

Whitewater hearings only yield more noise

by Edward Spannaus

The less evidence the Get-Clinton gang in the Congress can come up with, the louder they seem to scream. The recent round of hearings by the Senate Whitewater Committee has been a flop from any other standpoint than trying to keep the White House distracted from serious policy issues, and keeping the American public distracted from the Republicans' failing antics around the budget fight.

"Unfortunately," Sen. Chris Dodd (D-Conn.) said at the Jan. 11 committee hearing, "the recent pattern seems to be that as soon as the public attention starts to drift from these hearings, due to the lack of any new revelations or any new evidence of wrongdoing, reckless charges and accusations have been made in order to generate new headlines. Never mind that in virtually every instance, in every instance, the facts turn out to prove these accusations false or so overblown that the original allegation bears little resemblance to the truth. . . ."

Senator Dodd noted: "There's no doubt in my view that as we move deeper into the Presidential campaign season, the committee has become more partisan, and the accusations made by some in the majority, some employed by the majority, have grown consequentially wilder and more vituperative. . . . The [Republican] majority's recent outlandish allegations and innuendoes about the First Lady in the press are but the latest, and perhaps the most repugnant, of a long series of dry holes we have dug since July."

The RTC findings

That Jan. 11 session was somewhat of a watershed in the Whitewater hearings—although one would never know it from the news media coverage. At that session, the Democrats on the committee repeatedly hammered away at committee chairman Sen. Al D'Amato (R-N.Y.) over public statements made by committee spokesmen, finally forcing D'Amato to release the report of the Resolution Trust Corp. (RTC) which exonerates the Clintons of wrongdoing in the Whitewater/Madison affair.

Dodd then went on to list a number of the "dry holes" which the committee has dug, and said that he had only just learned that the committee had been unwilling to release the report to the press. So Dodd read some of the report's conclusions into the record, as follows:

- "Therefore, on this record, there is no basis to assert that the Clintons knew anything of substance about the Mc-

Dougals' advances to Whitewater, the source of the funds used to make those advances or the source of the funds used to make payments on bank debt.

- "On this record, there is no basis to charge the Clintons with any primary liability for fraud or intentional misconduct. This investigation has revealed no evidence to support any such claims, nor would the record support any claim of secondary or derivative liability for the possible misdeeds of others.

- "To hold one liable for conspiracy or aiding and abetting, the RTC must plead and prove the elements of these theories. These elements include a general awareness of the wrongful acts being committed by others and an intention to assist in the commission of the primary offense. There is no evidence here that the Clintons had any such knowledge or intent."

After this, Dodd commented: "While this report does not necessarily constitute the final word on Whitewater, no one has disavowed its findings, which indicates that there is no reason for the Clintons to have covered up, obstructed, misled, delayed or been anything less than forthright and cooperative. Without a motive, Mr. Chairman, there's nothing to hold these conspiracy theories together, other than political or personal enmity against the President and the First Lady."

After summarizing the RTC findings, Dodd then went on to lambast D'Amato for "the outrageous accusations" made on the ABC "Nightline" program the night before by a staff lawyer for the committee. "Perhaps the majority staff has prejudged this matter without a hearing of a single witness to testify," said Dodd, "in which case we should adjourn these hearings and simply allow the staff to file its report, since they seem to feel that there is nothing to learn from any of these further hearings, especially if it is exculpatory."

At the conclusion of all this, D'Amato did not respond to any of Sarbanes and Dodd's charges, but said rather sheepishly that since many of the RTC report's findings have already been made public, he would ask that it be released. (However, copies are not available to the public, D'Amato's office told *EIR*; the report can only be examined at the committee's office.)

In the course of these events, Senator D'Amato has become a very troubled man. He opened the Jan. 11 session with a long litany of events which, he solemnly proclaimed, "are very troubling to the chairman," i.e., himself. The committee has heard "contradictory testimony and remarkable lapses of memory," which is "all very troubling." What it took to get the White House lawyer's notes was "very troubling." When they got the notes, the passages were "disturbing." The chairman is "deeply concerned" that the Rose Law Firm notes were vacuumed. The newly discovered Rose Law Firm billing record are "very troubling." And so on.

