
Halliburton Looter

Shouldn't Dick Cheney Be Impeached?

by Scott Thompson and Michele Steinberg

After dropping more than 28,000 bombs on Iraq, the United States has now begun the business of rebuilding the country. . . . The companies that land the biggest contracts to do the work will cash in big-time.

—CBS-News “60 Minutes,” April 27, 2003

“Cheney is vulnerable . . . for the same reason his henchman, Perle, is vulnerable—for doing things that are against the law. He could be out of there on impeachment,” commented Lyndon LaRouche, during an April 4 interview with Ambrose Lane, of Pacifica Radio’s Washington, D.C. affiliate, WPFW. “These guys could be broken with the support of the Congress. The generals could be free to say what the truth is about Rumsfeld, and he would be out of there. So, if our institutions were functioning, if the Democratic Party were functioning as a legitimate opposition, we wouldn’t have this problem much longer. But *if* the Democratic Party capitulates, the way the so-called democratic parties of Germany capitulated to the Hitler appointment by Chancellor Hindenburg, then we could be soon in deep trouble. It could be the end of our civilization,” stressed the Democratic Presidential pre-candidate.

There is a small, but growing, group of Congressmen, who have also been fighting Vice President Dick Cheney and the Iraq profiteers. One of them is Rep. Henry Waxman (D-Calif.), the ranking Democrat on the House Committee on Government Reform, who has been seeking investigation by various Federal agencies to follow the trail of corruption, nepotism, and cronyism involved in the Second Gulf War. Representative Waxman has particularly drawn attention to Vice President Cheney, who in his capacity as the former Chairman and CEO of Halliburton Corp., has reaped the benefits of war profiteering from Bosnia, to Afghanistan, to Iraq. Similarly, Rep. John Conyers (D-Mich.) has demanded from Defense Secretary Donald Rumsfeld that Richard Perle, who resigned as Chairman of the secretive Defense Policy Board amid charges of conflict of interest, be removed from the DPB completely. Conyers is also demanding that the Pentagon release to the House Judiciary Committee, on which Conyers is the ranking Democrat, the financial disclosure records of

all 30 or so members of the DPB, so that potential conflicts of these members—who war-gamed and promoted war with Iraq since no later than Sept. 18, 2001—could be determined.

The Rumsfeld/Cheney gang’s conflicts of interest have become so public, that even Republicans are investigating. The probes became *bipartisan* the week of May 12, when House International Affairs Committee Chairman Henry Hyde (R-Ill.), informed Rumsfeld at hearings, that he had assigned the General Accounting Office (GAO), Congress’ investigative body, to begin a full investigation of the “occupation government” of Iraq. He confronted Rumsfeld with the fact that the occupation government under Rummy’s command, had obstructed Congressional investigators from entering the country!

However, what Representative Waxman and the other members of Congress have not raised, is that Cheney is perhaps the leading advocate of a unilateral imperialist “World War IV” policy in the Bush Administration. Through his affiliation with neo-conservative citadels, such as the Jewish Institute for National Security Affairs (JINSA) and William Kristol’s Project for a New American Century (PNAC), he is linked to the campaign to extend the Iraq war to Iran, Syria, and Egypt, and to crush the vision of a Palestinian state.

Crimes of Policy and of Greed

As *EIR* has exposed, Cheney was already firmly in the “perpetual war” faction, through his relationship with his current chief of staff, I. Lewis “Scooter” Libby, and Libby’s Yale University mentor, Paul Wolfowitz, now Deputy Secretary of Defense. For more than 18 years, Libby served as the attorney for America’s leading fugitive—the Russian and Jewish Mafia-linked Marc Rich, except for several jobs he took in-between his service to Rich, working for Wolfowitz and/or Cheney. In 1990-91, Libby and Wolfowitz (himself a protégé of the fascist Leo Strauss and former Trotskyite Albert Wohlstetter), worked together to codify the call for “perpetual war” in the 1992 Defense Guidance Policy.

After he left the position of Secretary of Defense in the Bush “41” Administration, Cheney again hooked up with the Libby/Wolfowitz circle, joining the International Advisory Board of JINSA. JINSA was founded by three of Israeli intelligence’s leading agents in America: Dr. Stephen Bryen, who was investigated for passing classified information to the Israelis from the Senate in 1978; Richard Perle; and Michael Ledeen. All three JINSA big-wigs were named as members of the circle known as the “X Committee” behind the espionage of the convicted spy for Israel, Jonathan Jay Pollard.

