



**WEEKLY MEDIA BRIEFING WITH ATTORNEY GENERAL JANET RENO
U.S. DEPARTMENT OF JUSTICE
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ATTY GEN. RENO: Good morning.

Q Good morning, Ms. Reno.

ATTY GEN. RENO: Good morning.

Q Happy fall.

ATTY GEN. RENO: Happy fall. Yes.

Q Ms. Reno, the Campaign Finance Task Force, is it winding down? Has it basically completed its mission?

ATTY GEN. RENO: There are still matters pending. It won't wind down until it's done.

Q Are those pending matters just the prosecution for the -- (inaudible) -- or is the investigatory mechanism still --

ATTY GEN. RENO: The investigatory mechanism is still ongoing, and we will follow every lead.

Q Is Mr. -- (Esperante ?) -- still on the job full time?

ATTY GEN. RENO: No.

Q Is he working at all on it?

ATTY GEN. RENO: I met with him last week, but I think he is phasing out. And we are continuing with the staff that we have and additional staff as it's needed.

Q You're not planning on naming another head, or -- I mean, you will replace him -- (inaudible)?

ATTY GEN. RENO: We are in the process of working through those issues, and we'll make appropriate announcements.

Q Ms. Reno, what's your reaction to the FBI agents' testifying on the Hill yesterday that the Justice Department blocked what they wanted to investigate on campaign finance? Were you aware of the testimony? And basically, what is your comment?

ATTY GEN. RENO: I just heard press comments with respect to the testimony, and I would have to read it to comment intelligently on it.

But with respect to one of the issues that I understood was of concern, was a search warrant issue. I'll have to look at the statements made by the agents to understand exactly what their

concern was.

But I would again reiterate, any prosecutor and any detective who work together on a case will oftentimes have disagreements as to whether there is sufficient evidence for a search warrant and whether they should wait and get an additional piece. And there is sometimes fierce disagreement, and then they end of best of colleagues. And it's just a matter of trying to work through these issues between people who feel very strongly about their positions.

Q Ms. Reno, Senator Fred Thompson is set to have a hearing in response to some of the things he heard from the FBI agents, including -- engaged in -- (inaudible) -- campaign finance reform panel -- (inaudible) -- and get all of the notes back. And he thought that -- (inaudible) -- obstruction of justice from the Justice Department.

ATTY GEN. RENO: I think we should follow very carefully what was said. My understanding was that the -- what I was told was that it was given to an FBI agent. And we have just got to check and see just what happened with respect to it. But I don't know of any basis for concluding there is an obstruction-of-justice charge.

Q Ms. Reno, with regard to the big drug bust that was announced yesterday, can you tell us if this drug bust was from bottom up? And did it take out the entire Juarez Cartel, the former Carrillo-Fuentes drug gang? Did it take out their entire smuggling capabilities? Or what more can you say on that?

ATTY GEN. RENO: I can't discuss the matter because there are issues still pending with respect to it, and I would never go so far as to say we have taken out everything.

But I think we have had a substantial impact on the distribution system here in the United States. And I think it is a classic example of what can be done when everyone works together; when federal agencies work with state and local officials, with the Mexican government and in this instance, with the government of the Dominican Republic.

Q Should the other gangs, the drug-smuggling gangs, operating in Mexico and the United States and elsewhere in the Western Hemisphere

-- should they be looking over their shoulders? Should they be concerned at all times that they are about to suffer the same fate as to Juarez --

ATTY GEN. RENO: Well, my sense is that people who deal in drugs are looking over their shoulder all the time.

And I just want to make sure they know somebody is right behind them. (Soft laughter.)

Q Ms. Reno, can we talk a little bit about the tobacco case and how right now is the lawsuit structured? Is there a team of people dedicated to it in the Civil Division? And how would you see expanding that? What kind of resources do you hope to achieve by -- with the congressional appropriation? How big a team do you think this is going to require?

ATTY GEN. RENO: We have estimated the cost at -- based on other cases, major cases, that the Civil Division has handled, as needing \$20 million, both for staffing and for expert witnesses, for copying costs, for a variety of issues, for consultants.

To build a team, you build it -- sometimes as you focus on a new issue, you say, "Okay, we need somebody in this particular area." But I think, working with Congress, as we move ahead, we can fund it, we can move ahead with the lawsuit, and, I think, be prepared for all of the circumstances that will arise.

Q Turning to the Microsoft case for a moment, Microsoft is being litigated by an outside counsel. Do you have any idea when a decision like that is made -- for example, when would the department decide whether or not to take that same approach with the tobacco case and bring someone in from outside?

ATTY GEN. RENO: We will make these decisions as they become right. What is important is to see who is doing what, how they're doing it, what's needed, what particular expertise is needed.

