

from the Congress. Had the deception been discovered the Fed chairmen following Burns may have been forced to rapidly implement some real transparency to restore the Fed's credibility. That would have reduced or eliminated many of the deceptions, and corrupt practices that are described in my book.

The second subject brought up by Congressman Ron Paul is the exposure of faulty examinations of the Federal Reserve of a foreign bank in Atlanta, Georgia through which \$5.5 billion was sent to Saddam Hussein that a Federal Judge found to be part of United States active support for Iraq in the 1980s.

On November 9, 1993, several federal marshals brought a prisoner, Christopher Drogoul, into my office at the Rayburn House Office Building of the U.S. House of Representatives. The marshals removed the manacles. Drogoul took off his jump suit and changed into a shirt, tie, and business suit. He immediately looked like the manager of the Atlanta agency with domestic headquarters in New York City of Banca Nazionale. Drogoul had come to testify about a "scheme prosecutors said he masterminded that funneled \$5.5 billion in loans to Iraq's Hussein through BNL's Atlanta operation. Some of the loans allegedly were used to build up Iraq's military and nuclear arsenals in the years preceding the first Gulf War."

Drogoul's "'off book' BNL-Atlanta funding to Iraq began in 1986 as financing for products under Department of Agriculture programs." The loans allegedly had been authorized by the U.S. Department of Agriculture. Since Drogoul told the committee he was merely a tool in an ambitious scheme by the United States, Italy, Britain and Germany to secretly arm Iraq in their 1980-88 war, the testimony was politically contentious and unproven. He was sentenced in November 1993 to 37 months in prison and he had already served 20 months awaiting his sentencing hearing.

U.S. District Judge Ernest Tidwell found that the United States had actively supported Iraq in the 1980s by providing it with government-guaranteed loans even though it wasn't creditworthy. The judge said such policies "clearly facilitated criminal conduct."

Gonzalez was drawn to Drogoul's answer about the Fed examiner who had visited his Atlanta operation. Gonzalez said that:

"At the November 9, 1993 Banking Committee hearing I asked Christopher Drogoul, the convicted official of the Banca Nazionale Del Lavoro agency branch in Atlanta, Georgia, how the Federal Reserve Bank examiners could miss billions of dollars of illegal loans, most of which ended up in the hands of Hussein.

Mr. Drogoul stated:

The task of the Fed [bank examiner] was simply to confirm that the State of Georgia audit revealed no major problems. And thus, their audit of BNL usually consisted of a one or two-day review of the state of Georgia's preliminary results, followed by a cup of espresso in the manager's office."

Gonzalez was appalled at the lack of effective examination of a little storefront bank and also appalled by the gifts exchanged by officers of the New York Federal Reserve and the regulated banks in New York City where the main U.S. office of BNL was located. A description of what followed is in my book.

The Fed voted in 1995 to destroy the source transcripts of its policy making committee that had been sent to National Archives and Records Administration. Chairman Alan Greenspan had the committee vote on this destruction, telling the members: "I am not going to record these votes because we do

not have to. There is no legal requirement." (p. 104 in my book.) Greenspan thus removed any fingerprints on this act of record destruction. Donald Kohn, who is now Vice Chairman of the Board of Governors at the Federal Reserve, answered some questions I had sent to Chairman Greenspan about this destruction. Kohn replied in a letter on November 1, 2001 to me at the University of Texas that they had destroyed the source records for 1994, 1995 and 1996, they did not believe it to be illegal and there was no plan to end this practice. That is one reason why the Federal Reserve audit supported by Congressman Ron Paul is needed. The Fed must stop destroying its records.

A SPECIAL TRIBUTE TO KEN MORROW, MEMBER OF THE 1980 UNITED STATES OLYMPIC GOLD MEDAL HOCKEY TEAM

**HON. ROBERT E. LATTA**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, February 25, 2010*

Mr. LATTA. Madam Speaker, it is with great pride that I rise to pay tribute to Ken Morrow, Olympic gold medalist and U.S. Hockey Hall of Fame inductee. The City of Bowling Green, Bowling Green State University, and the greater Northwest Ohio community celebrate this great American athlete.

