

W JOURNAL

United States Senate

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Robert Bartley
 Letters to the Editor
 Wall Street Journal
 200 Liberty Street
 Tower A
 New York, N.Y. 10281

Dear Editor,

In response to your June 13 editorial, "Senatorial Shills", let me set the record straight:

On April 2, 1987, I attended a meeting with then Federal Home Loan Bank Board Chairman Edwin Gray and four other Senators because the FHLBB had been conducting an inconclusive and seemingly endless investigation of Lincoln Savings and Loan of California for two solid years--the longest in-house examination and audit in S&L history.

This examination was highly disruptive of the day-to-day operations of Lincoln Savings. Yet at no time during those two years did the FHLBB levy any charges against Lincoln or take any action against the S&L. Still the examination continued, with no end in sight.

My reason for attending the Apr. 2 meeting was simple: I wanted Mr. Gray to do something to end the inordinate delay in the examination of Lincoln. If Lincoln was violating regulations, the FHLBB should take appropriate action against it. If Charles Keating, board chairman of American Continental Corp, parent company of Lincoln, had broken any laws, charges should be brought against him. And if Lincoln was getting deeper and deeper in a financial hole the Board should act sooner rather than later and reduce the cost to taxpayers and the risks to shareholders.

But if a case could not be made against Lincoln, Mr. Gray should bring to a halt what appeared to be harassment by FHLBB regulators. No businessman should be kept twisting in the limbo of malicious indecision by federal bureaucrats.

One week later, on April 9, a group of Senators at Gray's urging met with William Black a regulator with the San Francisco Home Loan Bank. I stuck my head in only long enough to say, according to notes taken by Mr. Black, "I'm sorry I can't join you, but I have to be on the [Senate] floor to deal with the [veterans'] bill. I just want to say that I share the concerns of the other Senators on this subject. . . ."

Then I left.

Special Counsel
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Many Americans--businessmen and women perhaps more than anyone else--have had troubling experiences with the red tape and delays of the vast, cumbersome, and all-too-often inefficient federal bureaucracy. It is part of my job--part of the job of every member of Congress--to help constituents through the bureaucratic maze and to help them resolve legitimate grievances. That's what we're here for.

I have helped many constituents with legitimate problems during my 30 years as a U.S. Senator. They probably number in the hundreds of thousands. I never once asked any of them before agreeing to help whether they had contributed to any of my campaigns. I'm sure most of them had not.

Obviously I am aware of the identities of many of my major contributors. But I cannot--and should not--refuse to help someone with a legitimate problem merely because he or she has been a contributor. To do so clearly would be both unfair and illogical.

The appearance that campaign contributions may unfairly influence a legislator, however, has long been a sore point. That's one reason why I have persistently, almost from the time I first came to the Senate, advocated public financing to limit campaign spending and drastically reduce the need for private contributions. Unfortunately Senate Republican filibusters have frustrated all our efforts at reform.

Sincerely



Alan Cranston

P.S. On the separate subject of the American Continental bonds, that matter has been referred to the Justice Department and the Securities and Exchange Commission to determine if any improprieties had occurred. It is most unfortunate that press stories about our meetings with FHLBB officials also alluded to the issuance of those bonds. Until those stories appeared, I was not even aware that those bonds existed.

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