

# Drumbeat Grows Louder Against Dick Cheney

by Michele Steinberg

Despite White House claims to the contrary, several senior U.S. intelligence sources contend that Vice President Dick Cheney's chief of staff, Lewis "Scooter" Libby, was at the center of the Valerie Plame leak—regardless of whether or not he was the person who made any of the phone calls to the half-dozen journalists who were fed the information, blowing the CIA operative's cover. According to one source, four months prior to the *New York Times* publication of a commentary by Plame's husband, former ambassador Joseph Wilson, debunking Cheney's claims about Iraq obtaining uranium from Africa, Vice President Cheney had tasked his staff to do a "thorough workup" on Wilson and his family. The source indicated that the targetting of Wilson came around the same time when International Atomic Energy Agency head Dr. Mohamed ElBaradei came out publicly, in early March, calling the purported Niger government documents on attempted Iraqi purchases of "yellowcake" uranium precursor, forgeries.

One source noted that Cheney may have leaked the Valerie Plame information through members of the Defense Policy Board (DPB). On Oct. 7, *Washington Post* reporter Dana Milbank had written of DPB ex-head Richard Perle's longstanding relationship to Robert Novak, the syndicated columnist, whose July 6 article named Wilson's wife as a longtime CIA official. Two separate U.S. intelligence sources told *EIR* that Perle's name should not be excluded from the list of "senior Administration officials" who may have done the leaking—at the behest of Cheney and/or Libby.

Lyndon LaRouche, the tenth Democratic Party Presidential candidate in the 2004 elections, has demanded that the Bush Administration "come clean," and identify the "senior Administration officials" who leaked Valerie Plame's iden-

tity, thereby violating Federal laws, endangering the life of a covert U.S. intelligence agent, and further compromising U.S. national security by endangering an unknown number of U.S. intelligence assets abroad.

LaRouche stated, point-blank, that the leak was done on behalf of Vice President Dick Cheney. The Attorney General, John Ashcroft, cannot be trusted to conduct a thorough probe of this felony crime, LaRouche continued. The President of the United States can find out who did the leaking, and who ordered the leaks, and he has an obligation to the American people to get to the bottom of this sordid affair.

LaRouche added that no government official would have done the leaking, without the backing of higher-ups, given that the identification of a U.S. intelligence official is a crime punishable by a significant jail sentence. Unless the leakers knew that they were going to be protected, they would not have run the risk.

LaRouche called for the appointment of a special counsel, to take the probe outside the Department of Justice. He further called for the Washington field office of the Federal Bureau of Investigation, rather than FBI headquarters, to conduct the investigation.

## **Worse than Watergate**

On Oct. 3, in an article for Salon.com, titled "More Vicious than Tricky Dick," former Nixon White House Counsel John Dean wrote: "I thought I had seen political dirty tricks as foul as they could get, but I was wrong. In blowing the cover of CIA agent Valerie Plame to take political revenge on her husband, Ambassador Joseph Wilson, for telling the truth, Bush's people have out-Nixoned Nixon's people. And my former colleagues were not amateurs by any means."



*War profiteering off a new Vietnam, the latest straw in the scandals closing around Vice President Dick Cheney, may be the last. Presidential candidate Lyndon LaRouche said on Oct. 7 that Cheney's ouster had to be accomplished in 30 days to head off the threatened spread of new wars in the Mideast and Korea.*

Dean was the lead witness in the Watergate scandal, which led to President Richard Nixon's resignation and jail terms for top White House aides. He is now a legal columnist, who was one of the first who insisted—in a column titled “The Deadly Serious Crime of Naming CIA Operatives”—that the White House was “stonewalling about an obvious leak,” citing White House spokesman Scott McClellan's statement that “absolutely no information . . . suggests there is any truth” to the allegation that Administration officials had leaked Plame Wilson's identity to reporters.

In an Aug. 15, 2003 column for the online publication findlaw.com, Dean cited the Espionage Act of 1917 and the Intelligence Identities and Protection Act of 1982, as the Federal criminal laws that could apply.