JINSA—which has long served as a route for Israeli intelligence to penetrate the U.S. military and recruit agents of influence for its interests—has played a significant role in pushing through the pre-emptive war policy. For example, the Iraq occupation government’s first appointed “Viceroy,” Jay Garner, is a JINSA collaborator. James Woolsey, the former Director of Central Intelligence and currently an Iraq



Halliburton is the Bush Administration's second "Enron," and "Cheney is vulnerable . . . for the same reason his henchman, Perle, is vulnerable—for doing things that are against the law." Change in Bush Administration policies for the better requires exit of the "Cheney gang."

war fanatic on the Defense Policy Board, who has been the attorney for the discredited Iraqi National Congress of Ahmed Chalabi, is on JINSA's board. And on May 18, JINSA's Ledeen played a major role at a neo-con/Christian fundamentalist rally to oppose the Road Map for Mideast peace, and to call for extending the Iraq war to Syria, Iran, and Saudi Arabia, after which the idea of a Palestinian state could be dropped for good.

These are the very schemes that Cheney has been whispering in the ear of President George W. Bush from whatever hole Cheney hides in. The groundwork, as *EIR* has reported, was laid by Cheney and his chicken-hawk brood in 1991-92, but the plans were shelved as too insane by President Bush "41" and his advisors at the time, including Gen. Colin Powell and Gen. Brent Scowcroft. Cheney used the Sept. 11, 2001 irregular warfare attacks to dust off his rejected plans for imperial war and a domestic police state, much the way that the Nazis used the 1933 Reichstag Fire—a phony terrorist incident staged by Nazi agent-provocateurs—to consolidate their police state.

But Cheney's impeachable offenses are not merely policy-oriented. Through his \$33 million "golden parachute" retirement plan from Halliburton—payable yearly in up to \$1 million installments—the profits that Cheney's company nets from feeding at the "government trough" are also lining his pockets.

The Spoils of War

On March 26, Representative Waxman began an investigation with a letter to the Army Corps of Engineers, inquiring about the Defense Department's contract to "extinguish oil fires in Iraq." The contract had gone exclusively, and without

competitive bidding, to Kellogg Brown & Root (KBR), a subsidiary of Halliburton.

As soon as Waxman's office received a reply on April 8 from the Army Corps of Engineers, the Congressman sent a letter to David M. Walker, Comptroller General of the United States and head of the General Accounting Office, asking the GAO "to investigate allegations that Halliburton has received special treatment from the Administration over the past two years in the rewarding of Defense Department contracts." Quoting from numerous articles that name specifics about Cheney's *ongoing* highly lucrative relationship to Halliburton, Waxman also wrote, "These ties . . . have raised concerns about whether the company has received favorable treatment from the Administration. These concerns have increased . . . with the disclosure that Halliburton's subsidiary Kellogg Brown & Root . . . has been awarded lucrative Defense Department contracts despite having a record of excessive costs and other problems." Waxman noted that the GAO found in 1997, and in 2000, that KBR had to pay \$2 million in fines "to resolve fraud claims involving work at a military base." Despite this record, Waxman received letters from the Pentagon praising Halliburton for its unmatched ability to supply services throughout the world.

With the Iraq War, even more damaging evidence has emerged. First, the April 27 edition of the CBS News television magazine "60 Minutes" exposed the fact, that long before the President claimed he had made the decision to launch a "preventive war" against Iraq, the Defense Department (DOD) powers that be, including Paul Wolfowitz, were talking to Halliburton about the contract to put out Iraqi oil-well fires, and even to run the entire Iraqi oil industry. Such an imperial grab not seen since World War II, when an angry

British Prime Minister Winston Churchill defied President Franklin Roosevelt at Casablanca, after FDR had promised that the United States would put an end to such British colonial methods.

According to the “60 Minutes” exposé, “the Pentagon had secretly awarded [KBR] a two-year, no-bid contract . . . worth up to \$7 billion.” The program showed that at the same time this was going on, another company, GSM Consulting, skilled in stopping oil-well fires and rebuilding petroleum services, had been told, in a Defense Department letter dated Dec. 30, 2002, that “it is too early to speculate” about Iraq “in the event that war breaks out in the region.”

As it appears, the Cheney chicken-hawks had already secretly decided on the war, and lined up the contracts with their cronies—they just hadn’t told the President.

This scandal is only getting worse as the DOD chicken-hawks apparently is playing cat-and-mouse with Congress in evading questions about the Iraq contracts. On May 6, Representative Waxman wrote another letter to the Army Corps of Engineers’ Lt. Gen. Robert B. Flowers, saying that the contract with Halliburton’s KBR is “considerably broader in scope than previously known.” Waxman noted that the contract “can include ‘operation’ of the Iraqi oil fields and ‘distribution’ of Iraqi oil,” and said that Flowers April 8 reply to his first letter, indicated that Halliburton’s contract “is likely to remain in place until at least the end of August and could last into 2004.”

