

The Weather

Today—Partly cloudy, high in upper 80s, low near 70. The chance of rain is 10 per cent. Thursday—Partly cloudy, high in mid 80s. Yesterday—3 p.m. air index: 105; temperature range: 89-72. Details are on Page B2.

The Washi

100th Year . . . No. 276

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WEDNESDAY, SEPT 7, 1977

Tongsun Park Indicted on

By Charles R. Babcock
Washington Post Staff Writer

A concerted, eight-year effort by the South Korean government to influence members of Congress with cash, gifts and parties was outlined publicly for the first time yesterday with the unsealing of a 36-count felony indictment against Korean businessman Tongsun Park.

The indictment, which had been sealed since being handed down by a federal grand jury in Washington Aug. 26, charges that Park was a secret agent of the Korean government who conspired with two former directors of the Korean Central Intelligence Agency and former Rep. Richard T. Hanna (D-Calif.) "to defraud the citizens of the United States" of

their right to have their elected officials in Congress act free of bias and corruption.

It alleges that Park, "with the knowledge and under the direction of the KCIA," worked with Hanna to make campaign contributions and cash gifts, promote trips to Korea and sponsor elaborate parties at the Korean-government-inspired George Town Club in Washington in the attempt to gain favor with members of Congress.

Justice Department officials said they knew of no other case where such wide-ranging charges have been made about the lobbying efforts of a foreign government.

Attorney General Griffin B. Bell said yesterday in announcing that the indictment had been unsealed that he

would ask President Carter to appeal personally to South Korean President Park Chung Hee to have Tongsun Park, "who is now a fugitive from American justice," returned to the United States.

Park left Washington for London last fall, and on Aug. 18 returned to Korea, where he's been since.

Hanna received more than \$100,000 from Park from 1967 to 1975, the indictment charges, in return for his help in trying to influence other members of Congress. In effect, the 30-page indictment claims that Hanna was Park's agent on Capitol Hill.

Bell said other indictments might follow. "The investigation is continuing," he said. "We're in the season, and we'll have to see what the harvest will bring."

SEPTEMBER 7, 1977

Phone (202) 223-6000

Classified 223-6300
Circulation 223-6100

Higher beyond Metropolitan
See Box 17

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36 Felony Counts

While Hanna is named as the recipient in the two bribery statute charges against Park, he was named only as an unindicted co-conspirator, along with the two former KCIA directors.

Benjamin R. Civiletti, head of the Justice Department's Criminal Division, said yesterday that Hanna was not cooperating in the investigation. Cooperation with the prosecution is usually the sign of an unindicted co-conspirator. Civiletti indicated that the department has insufficient evidence to indict the former congressman on such counts.

Justice Department attorneys have expressed concern that evidence against some potential congressional targets of the investigation might be inadmissible because the Constitu-

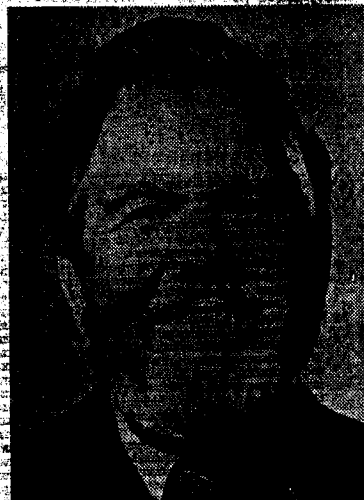
tion's speech and debate clause protects legislators in their actions.

Hanna's attorney, Charles McNelis, said yesterday that his client flatly denies any implication that he was bribed. He noted that Hanna had a publicly known business relationship with Park while in Congress. Any favors he did for South Korea came from a "long-standing friendship toward that country," he added.

