

Administration Coming Unstuck, Cheney's in Worst Shape of All

by EIR Staff

It's going to be a long, hot Summer for the band of neo-cons that control the Bush Administration—above all, the Vice President, drowning in scandals which, to a great extent, trace their origins to exposés published, and documentation provided, by this news service and other publications connected to Lyndon LaRouche.

The Administration is unravelling at breakneck speed, as LaRouche is emphasizing in discussion with colleagues and political figures in Washington and abroad. Chief—for now—among the troubles besetting the Bushies:

- The scandal of Ahmed Chalabi, who seduced the United States into war on Iraq with now-exposed bogus intelligence, and who apparently betrayed U.S. security secrets.
- The criminal “outing” of undercover CIA operative Valerie Plame by Administration officials in revenge for her husband's political actions.
- The scandal of newly released Enron tapes which document the energy pirate's criminal mentality in looting Californians by manipulating prices—a crime Dick Cheney's “energy task force” was created to cover up.
- The Halliburton corruption scandal, in which e-mail from the Army Corps of Engineers makes clear that Cheney was lying when he said he had nothing to do with the war-profiteering contracts his “former” company got in Iraq.

The Tenet Resignation

An indicator of how badly the Administration is coming unglued was the June 3 resignation of Director of Central Intelligence George Tenet, who had served at CIA for seven years, under Presidents Clinton and Bush “43.” The best readings, from qualified sources, suggest Tenet wasn't pushed—he jumped. That is, he removed himself from what had become an impossible situation: open war between the intelligence community and the Administration, particularly the

neo-cons around Cheney, Defense Secretary Rumsfeld, and Deputy Secretary of Defense Wolfowitz.

Then, too, reports soon to be issued by the Senate Intelligence Committee on pre-war intelligence, and the 9/11 Commission on pre-9/11 intelligence failures, will hit hard at the CIA.

But above all, sources suggest, Tenet was caught in a position where he could no longer balance his loyalties, no longer defend both the intelligence community and the Administration, without being shredded in the crossfire.

First, the Chalabi scandal. Since the raid May 20 on the Baghdad office and home of Ahmed Chalabi, the head of the Iraqi National Congress (INC), Dick Cheney and his fellow neo-cons, embracers and promoters of Chalabi, have plunged into very serious trouble.

The United States funded Chalabi's INC to the tune of at least \$40 million, in return for which the INC gave the U.S. intelligence about Saddam Hussein's supposed WMD and al-Qaeda links—“intelligence” which turned out to be hogwash. Worse still, about six weeks ago Chalabi (who meant to run Iraq as an American satrap once he had induced the United States to oust Saddam), compromised U.S. national security by giving the Baghdad station chief of Iranian intelligence the highly classified information that the United States had broken the code Iran used in transmissions, and could read all Iran's encrypts. Chalabi said a drunken American had told him.

The FBI is investigating intensively, searching for the official who leaked this sensitive U.S. secret.

Most recently, lie detector tests have reportedly been administered to top civilians at the Pentagon; no names given, but among such civilians, there are Undersecretary Doug Feith and the Office of Special Plans.

Chalabi and his lawyer, former LaRouche prosecutor

John Markham, blame all this on George Tenet and the CIA, which had long ago rejected Chalabi, to the intense anger of the Rumsfeld crowd at the Pentagon.

But basically, Chalabi is Cheney. Cheney's personal involvement was made clear in a stinging column Memorial Day weekend in *Midwestern Knight-Ridder* newspapers. The neo-con/Chalabi "partnership yielded \$40 million for [Chalabi's] group, bogus intelligence for the U.S.," the column explained—and the deal was sealed "in June 2001, at an annual retreat in Beaver Creek, Colo.," when former Defense Policy Board chair Richard Perle introduced Chalabi to the Vice President.

"Iraqi exile leader Ahmad Chalabi and Vice President Dick Cheney went for a two-hour afternoon walk, according to a former senior U.S. government official who was present," and "That day marked a turning point in the budding alliance between Chalabi and prominent U.S. conservatives."