Yet, even after CIA Director George Tenet referred the investigation to the Justice Department, and after numerous members of Congress called for an independent counsel to conduct the investigation, and for Attorney General John Ashcroft to recuse himself, McClellan continues to make statements “exonerating” top White House officials. So far, McClellan has “cleared” Karl Rove, Libby, and National Security Council Middle East director Elliot Abrams (who was already convicted, then pardoned, for the crime of lying to Congress in the Iran-Contra affair).

But it will take more than “press spokesman” statements to take the heat off of Dick Cheney, as the documentation of official Congressional inquiries shows. Cheney is under the gun in a growing number of cases.

There is the Energy Task Force, where Cheney will not release records of his discussions with Enron, the ex-energy giant, whose executives admit to criminal actions.

Furthermore, there is mounting evidence that Cheney is using the massive Iraq reconstruction budget—President Bush asked for an additional \$87 billion for Iraq in Fiscal Year 2004—to fund one of the biggest unauthorized corporate bailout efforts in American history—at a handsome profit for Cheney and his former company Halliburton.

Under the new \$87 billion plan, Halliburton is to receive an additional \$2.1 billion—just to repair the Iraqi oil fields. Sources report that so far, Halliburton has spent the bulk of these billions in constructing housing and security for own its personnel in Iraq. Hardly a penny has gone to the benefit of the Iraqi people.

Moreover, the fact that Cheney lied on national television on Sept. 14, 2003, when he said that he had severed all his personal financial ties to Halliburton, is documented in a Congressional Research Service study, commissioned by Sen. Frank Lautenberg (D-N.J.).

Then there is the manipulation of Congress and the American people, with scare stories of Iraqi nuclear weapons and links to the Sept. 11 attacks, which Cheney made, both in speeches, and in on-the-record proclamations on Meet the Press in September 2002, March 2003, and September 2003.

And not least is the leaking of the identity of Plame, an 18-year veteran of the CIA, who worked overseas under a “non-official cover,”—i.e., outside of the protection of a dip-

lomatic posting—which came as the direct result of Wilson’s February 2002 trip to Niger, to investigate allegations of Iraq’s was yellowcake uranium purchases. Cheney had tasked the intelligence community to probe the Iraq-Niger story, and, despite his claims to the contrary, Cheney was fully briefed on the results of the Wilson trip, which debunked it.

### Cheney ‘Behind the Curtain’

The Oct. 13 issue of *U.S. News and World Report* featured a cover story on Cheney, confirming that he is the most powerful Vice President in American history, and the mastermind of the Bush Administration’s Iraq war policy, and all matters hardline.

Noting that Cheney is now under intense fire for the Administration’s Iraq debacle, and for his role in the Wilson scandal, the cover story, entitled, “The Man Behind the Curtain,” reported on recent statements by Sen. Chuck Hagel, a moderate Nebraska Republican, who has questioned the rationale for going to war against Iraq. In a CNBC interview, asked about the Wilson leak, Hagel stated that President Bush “has that main responsibility to see this through and see it through quickly, and that would include, if I was President, sitting down with my Vice President and asking what he knows about it.”

The article is based primarily on sources who were officials of the Bush “41” Administration, or who are close to the Bush family. And one can only ask: If this is what they are saying in public, what are they saying in private discussions? One former advisor to Bush “41” says: “The whole Iraq situation was filtered through Cheney, and he gave the President a very skewed view.”

A source identified only as a senior advisor to a former Republican President, says: “Cheney is not always right, but he’s always certain. He and his allies thought they were invincible; that this would be the American century; that we could reshape the world any way we wanted to. Welcome to the real world.”

Following suit, both *Newsweek* and *Time* magazines also put the “leak” story on their covers.

But media coverage is not enough. LaRouche made the obvious point to be investigated: Who gave the orders, *not* who dialed the telephone? And, who mapped out the character assassination campaign?

For several months, numerous Congressmen have called for investigations, or have written official letters—most of which have gone unanswered—to the Executive branch about aspects of Cheney’s corruption, disinformation, or other malfeasance in the Iraq buildup, and the occupation. While the calls for full-scale hearings have been blocked by the White House in combination with the House and Senate GOP leadership, the Republicans’ wall of silence is beginning to crumble, with Hagel calling on Bush to do the write thing, and Pennsylvania Sen. Arlen Specter (R-Pa.) calling for an independent counsel.