The indictment names 20 House members and four senators who received money from Park. Most of the donations to House members have been mentioned before in stories

See KOREANS, A10, Col. 1

Richard Hanna's hidden life. A10



FORMER REP. RICHARD T. HANNA
denies bribery implication

Park Indictment Traces 8-Year

KOREANS, From A1

about the progress of the more than year-long Justice Department investigation, and most would have been legal at the time if the recipient didn't know that Park was a foreign agent.

The indictment does mention \$10,000 in contributions to the 1971-72 governor's race of then Rep. Edwin W. Edwards (D-La.), and \$1,000 to Rep. William Broomfield (R-Ill.). Both have previously denied getting any such money from Park.

In addition, the 30-page outline of the charges for the first time mentions present and former senators who got money from Park. They are former Sen. Joseph M. Montoya (D-N.M.), \$3,000 in 1970; former Sen. Jack Miller (R-Iowa), \$3,000 in cash in 1972; former Sen. Stuart Symington (D-Mo.), \$500 in 1970, and Sen. Harry F. Byrd, Jr. (Ind.-Va.), \$500 in 1970.

The indictment against Park and the stated complicity of the Korean government in the lobbying scheme come at a time when pressure is building on Capitol Hill against South Korea.

Rep. Bruce F. Caputo (R-N.Y.), a member of the House Committee

on Standards of Official Conduct, which is conducting a parallel but separate investigation of members who took gifts from the Koreans, said yesterday he planned to introduce an amendment to the new budget resolution cutting funds by \$114 million, an amount equal to U.S. aid to Korea.

He said he would do so because the Korean government has refused to cooperate in the investigations or in helping get Tongsun Park returned to the United States.

The State Department also has been concerned about how the investigations and publicity about the Korean lobbying effort will affect future votes on aid to the Park Chung Hee regime.

A State official noted that the planned withdrawal of U.S. troops from Korea has been coupled with a promise of aid to improve the Korean armed forces. "How many of them [members of Congress] will vote money to Korea after seeing that the Koreans have been paying money here?" he asked. "The troop withdrawal may have to stop if Congress does not come up with funds to beef up the Koreans."

Each new aspect of the investigations "complicates withdrawal more," he added.

Attorney General Bell said yesterday that the indictment against Park was unsealed, in part because its existence was made known last week through press reports.

The first count of the indictment charges Park with conspiracy to defraud the United States, and outlines a scheme it says started in 1967, when Tongsun Park and Hanna and Korean government officials agreed that the Washington businessman would be the exclusive agent for selling American rice—much of it U.S.-subsidized—to Seoul.

It was part of the conspiracy, the indictment claims, that Park gave a part of his rice commissions to Hanna and other members of Congress. The George Town Club, an exclusive dinner club owned by Park in Washington, was also used by Park and Korean officials for the purpose of holding fund-raising affairs and parties for American politicians, it charges.

The conspirators also tried to encourage trips to South Korea, where other Korean government officials would lobby the Americans, according to the charges.

In 1970, Park began issuing checks to the campaigns of many members of the House and a few senators, a

The Hidden Life of Richard

By Dan Morgan

Washington Post Staff Writer

For 12 years, Richard T. Hanna, a bouncy, personable congressman, was so unexceptional that a Capitol Hill aide said of him yesterday, "I never identified him with legislation."

But for much of that period, Hanna was leading an extensive, hidden life that included outside business activities, fashionable parties, global travels and a web of embroilments with high South Korean officials and agents, according to the federal indictment of businessman Tongsun Park.

Hanna named as an unindicted co-conspirator, emerges as a key figure in the government's case against the Korean alleged to be at the center of his country's lobbying, bribery and influence-peddling here.

In page after page of details, the federal indictment portrays Hanna, 63, as an omnipresent middleman between the South Korean government and Congress for matters of business and foreign policy.

He was in business with Park, from whom he received more than \$100,000, the federal charges say. And he shared with Park commissions from the sale of U.S. rice to South Korea while he was still representing his constituents in Orange County, California.