When you -- I watched the building of the Microsoft team, and it has been exciting. The first time I saw them, they were lawyers from San Francisco. They'd never been involved in something this major. They have done an incredible job of putting it together. David Boies has

done a wonderful job, coming from the outside, and has complemented the team and been a sparkplug of the team. But it's just fascinating to see how the pieces come together. You don't design it up front; you build it.

Q Ms. Reno, big tobacco, as you are well aware, is a heavy contributor in congressional elections. What happens to this case if Congress refuses to fund the lawsuit? Do you have enough money in contingency accounts?

ATTY GEN. RENO: I just hope that people will understand how important this lawsuit is to the American people. If 400,000 lives are lost each year, if we spend \$20 billion a year, surely, based on the allegations of this complaint, as we intend to prove them, people will understand that justice requires that this case go forward.

Q But what if it isn't funded? Will refusal by Congress to fund --

ATTY GEN. RENO: I don't do "what ifs." (Laughter.)

Q Well, I mean, this is a very practical consideration for you. You don't have the \$20 million from Congress. Where do you get it?

ATTY GEN. RENO: We're going work with Congress, and I think it is important that we look at the facts that are involved here, understand what it means to people, get the facts out, get the industry to let the American people know what they know about tobacco and its addictive qualities, recover for the American people the amount of their taxpayers' dollars that have been spent to provide medical care for people, for Americans. I really think that we can work together to get the lawsuit funded.

Q Ms. Reno, what kind of advantage do you think it gives a tobacco company that the department has to scrounge from some million dollars to sue an industry?

ATTY GEN. RENO: I think it shows that we're dedicated to trying to do what the right thing is, and we're not going to stop until we exhaust every possibility.

Q Ms. Reno, some members of Capitol Hill have said that the department and the FBI have said that they will broaden their

investigation of potential security lapses at the nuclear labs. And they say this is a sign that -- it's an admission in a sense, they say, that investigators were looking in the wrong places to start with. Do you agree with that assessment?

ATTY GEN. RENO: What I want -- I've tried not to comment, since it relates to classified matters. What I am dedicated to doing, as I have from the beginning, and as I've advised Congress, is getting to the ultimate truth of what happened. And whatever it takes, I'm going to try to do that.

Q Ms. Reno, isn't it an acknowledgement, though -- for the FBI at this late date to be going back to square one, isn't that an acknowledgment that what the Energy Department and the FBI did together was just completely mistaken?

ATTY GEN. RENO: I wouldn't comment on that. I just think it's important that we make sure that we pursue every lead, and in an appropriate manner.

Q They think it's an acknowledgment, though, that they did not initially pursue every lead?

ATTY GEN. RENO: I think you should consult with the FBI.

Q (Off mike.)

ATTY GEN. RENO: I think it is important for the bureau to comment on that. But I think it is -- Director Freeh and I are absolutely united in the desire to make sure that we pursue any inquiry that is appropriate.

Q Can I just ask one other question on that? Is this decision to go back again more of a decision to make sure that every "i" is dotted and every "t" is crossed, let's go back again and make sure we haven't missed anything, or is it in response to some new evidence?

ATTY GEN. RENO: I think it is in response to questions that have been raised in terms of new evidence. I think there may have been new facts brought to the attention of the FBI. Other than that, I can't comment in terms of the process.

Q Ms. Reno, what about the individual who's been the focus of this investigation so far? Rarely has someone been more villified in political speeches, convicted in newspaper headlines than Wen Ho Lee. Doesn't the department have a responsibility to either charge him or clear him and resolve this case?

ATTY GEN. RENO: I can't comment on that pending matter. What I have tried to do -- and again, I am limited in what I can say because these still relate to the classified matters -- is to make sure that we do not, in FISA processes or otherwise, take steps that reflect on someone without having the appropriate basis for proceeding.

Q Senator Hatch seemed very upbeat about your meeting with him last night, and suggested that you may have turned a corner in terms of cooperating and providing information that the committee is seeking. What can you tell us about your meeting and the subjects that you discussed with the senator?

ATTY GEN. RENO: Senator Hatch is very thoughtful and he has been very considerate in terms of the constructive suggestions he has as to what we can do for the department to address its responsibilities and for his Judiciary Committee to address its oversight responsibilities. He's a great student of government and understands that sometimes those two functions come in conflict. That's the whole issue of separation of powers. But in his thoughtful, positive way, I think we have worked out some processes that are satisfactory to him, we're going to do everything we can to see that they're satisfactory, that will enable us to work through these issues.

Q Was the WACO investigation a principal subject? Or can you talk about what subjects you discussed?

ATTY GEN. RENO: I think it would be more appropriate for him to discuss it as he sees fit, because it relates to the committee's work.

Q In terms of subpoenas for the FALN material, is there an agreement on that now? Will they withdraw their subpoenas?