---

## Documentation

---

# The Coming Fall Of Dick Cheney

by Carl Osgood and Arthur Ticknor

*Despite White House and GOP Congressional stonewalling and grandstanding, there are serious and continuing efforts by the Congress to investigate Vice President Dick Cheney’s Iraq War disinformation, and his profiteering from the war. Ironically, the latest investigations were triggered by two Administration actions that attempted to answer or evade criticism about the war: the first, concerns the leaking of classified information about a covert CIA operative; the second, the Sept. 14 lie by Cheney to “Meet the Press” host, Tim Russert, that he has “no financial ties” to Halliburton. Excerpts from major Congressional statements and press releases follow:*

### Deferred Salary and Stock Options

**Sen. Frank R. Lautenberg’s (D-N.J.) Sept. 25 press release,** “Cheney Deferred Salary and Stock Options Constitute a ‘Financial Interest in Halliburton: Nonpartisan Agency Analysis Conflicts With Cheney’s Denials of ‘Financial Interest’ in Company Reaping Billions From Administration Contracts”:

“Senator Frank R. Lautenberg released a CRS Report today that confirms that receiving deferred salary and holding stock options in a corporation does constitute a ‘financial interest’ under Federal ethics standards. This finding directly conflicts with statements released by the Vice President’s office after it was revealed that the Vice President continues to receive deferred salary from Halliburton and holds 433,333 Halliburton stock options. The controversy arose when Vice President Cheney made the following statement on the September 14th edition of Meet the Press:

“ ‘And since I left Halliburton to become George Bush’s vice president, I’ve severed all my ties with the company, gotten rid of all my financial interest. I have no financial interest in Halliburton of any kind and haven’t had, now, for over three years.’ ”

“After the Vice President was confronted with information to the contrary, his office continued to deny any financial tie, arguing that by taking out an insurance policy on the deferred salary and assigning his after-tax proceeds from the sale of unexercised options to charity, a financial interest no longer existed. The CRS Report explicitly rejects this dubious line of reasoning, finding that financial ties continue despite those steps.”

“Another important issue explained in the CRS report is that the President and Vice President are both exempt from the enforcement of the ethics laws. The reason is that forcing the President or Vice President to disqualify themselves from certain duties or recusing themselves from certain issues could interfere with their Constitutionally required duties. The Constitution provides its own remedies for ethical breaches committed by the President and Vice President.

“This report makes clear that Vice President Cheney does indeed have financial interests in Halliburton under Federal ethics standards,” said Senator Lautenberg. “I ask the Vice President to stop dodging the issue with legalese, and acknowledge his continued financial ties with Halliburton to the American people.

#### **Deferred Salary**

- “Deferred salary paid by Halliburton to Vice President Cheney in 2001: \$205,298
- “Deferred salary paid by Halliburton to Vice President Cheney in 2002: \$162,392

“Halliburton paid a ‘deferred salary’ to Vice President Cheney in his first two years in office and is scheduled to make similar payments to him in 2003, 2004, and 2005. Deferred salary is not a retirement benefit or a payment from a third party escrow account, but rather an ongoing corporate obligation paid from company funds. If a company were to go under, the beneficiary could lose the deferred salary. The Vice President’s disclosure forms also describe the deferred salary payments as ‘elective’ without defining this term.

“In an attempt to mitigate the Vice President’s continuing financial interest in Halliburton with respect to the payment of this deferred compensation, the Vice President’s financial disclosure form states that that the Vice President ‘acquired’ an insurance policy ‘to ensure that he will receive the equivalents of his remaining deferred compensation account with Halliburton.’ The terms of this insurance policy, its cost, and who paid for it are unclear.

#### **Stock Options**

“At the end of 2002, Vice President Cheney’s financial disclosure form stated that he continued to hold 433,333 unexercised Halliburton stock options, with exercise prices above the company’s current stock market price. The Vice President has signed an agreement to donate any profits from these stock options to charity, and has pledged not to take any tax deduction for the donations. Should Halliburton’s stock price increase over the next few years, the Vice President could exercise his stock options for a substantial profit, benefiting not only his designated charities, but also providing Halliburton with a substantial tax deduction.