Until 1974, few of Hanna's colleagues knew him as anything more

than what he seemed to be — a gregarious, energetic politician with a goatee and a flair for doing vaudeville soft-shoe routines at parties where congressional people gathered.

But by then, by his own account, Hanna had come into his own as a special friend of South Korea in Congress. Since 1968, Hanna often was present in Seoul when the U.S. gov-

ernment president of South Korea, Park Chung Hee, took a personal liking to the jovial Hanna. "He was the only person — American or Korean — who I ever saw allowed to pound Park Chung Hee on the back and give him a bear hug," the source said.

In 1971, Hanna became a silent partner of Tongsun Park in an export-import venture that brought the con-

Until 1974, few of Hanna's colleagues knew him as anything more than what he seemed to be . . .

ernment financed large sales of surplus rice to the Asian country.

At the American embassy, Hanna began to be called the "California rice salesman" because he frequently showed up in Seoul when major rice transactions were in the offing. According to the indictment, more was involved than an interest in promoting the sale of the surpluses of rice produced year after year by California farmers. It states that it was part of the criminal conspiracy for Tongsun Park to "directly and indirectly give part of the commissions on the sale of rice to Richard T. Hanna and various other United States congressmen and senators . . ."

According to one source, the author-

gressman \$80,000 to \$70,000 over three years. Hanna never attempted to conceal his business connection. He reported it to the House on Committee on Standards of Official Conduct. But few of his colleagues noticed.

"We certainly didn't know he was in business with Park" said a California congressional aide yesterday.

In a long interview with The New York Times last year, Hanna said he had joined the business association to help Park out. He said he placed \$90,000 worth of stock in the hands of the Equitable Trust Co. of Baltimore so Park could draw a \$25,000 loan. Hanna said he later received money from Park and asked no questions.

T. Hanna

In the years that followed, 1971, Hanna said, he became uncomfortable with the business relationship, and eventually it was terminated. "There came a time when I recognized this was not so good," he was quoted as saying.

Nevertheless, for as long as he was in Congress, Hanna received VIP treatment on trips to Seoul, where a car and house were at his disposal, sources say.

At the end of 1974, Hanna ended a congressional career that began in 1963 by retiring to enter business. He worked for a California export-import business that traded agricultural commodities.

However, he continued to come to Washington, where he regularly stayed with Park and kept some of his clothing in one of Park's homes. A file card box seized by the federal government last fall under subpoena belonged to Hanna. It contained the names of key business and political contacts in Asia, the Middle East and the Soviet Union.

Several months ago, Hanna reportedly closed his offices in California, sold his house and moved in an attempt, according to friends, to remain incognito. He told former staff members that he feared he would be made a "scapegoat" in the Korean corruption investigation.



Tongsun Park and former Rep. Richard T. Hanna at a party in Seoul.

A Decade of Prominence

Park's Club, as a Magnet For Mighty, Drew Attention

By Phil McCombs

Washington Post Staff Writer

For years, Washington's wealthy and powerful, both officials and non-officials, have flocked to social events at an elegant little club located behind a deceptively modest green wood building at 1739 Wisconsin Ave. in Georgetown.

It has been in the society pages for more than a decade, getting its first taste of major national publicity in 1966 when Patrick Nugent's parents chose it for the dinner following Luci Johnson's wedding rehearsal.

Yesterday, in the wake of a federal grand jury indictment of the Georgetown Club's founder, it appeared there may have been a darker side to some of the excitement and social sparkle that the club generated.

The indictment stated that the club was a primary "means" used by South Korean businessman Tongsun Park and others in alleged efforts to corrupt U.S. politicians and officials.

Park set up and operated the club, according to the indictment, "for the purpose of holding fund-raising affairs and parties for various United States congressmen, senators, and other United States government officials, which affairs and parties would, on occasion, be paid for by the defendant Tongsun Park."

