

## Kenneth Starr's hidden conflict of interest

by Edward Spannaus

One of the biggest lies circulated in the wake of the President's Aug. 17 testimony and speech to the nation, is that it is President Clinton who is responsible for what has happened over the past seven months. If Clinton had just admitted the relationship with Monica Lewinsky last January, the story goes, the whole thing would have ended right then and there.

Anybody who suggests such a scenario, just hasn't been paying attention the past five years.

Independent counsel Kenneth Starr's objective is not uncovering crime. Starr's objective is to bring down the President. He has utilized one pretext after another since 1994.

And now evidence is emerging showing that Starr's close circle of friends was involved with the creation of the "Whitewater" investigation already in 1993. At the first available opportunity, in August 1994, Starr was put in place as independent counsel, as an agent-in-place for the pro-British circles around Richard Mellon Scaife and the *American Spectator* who had originally set the Whitewater and "Troopergate" scandals in motion.

The driving force behind all this is the global financial collapse, and the determination of the British-American-Canadian cabal to so destroy or weaken President Clinton that he cannot act decisively against this financial oligarchy under crisis conditions.

It is widely reported that when President Clinton made his ill-advised closed-circuit appearance before Starr's grand jury on Aug. 17, he read a statement acknowledging an intimate relationship with Lewinsky, and then refused to answer any more questions about sex or his private life. And then, on his nationally televised address to the nation that evening, the

President lit into Starr for prying into his personal life, and he called upon the nation "to turn away from the spectacle of the past seven months."

The President also pointed in the right direction, by noting that the questions he had been first asked about Lewinsky had arisen in a "politically inspired lawsuit."

In fact, the President had been set up in a trap during his deposition in the Paula Jones case on Jan. 17. That was no accident. Starr did not "stumble into" an investigation of possible perjury and obstruction of justice around the Paula Jones case. That was something which was carefully orchestrated, and was one of a number of traps set up for the President during the course of Starr's investigation.

### How it began

Although the "Whitewater" real estate story had been in national circulation since the spring of 1992, in the form of the grossly inaccurate and misleading *New York Times* story by Jeff Gerth, it didn't take hold until the end of President Clinton's first year in office. This was the result of two closely related operations: the creation of David Hale as the key witness to implicate the President and the First Lady in allegedly illegal financial activities, and, the launching of the "Troopergate" sex-scandal stories at the tail end of 1993.

Both of these were essentially private intelligence operations financed by the British-intelligence-trained news media propagandist Richard Mellon Scaife.

David Hale was a thoroughly crooked businessman and municipal judge in Little Rock, Arkansas, whose transgressions caught up with him in July 1993 when his office was

raided by the FBI. He immediately offered to provide damaging information on the “political elite” in Arkansas, but the local United States Attorney wasn’t buying, and Hale was indicted in September 1993. The newly minted story Hale was peddling was that that Governors Bill Clinton and Jim Guy Tucker had pressured him into obtaining a \$300,000 loan from the federal Small Business Administration for James and Susan McDougal.

Through the circle of Bill Clinton’s longtime enemies in Arkansas, Hale was put in touch with the national news media, especially NBC, and eventually his stories made their way into the *New York Times* and the *Washington Post*. When the latter two publications both called for the appointment of an independent counsel to investigate the Clintons and Whitewater in January 1994, the President and the Attorney General quickly succumbed to the pressure, leading to the appointment of Robert Fiske by Attorney General Janet Reno under Justice Department regulations; this was because the independent counsel statute had lapsed and was not re-enacted until July.

But meanwhile, Hale had been taken under the wing of one of Starr’s closest friends and his longtime law partner, Theodore Olson. Operating on behalf of the *American Spectator* and that magazine’s Educational Foundation, Olson had been instrumental in organizing the “Arkansas Project,” a \$2.4 million venture financed by Mellon Scaife for the purpose of conducting covert investigations and operations against President Clinton. The project resulted in articles published in the *American Spectator* and the *Wall Street Journal*, among others, and the creation of witnesses such as David Hale.

Telephone records exist which show that in November-December 1993, Hale was calling Olson in Washington, and Hale has acknowledged that he had “retained” Olson as one of his lawyers by December 1993.

