

Trouble in the Mellon patch, as Scaife cuts off funding

by Edward Spannaus

A brawl has broke out among the beneficiaries of Richard Mellon Scaife's millions.

Scaife, the eccentric multimillionaire who was deployed by Anglo-American intelligence circles beginning in the 1970s on news-media-manipulation projects, has now cut off the flow of his monies to the *American Spectator* magazine. This follows a series of firings and resignations at that neo-conservative magazine which were triggered by objections to Scaife's anti-Clinton crusade — which was considered excessive, even by the *American Spectator*'s standards.

In a series of articles published last March and April, *EIR* documented how Scaife was trained by Mellon-family circles around the most Anglophilic sections of the World War II Office of Strategic Services (OSS), the predecessor of the CIA, and how he funds a network of think-tanks and news-media propaganda centers which controlled much of the Reagan-Bush administrations in the 1980s. We also showed how Scaife played a central role in the creation of the public-private "Get LaRouche" task force in the early 1980s, and how, more recently, he has been the top bankroller of anti-Clinton propaganda in the news media. We particularly highlighted the role of two organizations funded primarily by Scaife which have incessantly promoted theories about the death of former White House aide Vincent Foster: the Western Journalism Center and Accuracy in Media. These two organizations, among other things, have often purchased full-page ads in many other publications promoting the anti-Clinton articles on the Foster case written by Christopher Ruddy, the Foster issue "case officer" on the payroll of Scaife's Pittsburgh *Tribune Review*.

The un-American Spectator

The broader Whitewater scandal, which had lain dormant since the 1992 Presidential campaign, was kicked off in late 1993 with the publication of the "Troopergate" story in the *American Spectator* (a magazine closely linked to the British Hollinger Corporation), which receives about \$600,000 a year from Scaife-controlled foundations for "research" projects targeting President Bill Clinton.

In November, a 30-year veteran of the *American Spectator*, Ronald Burr, was fired from that magazine for demanding

an audit of the use of the Scaife funds. The *Washington Post* reported that Burr objected to spending the bulk of the Scaife funds poking around Arkansas and hiring investigators to examine Clinton's past.

"Most of the money has just been wasted," one unnamed staffer said. "The whole Arkansas mess is a bottomless pit with weird characters and heavy breathing." This, the staffer said, is clear "to those of us who aren't in bed with Scaife."

Said another contributor to the magazine: "The growing influence of Scaife has troubled me for a long time. The whole Clinton obsessiveness of the magazine has troubled me."

The first counterattack against the *American Spectator* was launched on Nov. 18 by Joseph Farah, the director of the Scaife-bankrolled Western Journalism Center. Farah's piece, "The Unquiet Death of the American Spectator," accused "all three of American's conservative magazines — the *National Review*, the *Weekly Standard*, and the *American Spectator*," of having found something they can agree on: "the professional disbowelment of investigative reporter Christopher Ruddy, author of the new book, *The Strange Death of Vincent Foster*."

Farah's first target to be trashed is Byron York, a staff writer for the *American Spectator*, who attacked Ruddy's book in the pages of the *Weekly Standard*. Farah complains that York had written that Ruddy can't be trusted because he works for a paper owned by Scaife. "Huh?" Farah grunts. "Is investigative reporter York so clueless as not to realize Scaife is also the biggest financial contributor to his own *American Spectator*?"

Farah goes on to accuse the three reporters and the three magazines who attacked Ruddy as suffering from what he calls the "David Brock Syndrome," a malady afflicting right-wingers who want to be accepted into the mainstream popular culture. Farah particularly points at the *American Spectator*, "where reporters and editors go out of their way . . . to offend . . . Mr. Scaife."

The second attack was launched, not surprisingly, by Accuracy in Media, which reported on Nov. 24 that Scaife had totally cut off his funding of the *American Spectator*. AIM acknowledges that AIM has also received "substantial support from foundations controlled by Scaife," but it claims that Scaife has never told them what to do or not to do. AIM notes: "Scaife's decision to dump the *American Spectator* arises from the magazine's vicious attack on Ruddy. . . . Since Scaife believes that his [Ruddy's] work on the Foster case has been very important, the *Spectator*'s attack on Ruddy was an attack on Scaife as well."

Cutting off funds is among the milder measures in Scaife's repertoire. On numerous occasions, as *EIR* has previously reported, Scaife has used the Justice Department to target his enemies or those whom he believes to have crossed him, and there are rumors that even worse things have happened to some of Scaife's adversaries.