

Former chairman of Enron to take Fifth before Congress

By Steven Thomma
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WASHINGTON (KRT) — Former Enron Corp. chairman Kenneth Lay will invoke his Constitutional right against self-incrimination and refuse to answer questions before Congress on Tuesday, a spokeswoman said Sunday.

"Under the instruction of counsel, Mr. Lay will exercise his Fifth Amendment rights at the Tuesday hearing," spokeswoman Kelly Kimberly said in Houston. She declined to elaborate.

Lay's decision was not a surprise. He had canceled a voluntary appearance before Congress a week ago, saying hearings on the collapse of Enron had turned accusatory. He was subsequently subpoenaed to appear, starting with a scheduled command appearance before the Senate Commerce Committee on Tuesday.

Even before Lay's announcement, Sen. Fritz Hollings, D-S.C., the committee chairman, said he expected it from a man he called "the poster child of cash and carry" government.

"Lay has got a good lawyer," Hollings said on CBS's "Face the Nation." "I can't see, with things having gotten worse all week long, him testifying now. ... They say he is still coming, but I don't believe it."

Four other Enron executives cited their Fifth Amendment rights last week, and the partner fired by Enron's accounting firm also has declined to testify.

Lay's announcement came just hours after Hollings and two other congressional chairmen said that they believed another former Enron executive lied in his appearance before Congress last week.

Jeffrey Skilling, the company's former chief executive, lied when he denied under oath that he was warned of problems with complex.

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Enron partnerships hid debt and contributed to the company's bankruptcy, the lawmakers said.

One said he could face perjury charges.

"That could happen ... he could have some real problems," said Rep. Billy Tauzin, R-La., chairman of the House Energy and Commerce Committee. "We're hearing from others in his operation that he came to us and told us a lot of untruths. If he did that ... there's some consequences."

Skilling's attorney said Sunday that his client cooperated with congressional investigators and that he never denied knowing about a critical partnership.

"We are shocked at the unsupported charges being leveled at our client by those in a position to know of their inaccuracies," attorney Bruce Hiler said.

Hollings scoffed at Skilling's testimony that he did not know about numerous Enron business practices.

"Nobody does think he was telling the truth," Hollings said.

Rep. Jim Greenwood, R-Pa., chairman of a House Energy investigative subcommittee, said he wanted to believe Skilling when the former CEO appeared before his subcommittee.

"He was so earnest, talked about the fact that his best friend committed suicide, and he wanted to be open," Greenwood said on CBS.

"He came without need of subpoena, didn't take the Fifth. I wanted to believe him. But after that, he became noncredible."

Tauzin said Skilling appeared to believe that he could outsmart Congress.

"He really thought he was smarter than everyone in Washington, that he could come and just bamboozle us, just tell us anything he wanted and we would buy it," Tauzin said "I'm afraid he may have put himself in legal jeopardy as a result."

"You can't come to Congress, take the oath to tell the truth, and then not tell the truth without some problems."

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