The on-line magazine *Salon* has just published a lengthy series of articles which document Olson’s ties to Hale, as well as Olson’s role in creating the “Arkansas Project” in late 1993. Also involved were other representatives of Scaife’s foundations, and a former high-ranking FBI official, John A. Mintz, who was “of counsel” to Olson’s law firm of Gibson, Dunn & Crutcher at the time.

*Salon* quotes one individual familiar with these events as saying that “Olson is somebody who Scaife would trust to see that nothing went wrong and that his money would not be wasted.”

### **The Olson-Starr connection**

Oddly, as thoroughly documented as the *Salon* articles are, they skim over Olson’s relationship with Starr. As *EIR* has reported (March 13, 1998), Starr and Olson were partners in the Los Angeles-based Gibson, Dunn & Crutcher law firm in the late 1970s. (Olson had joined the Gibson firm in 1965

and became a partner in 1972. Starr joined the firm in 1977 after clerking for U.S. Supreme Court Chief Justice Warren Burger; he soon became a partner in the firm’s Washington, D.C. office.)

Olson and Starr joined the Justice Department together in 1981 when another partner, William French Smith, became Ronald Reagan’s first Attorney General. Olson became the head of the Office of Legal Counsel, an office previously headed by both William Rehnquist and Antonin Scalia under Presidents Nixon and Ford. Starr, whose position was “Counselor to the Attorney General,” worked closely with Olson in the Justice Department, until he was appointed to the U.S. Appeals Court for the District of Columbia Circuit in 1983.

Both Starr and Olson are activists in the mis-named Federalist Society, an organization of self-identified “conservative” lawyers founded in 1982 under Scalia’s direction; at present, Olson heads the Washington, D.C. chapter. Notably, one of the most active speakers on the Federalist Society’s circuit is Appeals Court judge David Sentelle, who heads the panel which appointed Starr as independent counsel in August 1994, after abruptly firing Robert Fiske.

Starr and Olson are also associated together in various of the so-called “public interest” law firms funded by Scaife and related intelligence-linked foundations such as the John M. Olin Foundation (which is also the primary funder of the Federalist Society).

Moreover, it is reliably reported that Ted Olson and his wife (as of 1996) Barbara Olson have regularly hosted a weekly “salon” at their Great Falls, Virginia home with guests including Starr, D.C. Circuit appeals judge Laurence Silberman, former appeals court judge Robert Bork, and Supreme Court Associate Justice Clarence Thomas. (Starr, Bork, Silberman, and Thomas were all part of the effort during the Reagan and Bush administrations to pack the D.C. Circuit Court of Appeals with “conservative” judges.)

Additionally, two other participants in the “Olson salon” are *American Spectator* editor Emmett Tyrrell, and *Wall Street Journal* editorial page editor Robert Bartley, both regular recipients of information generated by Scaife’s “Arkansas Project.”

Olson has been described as the person who runs Starr. He is the one with the “overview,” according to informed sources; it is Olson who serves as Starr’s link to the Justice Department permanent bureaucracy and who recommends whom Starr should hire for his staff.

At the time of Starr’s appointment by their mutual friend Sentelle, Starr’s ties to Olson were known. But, what was not generally known was Olson’s own deep involvement with Scaife and David Hale, and with the creation of the whole “Whitewater” affair in the first place. Had this been known at the time, it is doubtful that Starr could have ever been appointed Whitewater independent counsel. Starr’s other, well-

publicized conflicts of interest pale by comparison with those involving Olson and the “Arkansas Project.”

## The Paula Jones trap

Another myth floating around is that Starr happened upon evidence involving possible perjury and obstruction of justice by the President and the President’s associates in the Paula Jones case, and that Starr had no choice but to pursue the investigation.

The Paula Jones case was an outgrowth of the *American Spectator*’s “Troopergate” article in its January 1994 issue, in which an incident involving a woman named “Paula” was mentioned. It was Ambrose Evans-Pritchard, the British intelligence stringer operating in the United States as the Washington correspondent for the *Sunday Telegraph* of London, who, by his own account, persuaded Paula Jones and her family to file the lawsuit against Clinton. In a series of articles written in May 1994, Evans-Pritchard described the Paula Jones case as a “ticking time bomb” under the Presidency.

