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February 19, 1999

C-SPAN Washington Journal
Att: Bryon Lamb
400 N Capitol NW Suite 650
Washiington DC 20001

Dear Mr. Lamb:

This letter and enclosed information relates to comments made on previous programs. I am sorry I do not remember the names of your guest or the dates involved, Several such discussion have been had related to President Clinton's involvement in sex, deaths , drug dealings and all the gates going back many months or even years.

I respond because there was an indication that a lack of knowledge expressed of the Internet piece published by one, Christopher C. Lyons, titled "The Whitewater FAQ" . The only comment I chose to make is that such raises serious questions of abuse of First Amendment Rights. Why is it that a person can knowingly make such false statements about the many affected and/or named persons without their having a right to hold Mr. Christopher's liable for his renderings.

I enjoy C-SPAN and specifically, Washington Journal. An improvement might be, that when you open the calls to geographic regions you need to apply the three number system related to party membership. It appeared to this person that you get the old system of one party claiming all the lines. I make this judgment by the overwhelming nature of anti-Clinton calls.

Finally, you may not gain anything new from this but had it laying around and felt you might have not read this specific piece yet. HAVE A NICE AND SAFE DAY , and again THANK YOU C-SPAN.

Sincerely,

[REDACTED]
Topeka, Ks.

or impeach

The Whitewater FAQ

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Updated Thursday, October 3, 1996 - 6:00 AM

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I. Introduction

The term "Whitewater," specifically refers to the sweet Arkansas land deal which was partially owned by Bill and Hillary Clinton. However, this term has encompassed a huge number of Clinton scandals, mysterious deaths, sexual liaisons, and allegations of drug-running. With such a wide-sweeping set of scandals, this FAQ has been compiled to give the casual lurker a starting point from which to gain an understanding of the true depths of "Whitewater". As a starting point, it is not meant to be, nor is it, a comprehensive "last word" on any of the topics it covers. This is a living document, so sources and Q/A's will be added as time goes on. In some cases, where scandals overlap, parts of the FAQ have been internally duplicated.

II. Clinton-related Deaths/Injuries

A large number of people have died in operations or investigations closely linked with Bill Clinton. The term "Arkanacide" has even been coined to define a murder which has been disguised as a suicide. Arkansas is one of the only states in the Union in which no autopsy is required in a death which has been ruled a suicide, even if foul play is suspected. This law was one of the last enacted by Governor Clinton before coming to Washington.

A. Who are the people who have died under suspicious circumstances who were close to Bill Clinton?

[It is important to note in the following list, that many of the dead had direct connections to Bill Clinton. Others were tied to Clinton via the Mena drug-running operation, which has been rather conclusively linked to the Clinton administration. There is no suggestion that all of these people were killed with direct "orders" from Bill Clinton, although, in some cases, this is not ruled out, either. As the sheer number of dead rises, one should ask himself/herself, "How many people do I know, or am I connected with who have been brutally murdered, died in an airplane crash, or have committed suicide?" Either friends of Bill Clinton are incredibly unlucky, they are horrible pilots, or something more sinister is at work.]

1. Jerry Parks, 10/26/93

Luther "Jerry" Parks ran American Contract Services, the business which supplied bodyguards for Clinton during his presidential campaign and the following transition. Bill Clinton still owed him \$81,000. Parks had collected detailed data on Clinton's sexual escapades, including pictures and dates. On September 26, 1993, Parks was gunned down in a mafia-style hit just outside of an upscale Little Rock neighborhood. A week before his death, Jerry Parks' alarm system was disabled and the files were stolen from his home. Witnesses reported that a state trooper who was an ex-bodyguard of Clinton's was the shooter.

2. Jonathan Walker, 8/15/93

Jon Walker was an investigator for the Resolution Trust Corporation who was frustrated with the investigation of Madison Guarantee Savings & Loan based in Kansas City, where he felt that Clinton appointees were interfering with the investigation. He was pushing for the case to be moved to Washington D.C. While he was apartment hunting at Lincoln Towers in Arlington, Virginia, he suddenly decided to throw himself off of the roof. His death was ruled a suicide.

