Whitewater could bring down George Bush & Co.

by Edward Spannaus

Perhaps one of the most revealing indicators of the current state of the Whitewater assault on the Presidency, is to be found in the March 17 column of Ambrose Evans-Pritchard in the London *Sunday Telegraph*. No one has beat the drums harder on Whitewater; and no one has made more predictions claiming that this or that aspect of Whitewater is about to drive Bill Clinton from office. So when this loyal mouthpiece for British Intelligence's Hollinger Corp. crowd begins to hedge his bets over the staying power of the Whitewater scandal, it's worth noting.

The inherent paradox of the Arkansas scandals now seems to be dawning on a lot of those who have been pushing the hardest. And that is that the really dirty scandals in Arkansas don't have much to do with Bill and Hillary Clinton, but they have a lot to do with George Bush and his "secret government" operations of the 1980s.

"Forget Whitewater," was the sub-headline of Ambrose Evans-Pritchard March 17 column, having now realized that "the real scandal" lies in coverup of Vincent Foster's death, and that this is what really threatens the Clinton Presidency. "Whitewater is trivial stuff. . . . Whitewater is hardly the sort of issue that should paralyze the Presidency of the most important country in the world"—even though this is what Evans-Pritchard has been pushing for well over two years.

As to the now-stalled Congressional investigation, Evans-Pritchard writes that Banking Committee chairman Sen. Al D'Amato (R-N.Y.) "appears to be spinning his wheels." And then there is the criminal investigation being run by special prosecutor Kenneth Starr, but, says Evans-Pritchard, "Starr is now hated in Arkansas, reviled as a carpetbagger from Washington, and it is doubtful whether he can secure convictions from an Arkansas jury." If Gov. Jim Guy Tucker is acquitted, "then the case against the Clintons will almost certainly collapse."

What's going on here? Another reflection can be found in Robert Novak's syndicated column, in which he reports about the problems surrounding Starr's star witness, David Hale. Novak says that the situation around Hale "has set off shock waves in Washington that Starr's multimillion-dollar operation is disintegrating." If Hale does not testify, or if he is discredited on the stand, Novak continues, Tucker and the McDougals could be acquitted. "More importantly, President Clinton will have escaped the one aspect of Whitewater that most directly threatens him."

As EIR has previously reported, the problems with Hale are quite significant. He has accused Clinton and Tucker of pressuring him into making a \$300,000 loan to Susan McDougal, Tucker's co-defendant and Clinton's former business partner. In his opening statement at the Tucker-McDougal trial, Susan McDougal's lawyer said that local federal prosecutors had wanted to indict Hale, and Hale only escaped the indictment by cooking up the story about Clinton and Tucker, which enabled him to then cut a deal with the Whitewater special prosecutor.

The local Pulaski County prosecutor is still trying to bring charges against Hale for insurance fraud; but he has been blocked from doing so by Starr, who has hidden Hale away as a federally protected witness for the past two years.

Target: George Bush

Meanwhile, the Senate Whitewater hearings remain suspended, as Republicans led by D'Amato have been unable to muster the votes necessary to overcome a Democratic filibuster which is blocking the open-ended reauthorization of the Senate probe. The Wall Street Journal editorial page, which has done its best to mimic the British tabloids in anti-Clinton Whitewater agitation, disclosed some interesting background to the current impasse on March 11, when it noted that Richard Ben-Veniste, the minority counsel in the Senate Whitewater hearings, was once also an attorney for Barry Seal, the cocaine smuggler and DEA informant who operated out of Mena air strip in Arkansas.

After a long attack on Ben-Veniste, the *Journal* adds: "Mr. Ben-Veniste told us one other intriguing thing. To wit, 'I did my part by launching Barry Seal into the arms of Vice President Bush, who embraced him as an undercover operative.' And indeed, after his conviction, Mr. Seal contacted the South Florida Drug Task Force then run by Vice President Bush, and went on to become a spectacular informant for the Drug Enforcement Administration. . . . He was murdered by Medellín Cartel hitmen in 1986, leaving many questions about Mena, drugs, the CIA, and law-enforcement in Arkansas. Mr. Ben-Veniste's remark is an implicit warning that if pushed far enough Whitewater will start to implicate Republicans as well as Democrats."

A little more fuel was added to the fire on March 15, when former Congressman Bill Alexander (D-Ark.) made public his collection of documents on Mena. "Mena was a U.S. government staging area to support the Contras in Central America," running weapons out, and drugs back, Alexander told the *New York Post*. "So far, it doesn't touch Clinton. This is pre-Clinton."

This is exactly what *EIR* has been telling its readers for the past two years: that the real story of what was happening in Arkansas in the 1980s revolves around the nasty operations run by George Bush and Ollie North. Many others are now beginning to realize that Whitewater, if pumped up enough, could flush George Bush and his cronies right down the drain.

EIR March 29, 1996 National 65