“The Vice President’s deferred compensation and stock option benefits are in addition to a \$20 million retirement package paid to him by Halliburton after only five years of employment; a \$1.4 million cash bonus paid to him by Halliburton in 2001; and additional millions of dollars in compensation paid to him while he was employed by the company.”

### **Cheney’s ‘Financial Interest’**

**Congressional Research Service Report, Sept. 22, 2003, “Official’s Stock Options in and Deferred Salary From a Corporation As a ‘Financial Interest’ of an Executive Branch Official in Such Corporation”:**

“Deferred salary or compensation received from a private corporation in the reportable year is considered as among the ‘ties’ retained in or ‘linkages to former employers’ that may ‘represent a continuing financial interest in those employers, which makes them potential conflicts of interest,’ and must be disclosed as employment relationships and outside earned income.” [*Public Financial Disclosure: A Reviewer’s Reference*, supra at 6-5.]

“[B]enefits . . . such as deferred compensation . . . stock options. . . . Most of these linkages to former employers represent a continuing financial interest in those employers, which makes them potential conflicts of interest.” [Ibid]

“Unexercised stock options in a private corporation, as well as deferred salary currently received in the reporting year from a private corporation by a reporting official, are thus clearly items which are required to be disclosed under the public financial disclosure provisions, and are among those benefits described by the Office of Government Ethics as ‘retained ties’ or ‘linkages’ to one’s former employer, such that these items are reportable ‘financial interests’ in such private corporation for the purposes of the financial disclosure provisions of the Ethics in Government Act of 1978.

“The fact that a deferred salary or compensation from a private corporation may be ‘insured,’ and thus ‘guaranteed’ regardless of the corporation’s performance, and the fact that the after-tax profits from the exercise of outstanding stock options that the official currently holds in the corporation have been designated to various charities, does not . . . take such official’s ties, interests and linkages to private corporations out of the realm of required financial disclosures for conflict of interest avoidance and identification purposes.”

### **Lautenberg Charges Halliburton ‘Padding’**

Press release by **Sen. Frank Lautenberg, Oct. 2, 2003**, “Senator Lautenberg Alleges Halliburton ‘Padding’ No-Bid Contract Before Upcoming Deadline To Open It Up To Bidding Process”:

“As the Pentagon’s deadline to open up the no-bid contract awarded to Halliburton by the Bush-Cheney Administration approaches, Halliburton is padding its contract at a furious pace, alleged United States Senator Frank R. Lautenberg (D-NJ). ‘War is hell, but it has turned into financial heaven for Halliburton,’ said Senator Lautenberg. ‘This sweetheart, no-bid contract given to Halliburton spikes up by hundreds of millions of dollars each week. It’s outrageous.’

“ ‘This has been a September to remember for Halliburton as they raked in \$700 million in taxpayer funds,’ Senator Lautenberg said.

“According to government data, Halliburton’s no-bid

contract has risen to \$1.4 billion, from \$1.25 billion just one week ago. In September alone, the no-bid contract doubled in size from \$700 million to \$1.4 billion.

“According to the Army Corps of Engineers, the no-bid Halliburton contract will be opened for bidding later this month.

“‘This deal Halliburton cut with the Bush-Cheney Administration would make Ken Lay proud, but to most Americans this kind of thing is just wrong,’” Senator Lautenberg said.

“Cheney received a \$34 million package when he left Halliburton to become Vice President of the United States. On September 14th, Mr. Cheney told Tim Russert on Meet the Press that he had severed all financial ties and had no financial interest in Halliburton.”

### **Conyers: Appoint Independent Counsel**

**Rep. John Conyers (D-Mich.)**, the senior Democrat on the House Judiciary Committee, published a commentary in the Oct. 3 *Detroit Free Press*, in which he says that the appointment of a special counsel is required by law. Although the independent counsel statute expired in 1999, Justice Department regulations require the appointment of a special counsel under certain specified circumstances—which Conyers says apply in this case.