The icing on the cake for this Halliburton affair, which Charles Lewis, head of the Center for Public Integrity, called “a sweetheart deal,” is what the United States is trying to foist on the UN Security Council: a resolution that takes all the proceeds from Iraq oil sales under the Oil for Food Program supposed to pay for Iraqi civilians’ humanitarian needs, and puts them under the control of an “Iraqi Assistance Fund” which will be established “in the Central Bank of Iraq.” While the U.S. Mission to the United Nations told *EIR* that they *will not* release any drafts of the resolution, a “fact sheet” on the U.S. Mission’s website indicates that the Bush (or should it be, the Cheney) Administration wants the UN resolution to bless the unlimited U.S. occupation of the once-sovereign nation of Iraq—and for the oil money to go directly to Cheney’s Halliburton. The fact sheet states: “The Iraqi oil revenues will be deposited in the Iraqi Assistance Fund and the draft resolution specifies their use: . . . for the economic reconstruction and repair of Iraq’s infrastructure.” The only oversight of this fund will be the United States and whatever other country—if any—it might choose to include, under the old imperial doctrine, “to the victor goes the spoils.”

Violating the Geneva Conventions

Current and former State Department and American military officials have told *EIR* that Iraq is undergoing a humanitarian crisis worse than that which followed the 1991 Persian

Gulf War, when 1.5 million people are believed to have died—most of them children—from the bombing of infrastructure, hospitals, and residences, and the inability to rebuild these facilities due to sanctions. Today, after being hit with 28,000 bombs, occupied Iraq is seeing a complete breakdown of availability of safe water, electricity, and sewage treatment; looting is rampant; hospitals are in wretched shape; and deadly cholera has broken out in U.S.- and British-occupied areas.

The 14 other member-nations of the UN Security Council have refused to roll over and hand over the Oil for Food accounts—ironically held in a French-owned bank—to the United States for the occupation. Nor has the UNSC passed the American resolution, creating a severe cash crunch for Cheney, Rumsfeld, and the neo-conservative war-mongers. Could this explain why KBR has failed to speedily start the reconstruction of Iraq’s oil fields, in order to redress the medical/humanitarian disaster in Iraq, wrought by lack of energy for purifying water, and other basic public health and hygiene measures? While waiting for sanctions to be lifted and Iraq’s oil revenues put at the disposal of the occupiers, the record shows that KBR has done little effective work. Could that be deliberate?

Deliberate or not, firms like Halliburton’s KBR and former Secretary of State George Shultz’s Bechtel could be held responsible, because this time, the occupation force is the United States. Under the Geneva Conventions, the occupying force is responsible for the well-being and survival of the population—and so are the companies it pays to carry out the services of the occupation government.

Cheney Takes Out Contracts

The record shows that Halliburton is “Cheney’s Baby.” In 1991, after the first Gulf War, the then-Secretary of Defense gave Halliburton the first contracts to rebuild some of the destroyed facilities in Kuwait and Iraq, at a handsome profit. It was a vital infusion of funds for Halliburton, which had been close to bankruptcy just a few years earlier. The relationship went much further. Cheney, in 1991-92, also subcontracted Halliburton to do the original Pentagon-funded secret study of how to replace the U.S. military’s war-winning logistics-in-depth with the bloated, mercenary model of “privatization”—a policy that subsequently became the Pentagon’s general method of operation and a lucrative source of money for Halliburton. It is no wonder that in 1995, Cheney, having left the DOD in 1993, was hired as Chief Executive Officer of Halliburton for the next five years, until he agreed to be George W. Bush’s Vice Presidential candidate on the 2000 GOP ticket.

As described in the October 2002 edition of *Texas Monthly*, when Cheney was Secretary of Defense, overseeing reduction of the U.S. military forces by one-half million men and women, he contracted Halliburton to see if essential logistics functions could be privatized. Halliburton, for a fee of

\$8.9 million, happily responded “yes,” in two reports delivered in 1992. This was part of the process leading to Libby’s 1992 Defense Policy Guidance.

At that time, under Cheney, Paul Wolfowitz ran a “Little State Department” that worked on a scheme to orient warfare toward fighting against developing nations that might have the wherewithal to develop technologically. This plan was explained by Adm. Carlisle Trost—a current JINSA Advisory Board member—during House hearings in 1991, as intending to prepare the United States for “medium-intensity conflict” against raw materials-rich nations that might have developed weapons of mass destruction—e.g., Argentina, Brazil, Iraq, Iran, South Africa, and North Korea. It could be known as the “bomb them to smithereens, then rebuild” plan for perpetual contracts.

