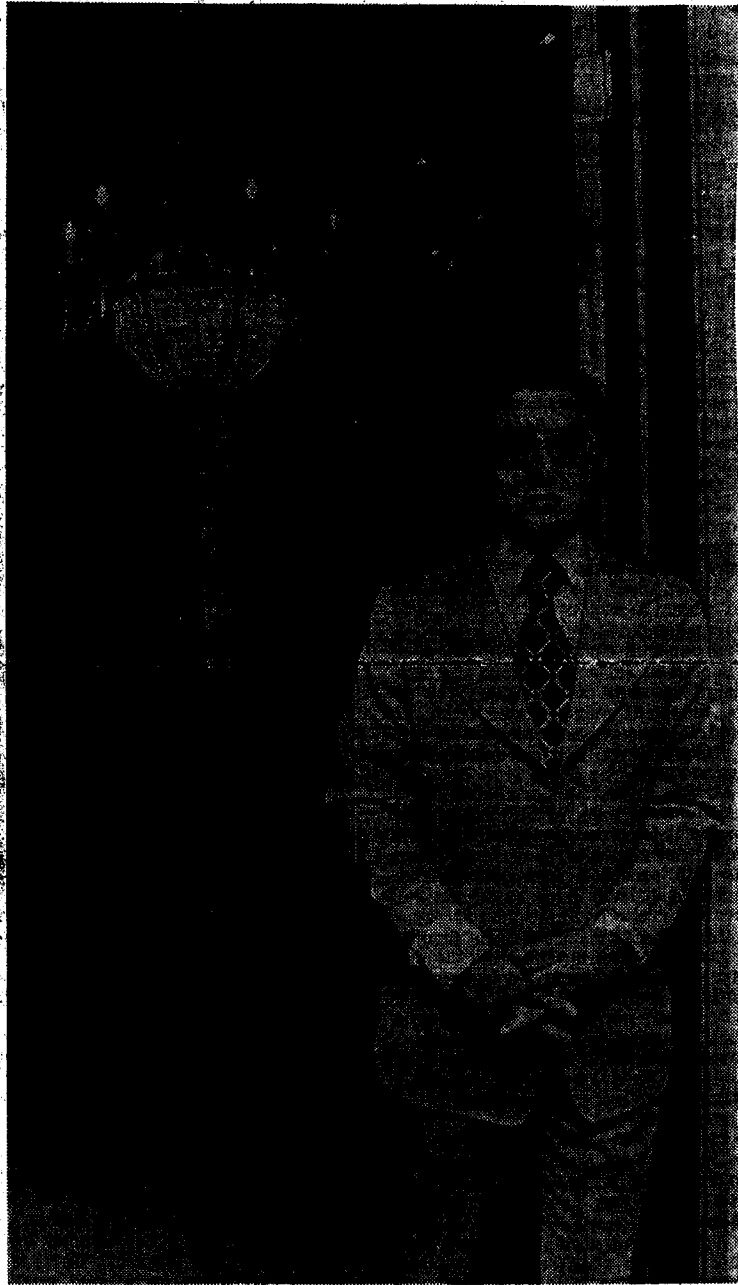
Park's K Street NW office building was purchased two years ago for \$350,000 and remodeled for another \$44,000.

Within the last year, he has invested at least \$350,000, according to some sources, in the members-only Pisces Club in Georgetown, which has become a status gathering place for politicians, lobbyists and social leaders.

Park's overtures of friendship precipitated a tragedy for First Lady Betty Ford's personal assistant, Nancy Howe, when Mrs. Howe's husband, James W. Howe, committed suicide and she resigned her White House job after it became known that Park paid for their vacation in the Dominican Republic.

Sources close to the Justice Department lawyers supervising the Park investigation emphasized it was still in its early stages. Due to the complexity of the case, statute-of-limitations problems, and the sensitivity of the intelligence sources, no decision on whether to seek to indict anyone is expected for several months, according to the sources.

According to departmental sources, each case could be different. Some congressmen are alleged to have received bribes and others illegal campaign contributions from agents for foreign principals. Others are being probed for possible income tax violations.



By Harry Naltchayan—The Washington Post
Tongsun Park: allegations he gave gifts to congressmen are under investigation.