Quoting then-Senator John Ashcroft from a 1997 statement, Conyers writes: A single allegation can be most worthy of a special prosecutor. . . . If you’re abusing your status in office, it can be a single fact that makes the difference on that.”

### **Dems Call For Special Counsel To Probe CIA Leak**

Calls came from both the House and Senate Democratic leaderships on Sept. 30, demanding that the Justice Department appoint a special prosecutor to determine who made the criminal leak of the name of the wife of former Ambassador Joe Wilson.

**House Minority Leader Nancy Pelosi (D-Calif.)** said: “An independent investigation of this despicable matter must be undertaken immediately. It must be thorough and it must be beyond question in terms of the vigor with which it is pursued. Given allegations about the involvement of senior White House officials and the past close association between the Attorney General and one of those officials, the investigation should be headed by a person independent of the administration.”

Senate Democrats called on Attorney General Ashcroft to appoint a special counsel as well. A letter to Ashcroft was issued by *Senators Tom Daschle (D-S.D.)*, *Joe Biden (D-Del.)*, *Carl Levin (D-Mich.)*, and **John D. Rockefeller III (D-W.Va.)**, which stated:

“Reports indicate that senior administration officials were allegedly motivated to engage in potentially criminal behavior, risking our national security and the lives of our intelli-

gence agents, in order to punish someone who raised questions about the administration’s rationale for going to war with Iraq.”

Democrats also called on Attorney General Ashcroft to recuse himself. Ashcroft refused to address the matter of the leak during an unrelated press conference, but confirmed that a “full investigation” has begun.

**Nine Democratic Senators, members of the Senate Governmental Affairs Committee**, sent a letter to White House Chief of Staff Andy Card on Sept. 30, requesting independent special counsel to probe the Wilson leak. The letter says:

“Our government has no greater responsibility than to protect and advance our national security, and the people who work for our government have no greater obligation than to protect and defend those spending and risking their lives for our national security. Yet it now appears that one or more high-level Bush Administration officials took it upon themselves to act contrary to that responsibility and that obligation. In an apparent reaction to Ambassador Joseph C. Wilson’s credible allegations about the Administration’s manipulation of intelligence information, some high-level Bush Administration officials reportedly decided to identify the Ambassador’s wife as a covert government operative. This action potentially endangered not just her, but the many people who may have associated with her and provided help to the United States.

“This is not just an outrage; it also appears to be a crime. It must be investigated—immediately and independently. . . . We strongly believe that such an investigation should be led by a non-partisan, independent special counsel, and not by this Administration’s political appointees.”

### **Schumer, Levin Introduce Amendment**

On Sept. 30, **Sen. Charles Schumer (D-N.Y.)** and **Sen. Carl Levin (D-Mich.)** introduced a “Sense of the Congress” amendment to request a special counsel. Levin stated that the leaks like that which exposed the identity and job of Valerie Plame Wilson could endanger “men and women playing absolutely critical roles in the defense of our national security.”

On Sept. 29, **Senator Schumer** also sent a letter to Attorney General John Ashcroft, excerpted here:

“Dear General Ashcroft:

“I write to ask you to appoint a special counsel to investigate and prosecute the apparent unauthorized and criminal leaking of an undercover CIA agent’s identity by senior administration officials.

“As you are aware, in July, a syndicated newspaper column quoted ‘senior administration officials’ identifying Valerie Plame as an undercover CIA operative specializing in Weapons of Mass Destruction. Plame is the spouse of a long-time State Department veteran, Ambassador Joseph Wilson, who wrote an op-ed disputing the White House’s claims about potential uranium exports from Niger to Iraq.

The op-ed helped spur the debate about whether the White House knowingly manipulated information about Iraq's nuclear program.

"Recent news accounts have reported that two high-level White House officials called six reporters and disclosed the identity of Wilson's wife as part of an attempt to impugn Wilson's credibility and intimidate other critics of the Administration.

"Leaking the identity of an undercover CIA agent is a federal crime, punishable by up to 10 years in prison. In July, I asked FBI Director Mueller to determine whether there were grounds to believe a crime had occurred. Following standard procedure, Director Mueller contacted CIA Director George Tenet to ascertain whether it appeared a national security breach had occurred. Director Tenet has apparently confirmed that he believes a crime was committed.