3. Kathy Ferguson, 5/10/94 & Bill Shelton 6/9/94

Kathy Ferguson was the ex-wife of Danny Ferguson, the Arkansas State Trooper who took Paula Jones and other ladies to visit Bill Clinton. She was outspoken in repeating sexual tales which her ex-husband had told her about Bill Clinton. She was found dead in her boyfriend's apartment with a pistol in her hand, a bullet hole behind her left ear. There was a myriad of evidence which pointed to murder, but her death was ruled a suicide. A month later, her boyfriend, policeman Bill Shelton, was found dead on her grave of the same m.o. It, too, was ruled a suicide. In the month after Kathy's death, Shelton had made quite a stir, insisting that her death was not a suicide.

4. Vincent Foster, 7/20/93

The death of Vincent Foster is a Clinton scandal in itself, and is treated as such in a separate

section of the FAQ.

5. Kevin Ives & Don Henry, 8/23/87

Don Henry and Kevin Ives were two teenagers who lived in Bryant, Ark. On August 22, it is believed that they witnessed part of the drug operations originating from the Mena airport. That night they went out, flashlight hunting for deer. Their bodies were discovered the next morning laid out across a train-track nearby, run over by a train. The state coroner, a FOB (SEE RELATED PLAYERS, below), declared their deaths accidental, and that the boys had been smoking marijuana and "fell asleep on the tracks". The boys' parents' refused to believe the verdict and pressed for months for an independent autopsy, which was eventually performed. The independent autopsy revealed that Henry had been stabbed in the back repeatedly, and that Ives' skull was crushed. Both boys were dead BEFORE the train ran over their bodies.

6. Keith McKaskle, 11/88

McKaskle, a Bryant, Arkansas local came forward in November of 1989, claiming to have evidence relating to the deaths of Henry and Ives. The night before his death was the gubernatorial election. He told his family and friends good-bye, and, at a local bar, threw two pennies on the bartop and said "If Jim Steed loses this election, my life isn't worth two cents." Bill Clinton won the election, and the next morning, McKaskle's body was found in his home, stabbed 113 times.

7. Gregory Collins, 1/89

In December of 1988, Collins, a native of the Mena, Arkansas area, came forward with information about the Henry/Ives murders. In January, his body was discovered. He had been shot in the face with a shotgun.

8. Keith Koney, 7/88

Koney was a Mena, Arkansas local who claimed to have knowledge regarding the deaths of Kevin Ives and Don Henry. Soon after, he was slashed in the neck, and pursued in a high-speed chase on his motorcycle before slamming into the back of a parked truck. His death was written off as a "traffic fatality".

9. Jeff Rhodes, 4/89

Rhodes claimed to have information on the deaths of Ives, Henry, and McKaskle. Right after he made this claim, his body was found in the local dump. He died of a gunshot to the head. His head was nearly cut off, and his wrists and ankles had been bound and severed. The autopsy confirmed that he had been tortured prior to his death.

10. Richard Winters, 7/89

Winters was a suspect in the murders of Kevin Ives and Don Henry. In July of 1989, he was killed with a 12-gauge sawed-off shotgun in a "robbery attempt," which was proven later to have been a setup.

11. Jordan Kettleson, 6/90

Kettleson was a Mena local who came forward with information about the deaths of Kevin Ives and Don Henry in June of 1990. He was then found dead of a shotgun blast to the face in the front seat of his car. His death was ruled a suicide.

12. James Milam, ?/90

James Milam claimed to have knowledge about the deaths of Kevin Henry and Don Ives. He was decapitated, and the State Coroner (the same one as in the Ives and Henry murders) initially ruled his death a suicide.