The Plame Grand Jury

With all this swirling around its collective head, the White House is preparing for the next phase in the grand jury investigation of the Plame leak—the incident last Summer in which high-level officials leaked to syndicated columnist Robert Novak the identity of Valerie Plame, an undercover CIA operative who just happened to be married to harsh Bush critic and former Ambassador Joseph Wilson. The leak (potentially a Federal crime) came as Wilson was writing acid critiques of the Administration's Iraq policy, and calling bogus the claim that Iraq had tried to purchase "yellowcake" uranium from Africa. In fact, Wilson revealed, he was the man the CIA sent to Africa to investigate, at the behest of . . . Dick Cheney.

When Wilson explained all this in print last Summer, retaliation was swift; the leak has been attributed by most observers to the office of Vice President Cheney (there is some possibility the President knew of it), and a Federal grand jury has been investigating to ascertain whether a crime was committed, and by whom.

It has now been revealed that President Bush has consulted an attorney whom he will likely retain if he is called before the grand jury or interviewed (Lyndon LaRouche commented that that's "the smartest thing Bush has done in a long time"). Interestingly, though, the attorney he consulted is Jim Sharp, who represented the notorious Richard Secord in the Iran/Contra affair. Indeed, as Jeffrey Steinberg wrote in covering Chalabi in the June 4 issue of *EIR*, Iran/Contra never ended.

Cheney and the Enron Energy Pirates

Meanwhile, there are newly released Enron tapes from the year 2000—the year the people of California were bled dry through wildly surging energy prices by Enron and other privateers. That market-rigging and manipulated crisis was the trigger for the formation, on Jan. 28, 2001, of Cheney's supersecretive energy task force, whose purpose was to cover

up the looting by Enron and others.

In one tape transcript, a trader asks about "all the money you guys stole from those poor grandmothers of California."

"Yeah, Grandma Millie, man," a second trader says.

"But she's the one who couldn't figure out how to f***ing vote on the butterfly ballot."

"Yeah, now she wants her f***ing money back for all the power you've charged right up—jammed right up her a** for f***ing \$250 a megawatt hour."

Another tape reveals Tim Belden, an Enron manager in Portland, gloating that the firm "just f***s California . . . to the tune of a million bucks or two a day."

The tapes also include discussions of shutting down a power plant to reduce supply and inflate prices.

During California's rolling blackouts, when families were trapped in elevators, one Enron trader says: "Just cut em off. They're so f***ed. They should just bring back f***ing horses and carriages, f***ing lamps, f***ing kerosene lamps."

Before the 2000 election, Enron employees ponder a Bush win, according to *cbsnews.com*. "It'd be great. I'd love to see Ken Lay Secretary of Energy," says one.

"When this election comes Bush will f***ing whack this s**t, man. He won't play this price-cap bull**t."

And led by Cheney's Energy Task Force, he didn't.

Halliburton: The War Profiteers

Finally, as revealed in the June 7 issue of *Time* magazine, an e-mail dated March 5, 2003 (days before the Iraq war began) from the Army Corps of Engineers made clear Cheney's office *was* consulted about the \$7 billion mega-oil deal in Iraq for Halliburton, Cheney's former company. *Time* reports: "The e-mail says Feith approved arrangements for the contract 'contingent on informing WH [White House] tomorrow. We anticipate no issues since action has been coordinated w/ VP's [Vice President's] office.' Three days later, the Army Corps of Engineers gave Halliburton the contract, without seeking other bids. *Time* located the e-mail among documents provided by Judicial Watch, a conservative watchdog group."

That contract was for "Restore Iraq's Oil," the biggest prize in the looting of Iraq. The e-mail adds that Undersecretary of Defense for Policy Doug Feith got approval for the RIO from Deputy Secretary Wolfowitz.

Oops! Last September, interviewed by Tim Russert of "Meet the Press," Cheney said something a bit different. In fact, he lied. When asked if he were "involved in any way in the awarding of those contracts?" Cheney said, "Of course not, Tim. . . . And as Vice President, I have absolutely no influence of, involvement of, knowledge of in any way, shape, or form of contracts let by the Corps of Engineers or anybody else in the Federal government."

Eleven Congressmen seek appointment of a special counsel to probe whether Cheney committed a crime in involvement in the "sole-source, no-bid contract" Halliburton got.