

As elections near, Clinton foes scramble to come up with scandals

by Edward Spannaus

With Whitewater special prosecutor Kenneth Starr indicating that he will not take any action against President William Clinton or the First Lady before the November elections, the President's adversaries are scrambling to come up with any contrived scandal, no matter how farfetched or fanciful, to attempt to damage the standing of the President and the Democratic Party.

Thus, as Whitewater recedes into the background for the time being, desperate Republicans and editorial writers are frantically attempting to cook up a scandal around the FBI's and the White House's handling of the FBI "Filegate" matter; along with this, Starr's alter ego, the special prosecutor handling the investigation of former Agriculture Secretary Mike Espy, is intensifying his probe, with the apparent intention of issuing new indictments prior to November.

But, as *EIR* Founding Editor Lyndon LaRouche has warned, the real danger for the President could be the "Nixon scenario," in which Clinton easily wins election, but then the British architects of Whitewater and their American stooges would attempt to engineer an indictment of the President early next year, making Clinton, in effect, a "lame duck" President almost from the very beginning of his second term.

Whitewater trickles on

Starr suffered a significant setback on Aug. 1, when a Little Rock jury acquitted two of President Clinton's political supporters on fraud and conspiracy charges. Bankers Herby Branscum and Robert Hill were found not guilty on four felony charges, including one that directly implicated Clinton's close friend and senior adviser Bruce Lindsey. A mistrial was declared on seven additional charges involving Clinton's 1990 campaign for re-election as governor of Arkansas, after the jury said it was hopelessly deadlocked on those counts. President Clinton testified during the trial, as a defense witness for Branscum and Hill.

Starr admitted the outcome was a setback, but vowed to push ahead on the "Washington phase" of his investigation, which involves a very active federal grand jury, and the following areas of investigation: the disappearance and reappearance of Hillary Clinton's law firm records, involving possible charges of obstruction of justice; the 1993 firings at the White House Travel Office; the collection of FBI background

files by the White House; and, the handling of documents from the office of Vincent Foster, and whether Foster's death was a suicide.

Additionally, Associated Press reported on Aug. 4 that Starr has designated one prosecutor in Little Rock to work extensively on issues concerning Hillary Clinton, focussing on her Little Rock law firm work and issues related to the Whitewater land transactions.

However, none of this is expected to lead to any indictments before the elections; Starr has indicated that he is obligated to follow Department of Justice guidelines, which supposedly disfavor indicting political figures right before elections. (A Justice Department spokesman told *EIR* that these guidelines, which are not public, were issued in early 1993.)

No such constraints appear to be being taken into account by independent counsel Donald Smaltz, whose office is reported by Reuters to be working feverishly to prepare additional indictments related to Mike Espy. So far, Smaltz has come up with four sets of indictments, with criminal charges being brought against a dozen individuals and organizations.

In the next few months, indictments are expected against influential close friends and former associates of Espy, against Tyson Foods (the nation's largest poultry producer), and against Espy himself. Tyson Foods Chairman Don Tyson is a good friend of President Clinton, and thus finds himself in the target zone.

As *EIR* has repeatedly pointed out, the principal assignment of both Starr and Smaltz is to maneuver in such a manner as to hit President Clinton, while at the same time protecting the dirty drug-running and money-laundering operations run by George Bush's cronies out of the airfield at Mena, Arkansas in the 1980s.

It is, in this context, significant that CIA head John Deutch has asked the agency's Inspector General to undertake an internal review of the Mena allegations. CIA spokesman Dave Christian told *EIR* that this was initiated last spring at the request of Rep. Jim Leach (R-Iowa), chairman of the House Banking Committee, which has been looking into the Mena allegations. Leach has warned members of his committee that these allegations involve previous administrations, i.e., Reagan and Bush.

'Filegate' follies

The most desperate scandal-mongering in the past few weeks has taken place around the so-called "Filegate" issue, an offshoot of "Travelgate," in which Republican spokesmen and the anti-Clinton news media have been screaming that the Clinton administration improperly obtained FBI background files on officials from previous administrations. The administration has also been accused of improperly trying to shift the blame onto the Secret Service.