The indictment went on to say that the club was also utilized "for the entertainment of influential United States politicians and for the introduction to U.S. officials of influential Korean officials visiting the United States."

As one "overt act" of the alleged conspiracy to illegally influence politicians, according to the indictment, Park forgave the \$1,700 cost of a fund-raising dinner held at the club May 17, 1972 for Rep. John Brademas of Indiana.

Another time, according to the indictment, on Sept. 23, 1974—Park gave Brademas \$2,950 in cash to cover the costs of a fund-raising reception for the congressman at the club.

The front door of the club remained locked yesterday for the last day of a summer vacation. Assistant manager John Overall, answering a tap of the shiny brass knob last evening, said the club will be open for business again today.

Overall said he doubted that business will be adversely affected by the indictment, and Ken Cummins of Potomac News Syndicate, a journalist who has been reporting on the club's affairs, said that an initiation of 35 new club members is going forward as

planned later this week.

Yesterday was not the first time that the club has been in the news in connection with investigations of Park's activities.

In June of this year ex-Korean CIA director Kim Hyung Wook told a congressional subcommittee that he let

Park use \$3 million in South Korean government funds in 1967 to finance the club as a way of gaining access to and influencing U.S. officials.

Kim testified that Park requested the financial aid in 1967 through a KCIA agent at the South Korean embassy in Washington. Kim said he then ordered the Korean Exchange Bank to transfer the \$3 million to an American bank where Park used it as collateral for the loans he needed to fund the club's operation.

Sources familiar with the case have thrown doubt on Kim's version of the exact details of these transactions. According to the sources, Park did not directly use the \$3 million as collateral for a mortgage loan and other loans for the club, but used his access to this money as a means of impressing others with his wealth and power in order to get them to lend him money or put up collateral for him.

Park, who left the U.S. for London last fall, is still owner of record of the club, although it is possible that he has sold the club to someone else by this time without any official records having been made of the transaction, according to sources.

Park sponsored many lavish parties at the club over the years. Guests included such prominent politicians as then-House Speaker Carl Albert (D-Okla.), then-Majority Leader Thomas P. O'Neill Jr. (D-Mass.), scores of other representatives and senators, and administration leaders such as former Secretary of Defense Melvin R. Laird, Attorney General William B. Saxbe, and then-Vice President Gerald R. Ford.

Potomac News Syndicate writer Cummins, who has also been a special correspondent for The Washington Post, provided this colorful picture of a typical Park party at the club:

The dinner invitations read unloading partygoers shortly before. The guests mingled in the living room on the ground floor of the club, waiting for the host, Tongsun Park, to

arrive.

Club manager Norm Larsen, in the absence of the host, warmly greeted each arrival while busily seeing to it that the waiters kept every glass filled. Several elegantly dressed women, adorned in the grande dame fashion long out of style, clustered along the east wall admiring the 17th century English wall paneling and the host's Oriental antique jade and pottery collections. Others sat in the Korean brocade sofas.

The press, who always invited to these parties, too. Society reporters from the "Post" and the "Star" were mingling with the partygoers.

Some visiting Arabs roamed through the jammed room, the guests of some member or other. The party was mostly white, peppered here and there by a few African nation ambassadors. Along the walls and apart from the others stood some Koreans who either worked for the host or the embassy. The mixture of nationalities gave the affair the atmosphere of an embassy party.

It was past 8:15 when the host, Tongsun Park, arrived and proceeded to affectionately greet each guest by name.

After another half hour of drinking, the partygoers moved upstairs to dinner. Candlelight flickered across the English pewter, Sheffield silver and crystal goblets, and cast moving shadows on the dark wood wall paneling as the guests seated themselves.

The dinner was elaborate formal French: appetizers followed by lobster in garlic butter served with white wine; steak au Poivre with red wine; a salad and the right cheeses. Then the tables were cleared and champagne poured before the desert course.

Always after the champagne, Park would rise to warmly toast everyone in attendance.