However, the testimony at the Jan. 11 session, given by Rose Law Firm associate Rick Massey, did not go at all the way that D'Amato had publicly predicted it would, and in fact

it turned out to be consistent with the prior statements made by Hillary Clinton.

D'Amato's discomfort was obvious during his appearance on ABC's "Nightline" that evening. Host Ted Koppel began by asking D'Amato about a new memo just made public concerning the Travel Office, and the first words out of the Senator's mouth were—"it's deeply troubling and disturbing."

Koppel pressed D'Amato, asking him: "So what if you can prove the worst of what you suspect? What's going to happen? You don't—you know, you don't impeach your First Lady. None of these things appears to be an indictable offense. Where will it all lead, other than to some kind of political effect in this upcoming election?" D'Amato could not answer, other than to try and make comparisons with Watergate; but Koppel pointed out that that involved the President, not the First Lady. D'Amato could not answer, but only sputtered about how the White House continues "to withhold vital and key information."

Perhaps as an indication of just how troubled D'Amato was, he kept referring to Ted Koppel as "David," even after Koppel reminded him that he was *not* David Brinkley.

The 'vacuum' notes

Things didn't go any better for D'Amato at the Jan. 16 session, in which seven hours of testimony by three White House lawyers failed to elicit any evidence damaging to the President or Mrs. Clinton.

A major focus of the Jan. 16 hearing was the cryptic notes made of a Nov. 5, 1993 White House lawyers meeting on Whitewater, which notes the Senate Whitewater Committee had originally sought by subpoena. Questioning of the author of the notes, former White House Associate Counsel William Kennedy, along with former Associate Counsel Neil Eggleston and current Deputy White House Counsel Bruce Lindsay, yielded little new information, other than a more thorough explanation of the use of the word "vacuum."

D'Amato and others had repeatedly made charges to the news media that the entry "Vacuum. Rose law files" referred to a plan to clean out the files of the Rose Law Firm in Little Rock where Hillary Rodham Clinton was formerly a partner. But Kennedy told the committee the word referred to an "information vacuum," because real estate files relating to the Clintons' investment in an Arkansas vacation development known as Whitewater "were in a shambles." Both Kennedy and Eggleston testified that there was absolutely no discussion at the meeting of destroying or hiding files.

As D'Amato's pet theories fell apart, one by one, he became more and more abusive and sarcastic toward the witnesses. The next day, the rabidly anti-Clinton *Washington Times* could only charge that "Clinton meeting raises new questions"—confirming what the White House has been saying: that when one allegation falls apart, something new is always found.

Interview: Edward P. Beard, Sr.

Pound Gingrich into the ground

Edward P. Beard, Sr. is Director of Senior Affairs for the city of Providence, Rhode Island. He served as U.S. Representative from Rhode Island's 2nd Congressional District from 1975 to 1981, and was chairman of the House Committee on Labor Standards. He was interviewed on Jan. 11 by Marianna Wertz.

EIR: What will be the effect on seniors if the Republican budget plan passes?

Beard: If, in fact, they got their way, I would see it as a detriment to the elderly. It's tough enough for the elderly people to sustain their lives on their Social Security (most of them are on Social Security) or SSI [Supplemental Security Income], which is even less. I think anything that would add to that cost factor to the elderly, in balancing the budget on the people that can least afford it—whether it's the elderly, veterans, average working people, poor people—is the wrong route.

Not only that, but it's not consistent with what they're trying to do. The Republicans are telling one group that we have to tighten the belt, and on the other hand, they seem to be working toward giving the upper economic [income] people that have money, the more wealthy of this country, to put them in a better position. It's not consistent.

Plus the fact that they themselves, as a group, the Congress, House and Senate, are doing little or nothing to cut back on their own benefits. So, at best, it's very hypocritical.

The best way to sum this thing up on that point, is that for the 96 years we've been around in this century, the Republicans have been around in the House for five years. For the vast majority of years in this century, the House has been Democrat, and I think that tells the story right there. They have a capacity for self-destruction. And I think they're heading in that direction.

EIR: President Clinton said today that the proposed cuts, which he opposes, in Medicare and Medicaid, will put seniors at the mercy of the present private insurance system, which discriminates against those who are old, lower income, and sick. Do you think that's true?

Beard: I think that has a lot of merit. I think that the goal of trying to balance the budget over the time [seven years]