The various accusations being thrown about by Reps. Newt Gingrich (R-Ga.), Bill Clinger (R-Pa.), and others were completely knocked down at hearings held by the House Government Reform and Oversight Committee on July 17, where it was established, through the testimony of Secret Service officials, that all the names for which files were sought by the White House, were definitely on Secret Service lists. While Dan Burton (R-Ind.) was fulminating that "as far as I'm concerned, they were digging for dirt and using inactive files for that purpose," Secret Service officials testified that they were not aware of any wrongdoing on the part of the White House staff.

Rep. Chaka Fattah (D-Pa.) summed the situation up as follows: "This issue, however, [of] these lists is of importance, because there was some rumor suggesting that there was no way that this list came from the Secret Service. And, now, we come to understand that there is a list that the Secret Service could have produced, the master list, at least, that would have had every one of these names on it, period." Fattah noted that if this were an "enemies' list," it was a pretty sloppy job. Gingrich wasn't on it. "I was wondering, maybe they were really slipping over at the White House. If they were drawing up an enemies' list and left off some obvious characters."

The news media ignored the substance of the July 17 hearings, covering instead the very small portion of the testimony which dealt with White House personnel who disclosed previous use of illegal drugs. But, even on this score, the news media ignored the fact that testimony was entered into the record from an FBI agent, who had done background checks for the State Department and other agencies during the Bush administration, who testified that, among people in their 30s and 40s, the level of drug use was about the same for the Bush administration and for the Clinton administration.

The next round of media hoopla around Filegate came on Aug. 2, when Dennis Sculimbrenne, the ex-partner of FBI agent-turned-fiction-writer Gary Aldrich, resigned from the FBI, telling the news media that he was the victim of "unjustified changes" in his assignment and "assaults on my career." This followed charges by GOP congressmen, such as Clinger and Bob Livingston (La.), and amplified by various editorial writers, that the FBI had attempted to harass and intimidate Sculimbrenne, by sending two agents out to interview him about a report he had written in March 1993 purporting to give the results of an interview with then-White House Counsel Bernard Nussbaum.



Despite setbacks for the Whitewater prosecution, President Clinton's adversaries are scrambling to find more scandals to destabilize the President.

At a hearing of the Government Reform and Oversight Committee on Aug. 1, the real story about Sculimbrenne came out, but it was not reported in any of the news coverage of the hearing other than by EIR News Service. The two FBI officials who directed that Sculimbrenne be interviewed, FBI General Counsel Howard Shapiro, and his deputy, Thomas Kelly, told the committee that they had been concerned about the accuracy of Sculimbrenne's report. Shapiro said that Sculimbrenne had given a different account of the matter to the Senate Judiciary Committee; Shapiro also said that he "was well aware of a regrettable recent history of unreliable information emanating from some agents assigned to the White House."

Shapiro and Kelly both said that one of their reasons for wanting to interview Sculimbrenne, was their awareness that former FBI agent Halbert Gary Harlowe, who also was involved in conducting White House background checks, had later admitted to fabricating at least 50 interviews.

Rep. Louise Slaughter (D-N.Y.) asked Shapiro about an internal FBI memorandum, dated Aug. 7, 1995, in which another FBI agent stated, regarding the White House Travel Office matter, that "Sculimbrenne has allowed both his personal and political feelings to obscure his judgment relative to the entire matter," that "Agent Sculimbrenne's conduct and behavior were clearly outside the norm," and that "Sculimbrenne's behavior is abnormal and, indeed, irrational."

This is the FBI agent who is now being portrayed by some congressmen and the news media as an innocent victim of abuse by the White House and its "puppet" FBI. It is a growing irony of the whole affair that Republicans, who for years looked the other way when the old FBI rode roughshod over the rights of Americans, are now becoming its biggest critics, as part of their efforts to bring down President Clinton.