Obstacles to Senate Probe Of Presser Said to Be Cleared

Nunn Says Problems Obtaining FBI Data 'Ironed Out'

By George Lardner Jr. 4/21/8

The Senate Permanent Subcommittee on Investigations has run into "some difficulties" with the FBI in securing documents concerning Teamsters President Jackie Presser but its ranking Democrat says he believes that these have been resolved in meetings with FBI Director William H. Webster.

The assessment came in a brief interview this week with Sen. Sam Nunn (D-Ga.).

There have been reports that the Justice Department and FBI were stonewalling the panel in its preliminary investigation of the controversial decision this summer to abandon Presser's proposed indictment on charges of embezzling union funds.

Presser, an FBI informant for years, was facing prosecution for paying "ghost employes" with funds from his Cleveland local. The charges were reportedly dropped on grounds that FBI agents had condoned the payments so Presser could ingratiate himself with organized-crime figures.

Nunn said the subcommittee was two or three weeks from deciding whether to conduct hearings on the matter. At this point, he said, "we haven't run into anything I'd call 'stonewalling,' "

So far, Nunn said, the Justice and Labor departments have been "very cooperative."

"We have been having some difficulties with the FBI in securing the information we need, but we think we have ironed those out," he said, adding that he and subcommittee Chairman William V. Roth Jr. (R-Del.) had had two "candid discussions" with Webster about the matter.

A federal grand jury is also to be impaneled in Cleveland in an effort to establish why the indictment was dropped. Justice Department strike-force prosecutors in Cleveland and a grand jury working with them were unaware until recently that FBI agents knew of Presser's questionable handling of union funds.

The Senate sucommittee may yet be

Meese said Justice "would cooperate ... to the extent we can."

denied some documents on grounds that disclosure to Congress would violate the grand jury secrecy rule

Attorney General Edwin Meese III said this week that the Justice Department would cooperate with the subcommittee "to the extent we can," but added that "we are somewhat constrained by the rules relating

to grand-jury testimony."

Presentations to the new grand jury in Cleveland will be directed by Michael E. Shaheen Jr., head of the Justice iDepartment's Office of Professional Responsibility. His office has been conducting an internal investigation of the Presser controversy, and its interviews have been conducted under oath.

Staff writer Howard Kurtz contributed to this report.

U.S. Seeks to Bar New Trial, For Uncle of Teamsters Chief

For Uncle of Teamsters Chief

**RRON Onto-Justice Department lawyers said

preferries that they opposed a new embezzlement

frish for the uncle of Teamsters President Jackie

Presser because a trial might force the government

to reveal whether Presser was an FBI informant.

The department's arguments came in papers filed

in U.S. District Court, where Judge Sam H. Bell said

he soon will decide whether to grant a new trial to

Allen Friedman, Presser souncle and a stormer.

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Friedman, 54, had served, 11 months of a three
press sentence before returning to Ohio, last month

to seek a new trial in light of a possibility that Press
er was permitted by the FBI to hire ghost employ
es while an FBI informant.