

# Investigations Rip the Cheney-Pentagon Axis of Liars Behind Unending Iraq War

by Michele Steinberg

The Justice Department on March 11 opened up an investigation of Vice President Dick Cheney's former company, Halliburton, following a months-long Department of Defense probe into Halliburton's overcharging about \$61 million for gasoline the company supplied to the U.S. occupation in Iraq. The new investigation, which was referred to Justice by the Pentagon, will look into whether Halliburton violated the Federal False Claims Act, under which Halliburton could be forced to pay back up to three times the amount of fraud, reported the *Wall St. Journal* on March 11. There could also be criminal charges.

At the same time, on March 9, testimony elicited from CIA Director George Tenet during hearings of the Senate Armed Services Committee, confirmed that a unit of the Pentagon, the Office of Special Plans (OSP), and the related Policy Counter-terrorism Evaluations Group created and run by the neo-conservative cabal that reports to Cheney's office, gave secret briefings to the Office of the Vice President, and to the National Security Council, pumping up reports of links between al-Qaeda and Saddam Hussein, in order to justify the invasion of Iraq.

Given Cheney's close ties to Halliburton, it cannot be ruled out that an independent counsel will have to be appointed to look into possible criminal activities by the Texas oil firm. Cheney earned \$44 million during his five-year tenure at Halliburton; he still receives deferred salary payments, and holds options on 440,000 shares of Halliburton stock, whose price has skyrocketed since the Iraq war began in March 2003.

If that war—which has taken the lives of more than 550 U.S. soldiers, more than 15,000 Iraqis, especially civilians, and hundreds of forces of America's occupation allies—has been horrible for the United States and devastating for the entire Middle East, it has been a life-saving windfall for Halliburton, which won up to \$18 billion in contracts for Iraq reconstruction and security, most of them no-bid contracts.

And that is precisely why an independent counsel is not out of the question. It would be the second time an independent counsel was appointed since the Iraq war, and it may not be the last. The first, ongoing probe led by an independent counsel is looking into the leaking of the identity of a covert

CIA agent, Valerie Plame, to reporters. The leak was believed to be in retaliation for the role of her husband, former Ambassador Joseph Wilson, in discrediting the report that Iraq was purchasing uranium from Niger in order to build nuclear weapons. Cheney's chief of staff and national security advisor, I. Lewis "Scooter" Libby, has been questioned about his role in the leak.

## Cheney's Web Unravelling?

Halliburton's profiteering is just one facet of a much larger picture of Dick Cheney's web of deceit and corruption, which emerged the week of March 8 at two major Congressional hearings: the Senate Armed Service Committee's questioning of Tenet, when he appeared to present an assessment of the world terrorist threat; and the special hearing by the Republican-controlled House Government Reform Committee on March 11, which centered on Halliburton's overcharging and price-gouging.

As the Congress was investigating, several shakeups at the Pentagon occurred, suggesting that Cheney's web is unravelling. These include:

- The pending resignation of DoD Comptroller Dov Zakheim was reported on March 11, just hours before he testified to the Halliburton hearings. Zakheim has been an intimate of the Paul Wolfowitz Iraq war cabal at the Pentagon, after having been recruited by Wolfowitz to join the team of "Vulcans" led by war-crazy Straussians Wolfowitz and Richard Perle, the former chairman of the Defense Policy Board. The Vulcans "trained" candidate George W. Bush in 2000, especially on the Iraq war strategy. Fellow Vulcan Perle quit the Defense Policy Board on Feb. 18.

- The cancellation of a \$327 million contract for security and support services in Iraq, that had been awarded to Nour USA and Eriny's Iraq, companies which are linked to Ahmad Chalabi, leader of Iraqi National Congress (INC), and protégé of Wolfowitz and Perle. The contract was suspended by the U.S. Army several weeks ago, when it was revealed that INC associates of Chalabi, a convicted criminal who embezzled \$70 million from his own Petra Bank in Amman, Jordan in 1992, had been fabricating intelligence through INC-controlled "defectors" about alleged Iraqi WMD. Sources in the Washington intelligence community told *EIR* that the INC

“system” involved deliberate seeding of the defectors’ reports with known, verified information, such as serial numbers on Iraqi stockpiles of armaments, so that the reports would appear authentic. Reports in *Newsday* of New York, in February, said that Chalabi received \$2 million in payment for facilitating the contract to Nour USA and Erinys Iraq.

- Rep. Henry Waxman released new information from the Defense Contract Audit Agency (DCAA) and the General Accounting Office (GAO) on March 10, which revealed “systemic” problems in giving the Iraq contracts to Halliburton. At the House hearings, Waxman called the findings by the DCAA “a scathing indictment of Halliburton,” and declared that this “price-gouging and profiteering is serious and should never be tolerated.” Committee chairman Tom Davis (Va.), a staunch Republican, was under so much pressure that he was forced to repeatedly mention the Vice President in connection with Halliburton.