ATTY GEN. RENO: I think Senator Hatch should comment.

Q And on WACO, do you have any thoughts about the wisdom of having

Congress put together this kind of ad hoc group that would do its own investigation at the same time Mr. Danforth is doing his?

ATTY GEN. RENO: I think that that's something that the Congress should address. I don't think it's appropriate for me to suggest to Congress how it does things.

Q On the FALN clemency matter, now that it is a fait accompli as far as the granting of clemency is concerned, can you comment, Ms. Reno, on the FBI -- reports that the FBI was unequivocally opposed and that Mr. Freeh himself, according to senior officials, supported the letter that unequivocally opposes the granting of the pardons? Have you any comment on that? And secondly, what is your personal feeling on this? When you were consulted about this, what did you say for Justice?

ATTY GEN. RENO: With respect to the FBI, I think the president has noted the FBI's position. With respect to the other matters, again, this is a matter in which the claims of executive privilege have now been exercised and I am limited in what I can say.

Q Oh, you cannot make a comment at all, then.

Q Can you say, Ms. Reno, whether the department took a position, without saying what it was? I mean, sometimes the department does and sometimes it doesn't on these things. Did it in this case?

ATTY GEN. RENO: Yes, it did.

Q Ms. Reno, on the prisoners who were released, there were reports that there is some sort of -- (off mike). Is the department at all concerned, and will you be monitoring these former prisoners to see whether or not they associate with each other or might start to get involved in activities that they shouldn't be? What's the level of monitoring?

ATTY GEN. RENO: I would not comment on that except to say that under the terms of release, there are processes and procedures. And I will ask Myron to give you whatever would be appropriate.

Q Ms. Reno, when you said the department took a position on the clemency matter, was that you personally? Was it a letter from the

attorney general or from other components?

ATTY GEN. RENO: It was in the usual process of the department at the time, as I understand it. And other than that, I can't comment.

Q (Off mike) -- final word is a letter from the attorney -- the same thing, in the clemency matter, on the executive privilege?

ATTY GEN. RENO: I will ask Myron to get you the exact chronology of it. But for many years now, from one administration to the other, the deputy attorney general's office has been the office who handled pardon matters.

Q One of the things that seemed to disturb some of the family -- the victims or the families of -- some of the victims and their families was that -- they testified that both last week and this week that you had a sit-down meeting with representatives or supporters of the FALN members, but that they couldn't even get a letter or a response back from you.

I'm talking about the policemen that were injured in the FALN bombings. Are you aware of this testimony and criticism?

And is it a fact that you did meet with the FALN members or with their supporters?

ATTY GEN. RENO: These matters were handled, as usual in the processes, through the deputy's office. I will be happy to check and see just what responses were made.

Q One of the things they mentioned was they felt it was -- that the sentences have been shortened of the FALN members, but that they were themselves serving life sentences and that they at least deserved some sort of notification from the Justice Department that these FALN members were going to be released, and that they learned about it by reading the newspaper or hearing it on the radio. Do you feel that that -- the department dropped the ball by not notifying the families of those who have been injured by previous FALN acts, in advance of the release of these individuals?

ATTY GEN. RENO: I think it is important that people be advised whenever possible, and we will review the procedures to make sure

that that is done.

Q On the Waco matter, what do you think of the prospect of Mr. LaBella becoming a chief investigator for the Senate on that? And do you think there might be any lingering friction over the campaign finance issue?

ATTY GEN. RENO: I don't have any lingering friction at all with Mr. LaBella. I had a chance to meet with him before he left as U.S. attorney and when I was out in San Diego.

But in terms of who should do what, that's a decision for the United States Senate. And again, I think it inappropriate for me to comment.

Q Ms. Reno, may I go back to some old business? The investigations of the independent counsel's office, of both the matters that have been raised publicly about the independent counsel, the investigative techniques and so forth, and also a matter that was referred to the Justice Department involving his former spokesman -- are those things still being investigated, or are they -- have they been kind of held in pendency until his work is finished? Where do they stand?

ATTY GEN. RENO: Let me do this, because I'm not sure just what we can say publicly and not: let me ask Myron to give you whatever we can provide you.

Q Ms. Reno, a question on guns. Governor Bush in Texas is proposing sort of a statewide -- (inaudible) -- office. I am curious again what your thoughts are on the states' approaches to the -- do you think more states should follow suit and implement similar plans, and the differences between what he is talking about doing and what others are talking about doing, sort of a nationwide -- (inaudible)? What do you think is the better approach then?

ATTY GEN. RENO: I haven't seen the details of Governor Bush's plan.

What I understand is that he is making arrangements for the appointment of some special counsels to serve throughout Texas to concentrate on gun prosecutions and to work with federal authorities, with the United States Attorneys Office, to determine who should handle which and how best to handle it and trying to decide what is the best interest of the communities involved.

