

HON. RON PAUL OF TEXAS BEFORE THE US HOUSE OF REPRESENTATIVES
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U.S. Hypocrisy in Ukraine

Mr. Chairman: President Bush said last week that, "Any election (in Ukraine), if there is one, ought to be free from any foreign influence." I agree with the president wholeheartedly. Unfortunately, it seems that several US government agencies saw things differently and sent US taxpayer dollars into Ukraine in an attempt to influence the outcome.

We do not know exactly how many millions - or tens of millions - of dollars the United States government spent on the presidential election in Ukraine. We do know that much of that money was targeted to assist one particular candidate, and that through a series of cut-out non-governmental organizations (NGOs) - both American and Ukrainian - millions of dollars ended up in support of the presidential candidate, Viktor Yushchenko.

Let me add that I do not think we should be supporting *either* of the candidates. While I am certainly no supporter of Viktor Yushchenko, I am not a supporter of his opponent, Viktor Yanukovich, either. Simply, it is none of our business who the Ukrainian people select to be their president. And, if they feel the vote was not fair, it is up to them to work it out.

How did this one-sided US funding in Ukraine come about? While I am afraid we may have seen only the tip of the iceberg, one part that we do know thus far is that the US government, through the US Agency for International Development (USAID), granted millions of dollars to the Poland-America-Ukraine Cooperation Initiative (PAUCI), which is administered by the US-based Freedom House.

PAUCI then sent US Government funds to numerous Ukrainian non-governmental organizations (NGOs). This would be bad enough and would in itself constitute meddling in the internal affairs of a sovereign nation. But, what is worse is that many of these grantee organizations in Ukraine are blatantly in favor of presidential candidate Viktor Yushchenko.

Consider the Ukrainian NGO International Centre for Policy Studies. It is an organization funded by the US Government through PAUCI, but on its website you will find that the front page in the English section features a prominent orange ribbon, the symbol of Yushchenko's party and movement. Reading further on, we discover that this NGO was founded by George Soros's Open Society Institute. And further on we can see that Viktor Yushchenko himself sits on the advisory board! And this NGO is not the only one the US government funds that is openly supportive of Viktor Yushchenko. The Western Ukraine Regional Training Center, as another example, features a prominent USAID logo on one side of its website's front page and an orange ribbon of the candidate Yushchenko's party and movement on the other. By their proximity, the message to Ukrainian readers is clear: the US government supports Yushchenko.

The Center for Political and Law Reforms, another Ukrainian NGO funded by the US government, features a link at the top of its website's front page to Viktor Yushchenko's personal website. Yushchenko's picture is at the top of this US government funded website. This May, the Virginia-based private management consultancy Development Associates, Inc., was awarded \$100 million by the US government "for strengthening national legislatures and other deliberative bodies worldwide." According to the organization's website, several million dollars from this went to Ukraine in advance of the elections.

As I have said, this may only be the tip of the iceberg. There may be many more such organizations involved in this twisted tale.

It is clear that a significant amount of US taxpayer dollars went to support one candidate in Ukraine. Recall how most of us felt when it became known that the Chinese government was trying to funnel campaign funding to a US presidential campaign. This foreign funding of American elections is rightly illegal. Yet, it appears that that is exactly what we are doing abroad. What we do not know, however, is just how much US government money was spent to influence the outcome of the Ukrainian election.

Dozens of organizations are granted funds under the PAUCI program alone, and this is only one of many programs that funneled dollars into Ukraine. We do not know how many millions of US taxpayer dollars the National Endowment for Democracy (NED) sent to Ukraine through NED's National Democratic Institute and International Republican Institute. Nor do we know how many other efforts, overt or covert, have been made to support one candidate over the other in Ukraine.

That is what I find so disturbing: there are so many cut-out organizations and sub-grantees that we have no idea how much US government money was really spent on Ukraine, and most importantly *how* it was spent. Perhaps the several examples of blatant partisan support that we have been able to uncover are but an anomaly. I believe Congress and the American taxpayers have a right to know. I believe we urgently need an investigation by the Government Accounting Office into how much US government money was spent in Ukraine and exactly how it was spent. I would hope very much for the support of Chairman Hyde, Chairman Lugar, Deputy Assistant Secretary Tefft, and my colleagues on the Committee in this request.

President Bush is absolutely correct: elections in Ukraine should be free of foreign influence. It is our job here and now to discover just how far we have violated this very important principle, and to cease any funding of political candidates or campaigns henceforth.