

Starr's brazen corruption: payoff from Mellon Scaife

by Edward Spannaus

Kenneth Starr, the former Bush administration Justice Department official who is now Whitewater independent counsel, has been the subject of intense controversy ever since his Whitewater appointment in 1994, under circumstances which indicate gross corruption. But now, a scandal of far more immense proportions is pending, around the circumstances of Starr's resignation and his abrupt turnabout only a few days later.

At Starr's press conference on Feb. 21, in which he announced that he would delay taking a position at Pepperdine University so that he could continue as Whitewater special prosecutor "for as long as it takes," Starr was asked the following question:

"Pepperdine's School of Public Policy, which you're going to be the founding dean of, has been partially underwritten by the Sarah Scaife Foundation, whose chairman, Richard Scaife, has been promoting some theories about some of the things you're investigating, most notably the death of Vincent Foster. Were you aware of the money? Are you concerned there'd be a possible appearance of a conflict of interest?"

Starr responded that he is "very familiar with Pepperdine," and acknowledged that he was aware of the "start-up" grant from the Scaife Foundation.

Last year, Starr was able to brush off compelling questions around his conflicts of interest—the most flagrant of which were his involvements with various foundations and corporations which were involved in actions against President Clinton personally, or against policies of his administration (see *EIR*, May 3, 1996).

But all of the previously enumerated conflicts pale by comparison with that in which Starr has now been caught: Richard Mellon Scaife, the country's leading bankroller of anti-Clinton propaganda and conspiracy theories, is paying

for Starr's "golden parachute"—enabling Starr to "retire" to southern California as soon as he finishes up on Clinton, taking two part-time jobs at Pepperdine University, as dean of the Law School and as founding dean of the School of Public Policy.

Scaife has sat on the Board of Regents of Pepperdine for many years, and has arranged for at least \$1.1 million in start-up funds for the School of Public Policy to be provided by the Sarah Scaife Foundation, which he chairs. The foundation administers funds from the estate of his mother, Sarah Mellon Scaife, granddaughter of Andrew Mellon.

The Vincent Foster conspiracy industry

What makes the Scaife-Pepperdine payoff so blatant, is that Richard Mellon Scaife has poured hundreds of thousands of dollars, if not millions, into the anti-Clinton propaganda machine which was featured in the recently publicized White House report on the "media food chain," entitled "Communication Stream of Conspiracy Commerce." Scaife has been particularly obsessed with accusations that White House aide Vincent Foster was murdered. His newspaper, the *Greensburg Tribune-Review* in Pennsylvania (now misnamed the *Pittsburgh Tribune-Review*, despite its low circulation there), has been called "the only daily paper in the country that is making a major effort to show that Foster did not die by his own hand."

The White House "Conspiracy Commerce" report and other sources show that Scaife is the major bankroller of much of the most virulent anti-Clinton propaganda circulating in the country. Scaife's "Get Clinton" propaganda apparatus includes the following components:

- The Western Journalism Center, which pays for full-page ads across the country reprinting articles about the Foster death by the *Tribune-Review*'s Chris Ruddy and the London

Sunday Telegraph's Ambrose Evans-Pritchard. Evans-Pritchard also writes an anonymous weekly column for Scaife's *Tribune-Review*.

- Accuracy in Media (AIM), which buys frequent ads accusing the Clinton administration of covering up the murder of Foster. The White House report says, "AIM's chairman, Reed Irvine, is a leading Clinton critic and Vince Foster conspiracy theorist."

- National Taxpayers Union, headed by James Dale Davidson, another violent Clinton-hater, who also publishes the *Strategic Investment* newsletter with his partner Lord William Rees-Mogg, former editor of the *Sunday Times* of London. Davidson has produced a video, called "Unanswered: the Death of Vincent Foster," which is distributed—naturally—by the Scaife-financed Western Journalism Center.

- The *American Spectator*, the magazine which launched "Troopergate" in late 1993, and has followed up with constant scandal-mongering against Bill and Hillary Clinton ever since, received at least \$1.2 million from Scaife in 1988-93, and between \$2 to \$3 million over the past 25 years.