- Senate investigators from the Intelligence Committee were scheduled on March 11 to question Michael Malouf, a member of the Wolfowitz/Feith-created Counter-Terrorism Evaluations Group (CTEG), which was behind the creation of the trumped-up al-Qaeda/Iraq report. Malouf’s partner in the two-man unit was David Wurmser, who now holds a post on Cheney’s rump “National Security Council” in the OSP.

## Tenet’s Interrogation

On March 9, for the first time since their capitulation to the imperial war policy in October 2002, leading Senate Democrats used the occasion of Tenet’s annual appearance before the Senate Armed Services Committee to launch a coordinated assault against Vice President Cheney, for going outside official channels to create his own rogue intelligence pipeline, which played a pivotal role in disinforming the Congress and the public before the Iraq war.

Facing intense questioning by Democratic Senators Carl Levin (Mich.), Ted Kennedy (Mass.), Mark Pryor (Ark.), Bill Nelson (Fla.), and Jack Reed (R.I.), Director of Central Intelligence Tenet admitted that Cheney had peddled intelligence on Iraq’s alleged nuclear weapons program, its links to al-Qaeda, and allegations that Iraq had mobile bio-weapons labs in trailers and unmanned aerial vehicles capable of releasing biological and chemical weapons. All of that was false or unproven, according to the combined assessments of the intelligence community.

Even more damning was the revelation about Feith’s briefings to the OSP and NSC in August-September 2002 on Saddam Hussein’s alleged ties to al-Qaeda. Tenet admitted, under questioning, that he found out about the Feith briefing to top White House policymakers only “last week.”

Since June 2003, when he gave a hastily called press conference about the OSP, Feith had claimed—with typical neocon arrogance—that the unit never briefed policymakers. Feith is now caught in the trap of his own coverup efforts. In fact, Feith’s secret briefing only came to light because of

the five-month effort by Senator Levin to get answers to his questions about the OSP. Then, at the March 9 hearing, Sen. John Warner (R-Va.), the Senate committee chairman, released a copy of a letter from Feith in which he admitted that he had conducted the briefings, bypassing the CIA and other official intelligence agencies. The briefing itself, according to a *Los Angeles Times* account, consisted of a slide presentation of so-called “intelligence” about Iraqi links to Osama bin Laden; it featured attacks on the CIA, for failing to tout the supposed Baghdad links to the 9/11 terrorists.

The Senate revelations filled out an already damning picture of Cheney as the head of a rogue disinformation effort. William Luti, a retired Navy Captain who was in Cheney’s office at the start of the Bush 43 Administration, was sent over to the Defense Department as head of the Near East and South Asia policy planning shop, where he created the Office of Special Plans as a war propaganda unit. Luti ostensibly reported to Feith, but, according to former NESA staffers, boasted that he was really working for “Scooter,” referring to Cheney’s chief of staff.

To make sure that Cheney cannot easily dodge the revelations, Levin released his Feb. 12 letter to the Vice President, in which he demanded that Cheney provide the intelligence on which he based his claim that Iraq was close to having a nuclear bomb. He also demanded that the Vice President explain why he cited the *Weekly Standard*’s publication of a leaked Doug Feith memo to the Senate Intelligence Committee, as proof that links existed between Saddam Hussein and al-Qaeda.

That memo and has been denounced by intelligence community professionals as a collection of raw leads and disinformation. Tenet, too, concurred that the information about Iraq/al-Qaeda links in the Feith letter is not trustworthy; but then claimed he knew nothing about Cheney ever quoting the leaked classified memo. The Senators made clear that his claim that he is out of touch with what the Vice President—a key policymaker—says, is not to be tolerated. Levin and Kennedy pressed Tenet to explain *why* he had never corrected the “super-heated rhetoric,” such as the “mushroom cloud” specter used by Bush, Cheney, and National Security Advisor Condoleezza Rice.

As more revelations surface about Cheney, he becomes a liability for Bush’s re-election campaign. The March 5 edition of Coleman/Bartlett’s *Washington Focus*, a political insiders’ newsletter, reports that many prominent Republicans, for the first time in their lives, are planning to vote for a Democratic Presidential candidate.

Author Charles Bartlett, a onetime close friend of President Kennedy, writes that one of the leading “political vulnerabilities” for the Administration is Halliburton’s “plush rewards” in the Iraq contracts. He adds that if Cheney’s other “judgments” are “as bad as the Halliburton record suggests, Bush will be sadly mistaken to run with him a second time.”