The sweetheart deals came in the knick of time for Halliburton, which had fallen on hard times in 1988, and was saved in part by \$3.8 billion in Federal contracts and taxpayer-insured loans, according to an Aug. 2, 2001 report by the Center for Public Integrity.

The CPI report raised other extremely sensitive issues, such as Cheney’s ties with the Russian Mafia through Halliburton’s major project with the allegedly Russian Mafia-linked Tyumen Oil Co. *EIR* sources reported that Tyumen’s owners had dealings with Marc Rich.

It is notable that in an April 30, 2003 letter to Rumsfeld, Representative Waxman raised exactly these kinds of charges of “trading with the enemy.” Citing Securities and Exchange Commission (SEC) and other government records that show Halliburton and KBR had contracts with Iran, Iraq, Syria, and Libya—all the nations that JINSA unjustly accuses of supporting terrorism—Waxman told Rumsfeld to account for “Halliburton’s ties to countries that sponsor terrorism.” Waxman even mentioned Libby’s ties to fugitive financier Marc Rich, and Libby’s defense of Rich’s deals with Iran. Waxman wrote that while Libby’s “former client’s” dealings with Iran may not be illegal, “you could consider him a traitor for trading with Iran during that period.” Halliburton’s activities “appear to raise similar concerns,” Waxman added, but the Administration “rewarded it with lucrative contracts.”

And, not to be ignored is the fact that Cheney’s daughter, Elizabeth Cheney, is Deputy Assistant Secretary of State for Near East Affairs, where she is also responsible for doling out contracts. When she was appointed in March 2002, a *Washington Post* article noted that even more nepotism was implied, since Liz Cheney’s husband, Philip Perry, left the Justice Department to become Chief Counsel for the Office of Management and Budget. Usually well-informed sources state that Liz Cheney has a significant role in contracts related to Middle East wars. And, it is believed that she will have a hand in the the Free Trade Zone for the Middle East that President Bush proposed in his address at the University of South Carolina on May 9.

There is also the question of whether Halliburton is the Administration’s “Enron.” Halliburton nearly went bankrupt in 1988. On June 9 of that year, the *New York Times* reported from two former employees of Dresser Industries, which had just merged with Halliburton, that Halliburton used “aggressive accounting practices” to report \$100 million in earnings. Halliburton’s auditor at the time was Arthur Andersen, the accounting firm that evaporated after the Enron scandal, for similar practices.

The SEC refuses to “confirm or deny” that this was the subject of a criminal investigation. But, Cheney is also under the gun for refusing to provide Congress with the documents they want from 2001, when Cheney ran the Energy Task Force, and met with Enron Chairman Kenneth Lay. Cheney has refused to release any reports on how such meetings may have affected policy, or even to say who was on the task force. The case is now before the courts.

The question is, will Cheney resign, like Spiro Agnew, before he is impeached?

With Mr. Clash of Civilizations

On May 13, Cheney emerged from his various “undisclosed locations” to give an award to Secretary of Defense Donald Rumsfeld at the Hudson Institute, a bastion of the Clash of Civilizations. In his remarks, Cheney revealed that he is in regular discussion with former British military intelligence “Arabist” and Princeton University professor *emeritus*, Dr. Bernard Lewis. Madman Lewis was the architect of a plan to reduce the sovereign nation-states of the Middle East into an “arc of crisis” for a new Thirty Years’ War of religious and ethnic bloodshed. Dr. Lewis himself appeared at the Hudson Institute on May 24, 2002 to proclaim the “death sentence” against Palestinian Authority President Yasser Arafat, and promote an “alternative Palestinian” puppet leadership, a “Palestinian Ahmed Chalabi.” Lewis also called for “liberation of the Shi’ites in eastern Saudi Arabia”—in effect, to overthrow the Saudi royal family.

But Cheney’s really insidious role in the Middle East came from the mouth of his JINSA Advisory Board crony, Michael Ledeen, the self-described “universal fascist” who spoke on May 18 at the Interfaith Zionist Leadership Summit in Washington. Speaking as a cut-out for the Administration neo-cons, Ledeen denounced the Road Map, and said there can be no “peace process” because this was a “war process” for “freedom from tyranny.” In terms that would make his Straussian colleagues salivate, Ledeen said that there is no such thing as “peace” in world history, just brief moments after wars when the victor imposes a peace treaty on the vanquished.

He said that Iran, Iraq, Syria, and Saudi Arabia are terrorist-sponsoring states, which have been led by “tyrants,” who all hate the United States. Thus, the United States must carry out regime change in all four, before moving on to demand from the Palestinians, unconditional surrender.