If that be the case, I think that is exactly what we have been talking about in terms of a partnership. In some instances, state law will be more appropriate for the handling of the case, and the state can do it better than the federal government.

In other instances, there will be federal interest, and the federal government can best pursue it. It is that partnership that, I think, can make such an important difference. And we look forward to working with Texas authorities in that effort.

Q Ms. Reno, what is the importance of the new approach to money laundering? And is it in reaction to a specific problem that has come up? Or what's the genesis of it?

ATTY GEN. RENO: If you are referring to the strategy that's being announced this afternoon, I think we should leave the comment for then.

But with respect to money laundering, the proceeds of money laundering are the proceeds of drug trafficking, of the violence that goes with trafficking. It is very important that we take the money out of this type of activity.

And I am very gratified by the working relationship that has developed, with the Department of Treasury and the Department of Justice, where we are trying to work together to make sure that we are a step ahead, knowing where the money is going so that we can interrupt the flow, seize the proceeds, and let people know that there are some additional risk to pursuing these routes of making money.

Thank you.

Q (Inaudible), Ms. Reno -- (inaudible). (Laughter.) Um -- (laughter) --

ATTY GEN. RENO: Don't wait too long! (Laughs.) (Laughter.)

Q I just wanted to ask; yesterday, Barry McCaffrey made a comment. He said that the drug situation in Colombia was an "unmitigated disaster." And I would like if you could comment on Mr. McCaffrey's

statement. We have heard some similar statements.

ATTY GEN. RENO: I don't know the context of General McCaffrey's statement, so I really can't comment on that.

From our perspective, we're working very closely with the fiscal general of Colombia in making cases, in preparing cases for extradition, in looking at how we can cooperate in every way possible with respect to the investigation and prosecution of these cases. These matters are now pending in the Colombian courts, and I have been very gratified by these efforts. Colombia faces some extraordinary challenges. But from the perspective of the investigation and the building of these cases, we have had an excellent working relationship.

Q FBI Director Freeh's draft letter on the FALN said he thought that the release of the FALN members posed a threat to national security and would -- (off mike) -- terrorism. Do you disagree with that?

ATTY GEN. RENO: I think it is important for this department to pursue in every way possible terrorists, and we will continue to do so. I think you've got to look at everything in its context. And in this instance, we are unchanged in our policy of pursuing terrorists, holding them accountable for their terrorist acts, and obtaining penalties that fit the crimes.

Q Something that's been mentioned a lot on these FALN hearings is, Clinton says, well, they weren't directly tied to any bombing or killing; on the other hand, the congressmen or senators say they weren't directly tied to them but they were building bombs and they were members of it and possibly leaders of it. So there's a kind of disconnect there. If you're in a terrorist organization, are you then responsible for what the organization does as a whole, or are you only responsible for what you do individually?

ATTY GEN. RENO: Again, you have got to look at the facts of a case and make a judgment based on the evidence that you can produce to show whether you can prove somebody guilty of participating in a terrorist act.

Q Well, being part of an organization doesn't -- I mean, there's no policy with Justice or FBI to --

ATTY GEN. RENO: It is not a policy.

If you're going to convict someone of conspiracy or of the act itself, you've got to prove beyond and to the exclusion of a reasonable doubt the elements of the crime. And that's what we're about.

Q Ms. Reno, on the facts of this particular case, do you believe that these people had a sentence that did not fit the crime?

ATTY GEN. RENO: Again, I cannot comment under the whole issue of executive privilege.

Q Will those who are then paroled or pardoned -- will they be monitored by the Justice Department, by the FBI, or are they basically free and clear?

ATTY GEN. RENO: As I stated earlier, in response to an earlier question, I don't want to comment with respect the steps that will be taken. I'll ask Myron to clarify for you anything that we can publicly.

Q How much has the message been mixed for the department's stand on terrorism by the grant of clemency?

ATTY GEN. RENO: I want to make sure that nobody mistakes our message, which is we're going to pursue terrorists, we're going to pursue every lead that we can, we're going to do everything we can to prevent terrorist acts, and we're not going to stop at any issue. We're going to pursue all evidence that we have, that can lead us, pursuant to our guidelines, pursuant to the law, to people who commit terrorism. And then we're going to try to do our best to hold them accountable.

Q But do you think, though, that this sends a mixed message to people who you've been telling for long periods of time that this won't be tolerated?

ATTY GEN. RENO: I'm going to make sure that our message is one loud and clear.

Thank you. (Chorus of thank yous from press corps.)

Q Ms. Reno -- (off mike) -- investigative reports on -- (off mike)?

ATTY GEN. RENO: It would, again, depend on the circumstance. But I would defer to Senator Danforth on that.

Q Okay.

END.