13. C. Victor Raisner III, Montgomery Raisner, 7/30/92

Victor Raisner and his son, Montgomery were killed in an odd race crash near Anchorage, Alaska in good weather. Mr. Raisner was the finance co-chairman of Clinton's presidential campaign and had access to potentially damaging information on the Clintons.

14. Hershel Friday, 3/1/94

A "top-notch pilot," Mr. Friday died in the crash of his small airplane during a light drizzle at his private airstrip in Arkansas. He was a member of Clinton's presidential campaign finance committee, and was a close associate of C. Victor Raiser, who died in the crash of another private aircraft. Supposedly, his fuel gauge had been rigged to read "empty" when the plane pitched forward to land, and cut off the gas supply. This method was allegedly used on the plane of Dr. Ronald Rogers, who died two days later in a plane accident.

15. Dr. Ronald Rogers, 3/3/94

Dr. Rodgers had been the Clinton's dentist at one time, and was an Arkansas native. His private airplane crashed on March 3, 1994 in clear weather with a full tank of gas, right after his pilot called into the Lawton, Oklahoma airport saying that he needed to refuel. Dr. Rodgers was on his way to an interview with a reporter from the London Sunday Telegraph, where he was going to reveal evidence of Clinton's alleged cocaine use. Supposedly, his fuel gauge had been rigged to read "empty" when the plane pitched forward to land, and cut off the gas supply. This method was allegedly used on the plane of Hershel Friday, who died two days earlier in a similar plane accident.

16. Stanley Heard, Steven Dickson, 10/10/93

Heard and Dickson were members of Hillary Clinton's healthcare "taskforce." They both

died in the crash of their private aircraft.

17. Conway LeBleu, Todd McKeahan, Steve Willis, Robert Williams

These four men were ex-Clinton bodyguards who were reassigned to the Bureau of Alcohol, Tobacco, and Firearms. They were the only casualties in the early morning standoff that triggered the Waco incident with the Branch Davidians. Allegedly, all four men died of similar wounds, a gunshot behind the ear.

18. William Barkley, Brian Hassley, Scott Reynolds, and Tim Sabel

These four men were all ex-Clinton bodyguards. On May 19, 1993, all four men died in the suspicious crash of a helicopter they were riding in. This occurred only a few months after four other Clinton bodyguards were killed in Waco.

19. Barry Seal, 2/19/86

Mr. Adler "Barry" Seal was a flamboyant CIA contractor who ran the gun/drug-running operation between Mena and Nicaragua. His legend was so famous, it was made into an HBO movie, "Double-Crossed." Mr. Seal was eventually arrested by the DEA, and he set up a sting operation for the CIA to finger some Medellin Drug Cartel operatives. He received a light sentence to a halfway house in Baton Rouge, Louisiana, where he was gunned down a few days later. According to Terry Reed, another CIA employee, Clinton told him, "Seal just got too big for his britches and the scum basically deserved to die, in my opinion..."

20. Ed Wiley, 11/30/93

Ed Wiley was one of Clinton's key fundraisers. Supposedly, Wiley was involved with "briefcases full of cash" and some underhanded funding of Clinton's campaign. He supposedly shot himself in the head.

21. John A. Wilson, 5/19/93

Mr. Wilson, a D.C. councilman known for his honesty, allegedly knew of some dirt which would embarrass Mr. Clinton. He was supposedly preparing to come forward to talk about the "dirt," but suddenly decided he wanted to hang himself. (It is interesting to note that the travelgate firings occurred the next day.)

22. Susan Coleman, 2/15/77

Ms. Coleman allegedly was having an affair with Bill Clinton for awhile. She was found dead with a gunshot to the head. Her death was ruled a suicide. She was also 7 1/2 months pregnant with a child rumored to be Bill Clinton's.

23. Paul Tulley, 10/24/92

Mr. Tulley was a member of the Democratic National Committee, and a FOB. He was found dead of unknown causes in his hotel room.