By 1993, Scaife had also given at least \$450,000 to the Landmark Legal Foundation. Starr is a consultant to Landmark, which has offered support to Paula Jones for her frivolous "sexual harassment" suit against President Clinton; Landmark also supported Resolution Trust Corp. "whistle-blower" Jean Lewis, an anti-Clinton zealot whose lies were exposed even in the Senate Whitewater Committee. Lewis tried to get a criminal investigation of Madison Guarantee Savings and Loan already during the 1992 election campaign.

Over the years, Scaife's foundations have given millions to the entire range of Gingrichite "Conservative Revolution" think-tanks, such as the Heritage Foundation, the Cato Institute, the American Legislative Exchange Council, the American Enterprise Institute, the Free Congress Foundation, and others.

In the report "Who Is Downsizing the American Dream?" issued by the Democratic Policy Committee in March 1996 (see *EIR*, March 29, 1996), Scaife's three foundations are the first listed among those establishing and sustaining the "labyrinth" of right-wing think-tanks. A number of observers have given the label of "the four sisters" to the Scaife, Lynde and Harry Bradley, Olin, and Smith-Richardson foundations, because they all act in concert in financing the same groups and causes.

Starr is also deeply enmeshed in this network. Even while serving as Whitewater independent counsel, he was also a consultant to the Bradley Foundation (which also finances, *inter alia*, the *American Spectator*; Starr is on the legal-policy advisory board of the Washington Legal Foundation, which is funded by Olin.

Scaife is no stranger to political dirty tricks. He gave \$1 million to Nixon's Committee to Re-Elect the President (CREEP) in 1972, and almost \$50,000 to the illegal GOP "Townhouse Operation" in 1974.

'Get LaRouche,' and 'Get Clinton'

As *EIR's* founder, Lyndon LaRouche, has observed on more than one occasion, President Clinton's enemies are also his enemies. The case of Richard Mellon Scaife again illustrates this point.

EIR's October 1996 *Special Report*, "George Bush and the 12333 Serial Murder Ring," documents that Scaife (along with the Smith Richardson Foundation) was a major start-up funder for Walter Raymond's "Public Diplomacy" operation in the Reagan-Bush National Security Council in 1982-83. The Public Diplomacy operation—operating under the personal supervision of then-Vice President George Bush and Bush's national security adviser, Donald Gregg—was a domestic "Ministry of Propaganda" which mobilized media support and funds for covert operations such as Bush's drug-ridden dirty wars in Central America and Afghanistan. The Public Diplomacy group also targeted, and coordinated media attacks, on Bush's enemies and opponents of his policies.

The Public Diplomacy group in turn spawned the "Get LaRouche" task force, which coordinated a wide range of news media assaults on LaRouche, beginning with NBC in early 1984. Mellon Scaife was a direct participant in the "John Train salon" meetings in 1983-84 which brought together representatives of the news media and Bush's "secret government," to map out the campaign of defamation against LaRouche. FBI documents show that a national-security targeting of LaRouche was launched out of the President's Foreign Intelligence Advisory Board in early 1983; among those cited by the FBI as pushing for an investigation of LaRouche was David Abshire of the (Georgetown University) Center for Strategic and International Studies (CSIS). Abshire was a longtime friend and associate of Mellon Scaife, and CSIS has been a major beneficiary of Scaife funding.

Corrupt prosecutor, corrupt judges

During his Feb. 21 press conference, Starr acknowledged that he had consulted at least twice during the week with the panel of federal judges which appoints independent counsels—implying that they concurred in, if not pressured him, to stay on, despite the fact that they must have known about Starr's latest and greatest conflict of interest. Two of the three judges on the panel, David Sentelle and John Butzner, were also on the panel which fired Starr's predecessor and appointed Starr in August 1994. This action was taken shortly after Sentelle, who heads the panel, had lunched with his fellow North Carolinians, Republican Sens. Lauch Faircloth and Jesse Helms—both outspoken enemies of President Clinton. (Sentelle's wife later went to work in Faircloth's office.) The panel is appointed by Chief Justice William Rehnquist.

Kenneth Starr is today a walking conflict of interest, and the judges responsible for keeping him in his position, where he can continue his campaign of thuggery against the President and the President's associates, should themselves be called to account for the mounting constitutional crisis.