"Clearly, there is the appearance of a conflict of interest for the Department of Justice to investigate whether senior White House officials committed federal felony offenses, especially in such a highly-charged context. Since you no longer have the option of asking that an Independent Counsel be appointed, I am writing to encourage you to appoint a Special Counsel.

"Although a Special Counsel will not have complete independence from the Justice Department, he or she would have the full panoply of powers available to a US Attorney, and Federal regulations require that any interference in the investigation ultimately be reported to Congress. In short, the appearance of a conflict of interest is not totally removed, but it is substantially mitigated. Appointing a Special Counsel may not be the perfect way to conduct this investigation, but it is clearly the best alternative available.

"We need a person with a pristine reputation to lead this probe, someone who has the stature to make sure that this investigation gets to the bottom of what happened. Federal regulations require that the Special Counsel be a 'lawyer with a reputation for integrity and impartial decision-making' and 'shall be selected from outside the United States Government.' Some immediately obvious possibilities include: Warren Rudman, George Mitchell, Sam Nunn, and Frank Keating. Should you agree that a Special Counsel is necessary, I encourage you to consult with Congressional leaders from both parties before making an appointment.

"This criminal act is one of the most reckless and nasty things I have seen in all my years of government. Leaking the name of a CIA agent is tantamount to putting a gun to that agent's head. It compromises that agent's safety and the safety of that agent's loved ones, not to mention those in that agent's network of intelligence assets. Furthermore, it poses a serious threat to the national security of this nation.

"I know you share my commitment to national security and that you are as appalled by these dastardly deeds as I am. I hope you will take the only appropriate action here and appoint a Special Counsel so we can ensure that justice is

done while preserving the integrity of the Justice Department. "I look forward to hearing from you on this matter soon."

## **Waxman Demands Congressional Hearings**

On Sept. 29, **Rep. Henry Waxman (D-Calif.)**, the ranking member, requested the House Government Reform Committee hold hearings to investigate "allegations that White House officials breached national security law by disclosing the identity of a CIA agent," namely the wife of Ambassador Joseph Wilson. "Congressional oversight of the Wilson case is imperative," Waxman said in a letter to Rep. Tom Davis (R-Va.). Excerpts follow:

"As the primary investigative committee in the House of Representatives, it is the Committee's responsibility to ensure that the public receives a full accounting of what happened in the Wilson matter.

"Publicly identifying Ambassador Wilson's wife appears to have been intended to punish him for criticizing the Administration's policy on Iraq. . . .

"To date, the White House does not appear to be taking this national security breach seriously"—a reaction that "appears markedly different than its reaction to other leaks," such as regarding the attacks of Sept. 11, 2001. In fact, "it is not even clear if the White House will conduct its own internal investigation into its own officials leaking the identity of a covert CIA agent," Waxman wrote.

Waxman demanded that the Committee take the following initial steps:

- "request a copy of the CIA request to the Department of Justice that DOJ investigate the matter";
- "call a hearing to receive testimony from relevant individuals such as Ambassador Wilson on this matter."

## **Conflicts of Interest Detailed**

At a press conference Oct. 2, **Sen. Charles Schumer (D-N.Y.)**, a member of the Senate Judiciary Committee, presented a number of reasons why a special counsel should be appointed. Schumer cited Ashcroft's ties to White House advisor Karl Rove, who worked for Ashcroft's Senatorial election campaign for fees in the \$700,000.00 range. Schumer also raised questions about other conflicts between Ashcroft's aides and staff, and the White House:

- "The acting Deputy Attorney General, Robert D. McCallum, was inducted into Skull and Bones at Yale with President Bush in 1968.
- "DOJ Deputy Chief of Staff David Israelite served as the director of political and governmental affairs for the Republican National Committee in 1999 and 2000.
- "Solicitor General Ted Olson was the lead counsel for President Bush during the 2000 Florida recount, and argued Mr. Bush's appeal before the Supreme Court.
- "Rachel Brand, the Principal Deputy Assistant Attorney General in the Office of Legal Policy, served as Associate Counsel in the White House."