24. Paula Gober, 12/9/92

Ms. Gober, a Clinton speechwriter, died in an auto accident on December 12, 1992.

25. Gandy Baugh, 1/8/94

Gandy Baugh was the attorney of Clinton friend Dan Lasater, who was being indicted in a Whitewater-related matter. Baugh supposedly committed suicide on January 8, 1994. One month later, on February 8, Baugh's partner's body was found. His death, as well, was ruled a suicide.

26. Stanley Huggins, 6/23/94

Mr. Huggins was a lawyer with the law firm in Memphis which was running the 1987 investigation of Madison Guarantee Savings and Loan. He died in July of 1994 in a Delaware hospital, the official cause of death was ruled viral pneumonia.

27. Calvin Walraven, 7/28/94

Walraven, 24, was a police informant who was the key witness in the conviction and sentencing of Kevin Elders, the son of Surgeon General Jocelyn Elders, on drug charges. Right after the trial was over, Walraven's body was found dead of a gunshot to the head. His death was ruled a suicide.

28. Florence Martin, 10/31/94

Martin, an accountant who had worked as a sub-contractor for the CIA, was found dead in Mabell, TX, the victim of three gunshot wounds to the head. She had the documents and paperwork as well as the pin number to an account that had been set up in the name of Barry Seal for \$1.46 million dollars at the Fuji Bank in the Cayman Islands. Following her death the money was moved to the Guaranty Bank in the Caymen Islands and then was transferred from that bank to another bank believed to be in the Virgin Islands.

29. Ron Brown, 4/3/96

The death of Ron Brown (yet another plane crash) is surrounded with conflicting evidence, and some glaring discrepancies. It is covered in a later part of the FAQ. While some doubt this was anything more than an accident, which well may be the case, it is, nonetheless, a death of a close associate of Mr. Clinton; a close associate with legal troubles of his own, under investigation by a special prosecutor.

29. Admiral Jeremy M. Boorda, 5/16/96

Jeremy Boorda, the top officer in the U.S. Navy, was the lone staunch opponent of Clinton's missile defense policy as a member of the Joint Chiefs of Staff. He also had contact with the investigators of the death of Ron Brown during the weeks after Brown's death. Boorda supposedly committed suicide by shooting himself in the chest at point-blank range with a .38 magnum. The mainstream media reported that he had committed suicide because one of his military medals had been called into question by Newsweek, although friends and family of Mr. Boorda have stated that this action and its motivation would have been completely out of character for Adm. Boorda.

There are those who believe that the BCCI and INSLAW scandals are also tied to Clinton (SEE GRABBE/NORMAN AND OTHER ODD THEORIES). If you wish to include INSLAW, there are several more bodies to add to the pile.

1. Danny Casolaro, 8/10/91

Danny Casolaro was an investigator who was writing a story connecting Mena, BCCI, the ADFA, Park-O-Meter, Inslaw, and the 1980 "October Surprise." After working on the story for awhile, he told a family member that if he was ever found dead, that he would never commit suicide. On August 10, 1991, he was in West Virginia to receive some key information for his story. His body was found with his wrists slit in the bathtub of his hotel room. His death was ruled a suicide. (His wrists were slit up to 10 times each!)

2. Paul Wilcher, 6/22/93

Wilcher was a Washington D.C. lawyer who was investigating the Mena operation, BCCI, INSLAW, and the "October Surprise." On June 22, 1993, he was scheduled to meet with Danny Casolaro's ex-lawyer. He was found in his hotel room sitting on the toilet, dead of unknown causes.

3. Alan Standorf, 1/31/91

Standorf was an employee of the NSA, working in electronic intelligence. He was Danny Casolaro's main source in his investigation of INSLAW and BCCI. His body was found dead of unknown causes in his car at Dulles Airport.

4. Dennis Eisman, 5/5/91

Eisman was a Washington D.C. lawyer with information on the INSLAW scandal. He was found shot to death.

