

DENNIS J. KUCINICH

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Congress of the United States
House of Representatives

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RANKING MEMBER
SUBCOMMITTEE ON REGULATORY AFFAIRS,
STIMULUS OVERSIGHT AND GOVERNMENT
SPENDING

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM

COMMITTEE ON EDUCATION AND THE
WORKFORCE

July 21, 2011

The Honorable Timothy Geithner
Secretary
Department of Treasury
1500 Pennsylvania Avenue, Northwest
Washington, D.C. 20220

The Honorable Hillary Clinton
Secretary
Department of State
2201 C Street, Northwest
Washington, D.C. 20520

Dear Secretary Geithner and Secretary Clinton:

I write to request the legal justification that will be invoked to allow the Administration to go beyond seizing Libyan assets to vesting and redistributing them. In accordance with the basic principle of self-determination, the seized assets must be controlled by the people of Libya, not by the U.S. government.

The Administration's stated intent is to turn over roughly \$37 billion of assets to the Transitional National Council (TNC). However, in a June 13 response to a previous letter I sent on May 6, 2011, regarding the freezing of Libyan assets pursuant to Executive Order 13566 (E.O. 13566), the Department of Treasury stated that "The Administration has proposed to Congress draft legislation that would authorize the President to vest assets frozen under E.O. 13566 to be used for costs related to providing humanitarian relief to and for the benefit of the Libyan people. The Administration is concurrently evaluating various methods for disbursing potentially vested funds that would ensure robust oversight while providing humanitarian relief to the Libyan people."

The Administration's intent to take effective possession of and redistribute the assets without passage of the authorizing legislation it requested raises questions about a potentially illegal conversion of funds. It would also violate the right of the sovereign people of Libya to decide how they will use the frozen assets since they have yet to formally recognize the TNC as the governing body of Libya. I hope that the Administration does not intend to try to circumvent Congress by creating the impression that the TNC is now the formal representative of the people

of Libya. Though the U.S. has recognized the TNC as the governing body of Libya, the people of Libya have not. Neither Libya nor the Congress of the United States has authorized the transfer of these assets.

There is also a real possibility that the assets will be used not for the humanitarian purposes for which they are intended but for instruments of war. According to *The New York Times*, American officials explained that “about \$3.5 million of the sum is liquid...and could be provided to the Transitional National Council over time. Although the officials expressed hope that the newly recognized Transitional National Council would use the money for traditional public services – to pay for health care and electrical power, for example – one of the council’s immediate priorities is arming and training its fighters so they can finally defeat the forces loyal to Colonel Qaddafi.”ⁱ

I ask that the Department of Treasury and the Department of State provide an explanation of the legal authority it will be using to vest and redistribute the Libyan assets following the recent announcement the U.S. Government intends to provide the TNC with access to the assets in its jurisdiction.

I look forward to your response.

Sincerely,

A handwritten signature in black ink that reads "Dennis J. Kucinich". The signature is written in a cursive, flowing style.

Dennis J. Kucinich
Member of Congress

ⁱ Arsu, Sebnem and Erlanger, Steven. (2011, July 15). “Libya Rebels Get Formal Backing, and \$30 billion.” *The New York Times*, Online: Accessible:
<http://www.nytimes.com/2011/07/16/world/africa/16libya.html?pagewanted=all>.

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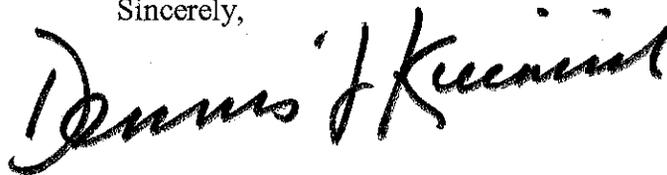
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