In an incredible achievement in 1980, Ken Morrow was a member of hockey teams that won an Olympic gold medal and the Stanley Cup. At the age of 23, Ken Morrow was a member of the 1980 USA Miracle on Ice American hockey team that won the gold medal for the United States of America in Lake Placid, New York. Ken Morrow was also a member of the New York Islanders, who won the Stanley Cup in 1980.

A Bowling Green State University alumnus, Ken Morrow was an NCAA West All-American athlete in 1978. Morrow was also named player of the year for the Central Collegiate Hockey Association. He was drafted by the New York Islanders in 1976; however, Morrow remained in college until graduating in 1979.

Ken Morrow played a total of ten seasons in the National Hockey League (NHL). During his professional hockey career he helped the New York Islanders to win four straight Stanley Cup titles. Following his career as a hockey player, Morrow began a coaching career in the NHL. He was later inducted into the United States Hockey Hall of Fame, and in 1996 received the Lester Patrick Award for his accomplishments in the sport of hockey.

Madam Speaker, I ask my colleagues to join me in conveying special gratitude to Ken Morrow as we celebrate this accomplished individual. Our communities are well served by great Americans like Ken Morrow. On behalf of the people of the Fifth District of Ohio, I am proud to recognize Ken Morrow.

HEALTH INSURANCE INDUSTRY  
FAIR COMPETITION ACT

SPEECH OF

**HON. BOB ETHERIDGE**

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 24, 2010*

Mr. ETHERIDGE. Mr. Speaker, I rise today in support of H.R. 4626, Health Insurance In-

dustry Fair Competition Act. This legislation is another step in Congress' work to reform health care to bring down costs and expand choices for all Americans. Last year, we worked to make sure seniors could keep their doctors by reforming the Medicare payment system. This bill cracks down on insurance companies that are taking advantage of obsolete laws to manipulate premiums. The next step will be to protect North Carolina families from additional insurance company abuses, bring down health care costs and turn around the crushing effects of skyrocketing health care costs on our national debt.

H.R. 4626 will restore competition and transparency to the health insurance market. Competition is the engine that drives our economy, spurs innovation, and ensures that the American consumer receives a fair deal on goods and services. But for far too long, the health insurance industry has played by a different set of rules. Since 1945, the McCarran-Ferguson Act has exempted the business of insurance from federal antitrust laws. This bill repeals that blanket antitrust exemption afforded to health insurance companies. Under H.R. 4926, health insurers will no longer be shielded from legal accountability for price fixing, dividing up territories among themselves, sabotaging their competitors in order to gain monopoly power, and other such anti-competitive practices.

When NC families are hurting, doing nothing really isn't an option for me. I've heard from thousands of neighbors in my district who are suffering under the current system. I receive calls, letters and emails on health care literally every day.

Sheila is a woman from Raleigh who fears she will suffer the same fate as her sister who died from asthma because she couldn't get coverage. Linda from Sanford is a nurse who's tired of insurance industry bureaucrats interfering with patient care. Nancy from Louisburg says she's not looking for a handout, just a fair playing field because everyone should be able to get insurance. Dan is a young man from Raleigh whose fiancé's coverage was denied when she got sick. Peggy from Rocky Mount wants affordable coverage for small business workers and the self-employed who pleads, "please don't let the insurance companies win this time." These are the voices of regular folks on North Carolina's Main Streets and country roads.

Mr. Speaker, making sure every American has access to affordable health insurance and high-quality health care is one of the most important challenges of our time. The health reform debate is about saving money and saving lives. At its core, health reform is all about ensuring that American families and businesses have more choices, benefit from more competition, and have greater control over their own health care. Repealing this exemption is an important part of that effort. I urge my colleagues to join me in taking a stand for the American people.