5. Ian Spiro, 11/92

Mr. Spiro was a witness in the Grand Jury investigation of the INSLAW scandal. His family, a wife and three children, was found shot to death in their home on November 1, 1992. A few days later, he was found dead in his car of cyanide poisoning. His death has been ruled a suicide.

B. The Injured/Threatened

1. Gary Johnson

Gary Johnson, the lawyer for Larry Nichols, happened to live across the hall from Jennifer Flowers in Little Rock's Quapaw towers. He saw Bill and Hillary's famous "60 Minutes" interview, in which Bill claimed he had NEVER been to Flowers' apartment and that he was not sexually involved with her. The only problem with this was that Johnson had installed a security camera which included a view of Flowers' door. He had a tape of Clinton entering and exiting Flowers' apartment with his own key on several occasions. After he told friends about the tape, some large men showed up at Johnson's door, insisting that he give them the tape. He gave it to them, and they proceeded to break both of his elbows, rupture his bladder and his spleen, and then left him for dead.

2. L. J. Davis

Davis, a reporter for "The New Republic," was researching an article on the Rose Law Firm in February, 1994. On the 14th, he was knocked unconscious as he entered his hotel room in Little Rock, Arkansas. When he regained consciousness, he had a huge lump on his head and some pages from his notebook were missing.

3. Sally Perdue

Ms. Perdue is a former Miss Arkansas, and had her own talk show. In 1983, she had an affair with Bill Clinton, (an allegation supported in the American Spectator "Troopergate" story). She claimed that Bill usually smoked 2 or 3 pre-rolled marijuana cigarettes in an evening, when he was with her. He supposedly brought cocaine with him one evening, as well. When she told her story in 1992 on a taping of the Sally Jesse Raphael show, the company which produces the SJR show decided to "spike" the show and not allow it to be shown in syndication. Miss Perdue then received a threat that her "pretty little legs" might get broken if she did not shut up.

4. Patrick Knowlton

Mr. Knowlton was one of the only persons to visit Fort Marcy Park during the hours preceeding the finding of Vince Foster's body. He had information relating to a suspicious looking character and a car which were present at FMP. His testimony to the FBI was falsified in the FBI reports, directly contradicting his actual testimony to them. When he publicly complained that the FBI rendering of his testimony was incorrect, he was subpoenaed by Kenneth Starr's

Whitewater probe. During the period of time between his receiving the subpoena until the time of his testimony, he was stalked and intimidated by a group of men who owned cars with license plates registered to the US government. He has several witnesses to the intimidation campaign carried out against him.

5. Dennis Patrick

Mr. Patrick has survived three attempts to kill him, and he is now in the Federal Witness Protection Program. He was a customer of Lasater & Company in Little Rock. Millions of dollars were laundered through his account at L&C during 1985 and 1986. He questioned the records which showed deposits and withdrawals of millions of dollars from his account, money which he said was not his. The trades stopped on February 19, 1986, the day Barry Seal was gunned down at his Baton Rouge, Louisiana.

6. Jean Duffy

Ms. Jean Duffy was the head of the Arkansas state drug taskforce, and presented mountains of evidence of the Mena drug-smuggling and its ties to the Clinton administration to members of Congress, much of which might only be made public if or when Congress holds hearings on Mena. Since this time, she has received many anonymous death threats.

7. Bill Duncan

Bill Duncan was a federal agent in charge of the IRS investigation of Mena. While in Washington, D.C., where he held a permit to carry a gun, he was arrested for weapons possession (his service revolver) and was handcuffed to a pipe in the basement of the D.C. police station. After this incident, he was taken off of the Mena investigation. Later, when he was asked to falsify testimony for a Federal Grand Jury, he refused and was fired on the spot.

