

Kissinger Watch by M.T. Upharsin

Scowcroft scandal looms over White House

On June 29, *EIR* investigator Scott Thompson filed a criminal complaint against Gen. Brent Scowcroft, presidential assistant for national security affairs, based upon a scandal that threatens to dwarf the one that caused the ouster of President Ronald Reagan's first national security adviser, Richard Allen. Allen was ousted simply because, to avoid "loss of face" for a Japanese businessman, he placed a watch in his White House safe, which the businessman had given Allen to give to Nancy Reagan.

Where the Allen affair was all smoke and mirrors, the complaint brought by Thompson against Scowcroft shows that the Bush aide knowingly violated the financial disclosure provisions of the 1978 Ethics in Government Act. Specifically, Scowcroft violated Sec. 202 (6) (B), which states that as an employee of the global influence-peddling firm, Kissinger Associates, Scowcroft was required to list all of his clients at Kissinger Associates for whom he had performed more than \$5,000 worth of services.

When Lawrence Eagleburger, now deputy secretary of state, who had been the former president of Kissinger Associates, was facing tough Senate confirmation hearings, Eagleburger listed 15 such clients. And he even recused himself for a year from dealing with these former clients. In his SF 278 (financial disclosure form) filing, General Scowcroft recused himself from 70-odd firms, but did not recuse himself from his former clients at Kissinger Associates, because he refused even to list them.

Thompson brought the complaint before the attorney general, because White House Counsel C. Boyden Gray had blocked action on this egregious violation of the Ethics in Government Act for months after Thompson brought it to the attention of Gray's office on April 28. However, a responsible official of the Office of Government Ethics to whom Thompson had also addressed the complaint, admitted that the complaint was a "substantial one" that the Ethics office would investigate. In an abrupt change in early June, however, the Ethics office referred the complaint back to C. Boyden Gray, who had earlier refused to confirm to Thompson even whether his complaint had been received.

Finally, on June 28, Associate White House Counsel Michael J. Astrue wrote Thompson, "With regard to your other complaints, longstanding White House policy prevents us from commenting while you have a complaint pending with the Department of Justice." Apparently, Astrue was referring to the "longstanding White House policy" that dates back to Watergate, which Richard Nixon famously named "stonewalling."

Now that Gray's White House Counsel office has revealed that rather than having Scowcroft comply with the law, it will stonewall any complaints of such violations, it becomes apparent that the decision of the Office of Government Ethics to return the matter to Gray's hands was a mistake, which the latest complaint to the Attorney General may outflank.

Liar, or incompetent for the job?

There is evidence that General Scowcroft "willfully" and "knowingly" violated the financial disclosure provisions of the Ethics in Government Act.

First, a reliable source in the Office of Government Ethics told *EIR* that when Scowcroft was first confronted with the violation, he lied that he had not been a "partner," "member," or "employee" of Kissinger Associates, all of whom would be required by law to list their clients, but, rather, he had been an "independent contractor."

Scowcroft perpetrated the same lie on his financial disclosure form, listing himself as a "consultant" to Kissinger Associates. However, *New York Times* investigative reporter Jeff Gerth uncovered in an April 30 front-page article, that Scowcroft had actually been vice-chairman of Kissinger Associates, not a mere "consultant" as claimed. Moreover, Scowcroft stated that he had earned \$293,300 in 1988 alone as salary from Kissinger Associates for his services.

Finally, in a March 7 addendum to his SF 278 filing addressed to C. Boyden Gray, Scowcroft added the further statement as to why he could not comply with the law: "Under my contractual relationship with Kissinger Associates, I worked for the company, not directly for its clients. Please be advised that because of this contractual relationship, Dr. Kissinger denied my request for a list of the clients for whom I worked."

While the first sentence appears merely to confirm that Scowcroft had been an "employee," and, therefore, that he was compelled to comply with the law, the second sentence is incredible! Here we have the man Dr. Kissinger made his vice chairman and who President George Bush considered intelligent enough to handle the rigorous job of national security adviser, claiming that he cannot remember the clients he serviced, unless Dr. K prompts him with a list.

If this were true, then President Bush would have clearly misjudged his man.