At the same time, in May 1994, according to his own account, Pritchard attended a dinner party during which he discussed the Jones case with Judge Silberman. Whether the discussion took place at one of the regular gatherings at Ted Olson’s house is not known, but Pritchard did describe how Silberman was analyzing the Jones case, and the question of whether the suit might be delayed until after the 1996 elections on grounds of Presidential immunity.

Meanwhile, Starr, not yet having been appointed independent counsel, was also getting involved with the Paula Jones case. At the request of Rosalie Silberman, a founder of the Independent Women’s Forum and the wife of Judge Silberman, Starr was preparing to draft an *amicus curiae* legal brief to be filed on behalf of Paula Jones, arguing against Presidential immunity from a civil suit.

The public was not aware of any further involvement by Starr with the Paula Jones case until Jan. 21 of this year, when the Monica Lewinsky story crashed onto the front pages. Over the next few days and weeks, background details emerged, showing how Starr had taken over the Jones case, before it was thrown out of court in March.

A few days earlier, on Jan. 16, attorneys from Starr’s office and from the Justice Department had gone to Judge Sentelle and the special three-judge court to obtain official authorization to expand Starr’s investigation into allegations of perjury and obstruction of justice in the *Jones v. Clinton* case. But, that was simply rubber-stamping was had already taken place — without any legal authority.

## Starr Tripps up Clinton

In October 1997, the Rutherford Institute, which had just taken over funding of the Jones case, received a number of anonymous calls, reporting that a woman named “Monica” had sex with the President in the White House. These calls apparently came from Linda Tripp’s “literary agent” Luci-

anne Goldberg. At about same time, Jones’s Dallas lawyers called Linda Tripp, after Tripp had been cited in a *Newsweek* article, and Tripp gave them Monica Lewinsky’s name. Shortly after this, Tripp began illegally taping her conversations with Lewinsky — at the recommendation of Goldberg.

In November, Jones’s lawyers issued a subpoena to Lewinsky, and her deposition was scheduled for Dec. 18. The deposition was postponed, and on Jan. 7, Lewinsky signed an affidavit denying that she had had an affair with Clinton; that affidavit was submitted by her attorney in an attempt to prevent her from having to testify.

Soon thereafter, Tripp went to Starr’s office and gave them 20 hours of illegal tapes of her conversations with Lewinsky, in which, allegedly, Lewinsky claimed that President Clinton, and Clinton’s friend Vernon Jordan, had encouraged her to lie under oath in the Jones case.

Tripp was no stranger to Starr’s office. She had been interviewed by Starr’s office in 1995, during Starr’s investigation of the death of White House aide Vincent Foster, and it is likely she remained in contract with them, directly or indirectly.

As directed by Starr’s office, Tripp set up a meeting with Lewinsky for Jan. 13. Tripp was wired up by the FBI, who recorded her discussion with Lewinsky at a hotel near the Pentagon. Starr then had Tripp set up another lunch meeting with Lewinsky for Jan. 16. It was only after this, that Starr went to the Justice Department to seek ratification of what he had already done. Starr’s and Reno’s representatives then went to the three-judge panel on Jan. 16 — while Lewinsky was already on her way to meet Linda Tripp for the last time.

Lewinsky walked directly into the arms of waiting FBI agents and Starr’s deputies, who threatened her and her parents, and tried to convince her to wear a wire in order to entrap the President of the United States and Vernon Jordan into making incriminating statements. Meanwhile, Tripp spent the afternoon at the same hotel talking with FBI agents and lawyers from Starr’s office.

Tripp then called Paula Jones’s lawyers, and told them to meet her that evening. Jones’s lawyers were getting ready to take a sworn deposition from President Clinton the next day, Jan. 17. Tripp gave the lawyers a full briefing on her conversations with Lewinsky — including on the Jan. 13 discussion which Tripp had secretly recorded with FBI microphones, at the direction of Starr.

Tripp, operating as Starr’s agent, thus provided secret information from Starr’s investigation to Paula Jones’s lawyers, for them to use in their deposition of President Clinton the next day. At that point, Starr abandoned everything he had been doing since 1994 (Whitewater, Travelgate, etc.), and threw all of his resources — including his assets in the news media — into trying to construct a perjury and obstruction-of-justice case against the President. Nothing that Bill Clinton could have done since Jan. 17 would have changed any of this.