8. Russel Welch

Russel Welch is a former investigator for the Arkansas State Police who was the head of one of the first Mena investigations. He compiled large volumes of evidence of the Mena operations (at a time before Iran-Contra became public), and was thwarted when he tried to continue to pursue the investigation. He was poisoned with military-grade Anthrax (a substance only available to military sources) and nearly died.

C. Related Players

1. Fahmy Malak

Malak was the Arkansas State Coroner during Clinton's years there. His tenure was quite controversial. In addition to finding the deaths of Kevin Ives and Don Henry to have been accidental, and the death of James Milam (he was decapitated) a suicide, he made many other controversial rulings. In one instance, he ruled that a man who had been shot five times had

committed suicide. Finally, the public outcry was too much, so Bill Clinton forced Malak to resign. He then gave Malak a \$14,000 raise and a new job.

Why would Clinton do this for Malak? In 1985, Virginia Kelley, mother of Bill Clinton, was accused of neglect in her duties as an anesthetic nurse, and was sued over the deaths of two patient deaths she allegedly caused. Fahmy Malak, in a controversial ruling, said that Mrs. Kelley was in no way at fault, preventing Mrs. Kelley from losing a large amount of money and possibly going to jail.

2. Buddy Young

Buddy Young was one of Clinton's bodyguards. He is named in Terry Reed's lawsuit, and he supposedly was the Clinton operative who approached Larry Nichols and informed him that he was a "dead man" if he did not drop his suit against Clinton (SEE ADFA SCANDAL). Young is now the head of the Federal Emergency Management Administration in Denton, Texas. Young also made calls to the policemen who testified against Clinton in the "Troopergate" scandal in which he said "This is not a threat, but I wanted you to know that your own actions could bring about dire consequences."

D. Sources

The Clinton Chronicles

Nicholas A. Guarino, "Murder, Bank Fraud, Drugs, and Sex"

NBC's "Unsolved Mysteries"

L. J. Davis, "The Name of the Rose" - The New Republic

The Wall Street Journal

The American Spectator

usenet posts from Hugh Sprunt, an independent researcher

III. Sexcapades

A. Issues/Allegations

Who revealed the "dirt" on Clinton's Sexcapades?

As revealed in Larry Nichols' lawsuit against Bill Clinton in 1992, the "Troopergate" article in the American Spectator, and the Paula Jones lawsuit, Bill Clinton was involved in a large number of sexual escapades during his term as governor of Arkansas.

Why are these sexual escapades important to the public record?

Many of these liaisons were conducted while he was being escorted by State Troopers being paid public money. He also arranged for his lovers to get lucrative state jobs, and later, when he was elected as President, arranged for them to get national jobs in exchange for their silence.

What verification is there of these sexual partners?

In several cases there is second- and third- person verification of the liaisons. These "witnesses" have put themselves in great danger. Jerry Parks, the owner of Clinton's bodyguard service, and his son collected files on Clinton's escapades, before Parks' murder. Gary Johnson had video tapes of Clinton entering and leaving Gennifer Flowers' apartment in the Little Rock Quapaw Towers. Johnson was beaten severely for having the tape. Larry Nichols revealed the names of many of Clinton's lovers in his 1992 lawsuit. Nichols suffered from several baseless lawsuits and death threats in the years that followed.

Has Hillary had any sexcapades?

Yes. As detailed elsewhere in the FAQ, Hillary carried out a long-time affair with her former business partner Vince Foster. In addition to this, there was a Secret Service "incident" mentioned frequently in the David Watkins travelgate memo. Some sources have quoted an ex-Secret Service agent working in the White House as saying that she walked in on Mrs. Clinton and a hollywood actress engaged in a sexual tryst.

B. Who's Who

1. Who is Gennifer Flowers?

Gennifer Flowers was named in Larry Nichols' lawsuit against Bill Clinton in 1992. Flowers was a longtime lover of Bill Clinton, which he denied before the American public in the infamous "60 minutes" interview. Ms. Flowers had been given a lucrative job in the Arkansas State government, which Clinton had to fight to get her. A more qualified minority applicant filed for the job, but it was given to Flowers, even after a union grievance board ruled in favor of the minority applicant. Flowers recorded some of Clinton "love calls" to her, and made the tapes public. The tapes contained highly damaging information on Bill Clinton which went mostly ignored by the mainstream American press.

2. Who is Beth Colson?

Colson was one of Clinton's lovers. She was given a judicial appointment to the prestigious Arkansas Court of Appeals as a political payoff from Bill Clinton.

3. Who is Regina Blakley?

Blakely was one of Clinton's favorite ladies. When Clinton became President, he used his influence to get her a position with CBS National covering the White House in exchange for her silence.

4. Who is Deborah Mathis?

Deborah was one of Clinton's "bimboes" who accepted a political payoff for her silence.

She was given a position in the White House Press Corps.

5. Who is Susan Whitaker?

Whitaker was one of Clinton's lovers who was paid off with a position as the press liaison between the Arkansas State Capitol in Little Rock and the White House.

6. Who is Elizabeth Ward?

Ward was one of Bill's ladies who was paid for her silence by giving her a job with Clinton friends Harry Thomasson and Linda Bloodworth-Thomasson in Hollywood.

7. Who is Jo Jenkins?

Ms. Jenkins was one of Bill's babes. As a payoff for her silence on their sexual relationship, Bill arranged for Jenkins to receive a high-level position with AP&L.

8. Who is Betsy Wright?

Wright was a prominent member of Clinton's campaign, hired primarily to quash "bimbo eruptions." If one of the 26 or more women who Bill had lengthy sexual relationships with were to come forward (which some did), Wright's duties were to defame the "bimbo" and see that the press ignored them.

9. Who were the officers who "spilled the beans" on Clinton's sexual liaisons on public funds?

The troopers were: Larry Patterson, Roger Perry, Danny Ferguson, Ronnie Anderson, and L.D. Brown.

10. Who is Paula Jones?

Ms. Jones was an Arkansas state employee who was approached by a state trooper at a convention because Bill Clinton had spotted her and wanted to "meet" with her. She went up to Clinton's suite, where Clinton tried to caress her and proceeded to drop his pants and ask for oral sex. Jones refused and left. Clinton tried to persuade her by saying he'd talk to her boss.

Jones has since filed a sexual harassment suit which is still pending, awaiting trial. Because Clinton did not want the trial to occur before the 1996 election, his lawyers bogged the system down with appeals that the President could not legally be sued during his term in office. At one point, they suggested that, as Commander in Chief, Clinton should be eligible under the "Soldiers & Sailors' Relief Act" from World War II - one of the few times that Clinton has ever wanted to be included as a member of the military!

C. Sources

Gennifer Flowers, "Passion and Betrayal", 1995
The Clinton Chronicles
The American Spectator, "Troopergate"
Syndicated Columnist Mona Charen, 1992
Jones vs. Clinton lawsuit

IV. Washington Phase

A. The Death of Vincent Foster

On July 20, 1993, Vincent Foster died. His body was officially found in nearby Fort Marcy Park. These are about the only facts of Foster's death which are undisputed. Foster's death is at the center of the Clinton scandals, and his name runs through many of the Clinton's scandals.

What were the discrepancies in the "suicide" investigation?

- * Both the Confidential Witness (CW) and the first *official* witness, both of whom were very close to the body, are emphatic that they did NOT see a gun.

- * The gun identified as being Foster's gun by his wife was a SILVER steel gun. The gun shown in the crime scene photo released to ABC News by the White House was a BLACK gun.

- * There were no fingerprints on the gun.

- * The powder burns on Foster's hands show a hand position that could not have possibly fired a gun into his mouth.

- * There were only two bullets in the gun, and none could be found in Foster's office or his home to match those two bullets.

- * The bullet which supposedly killed Foster was never found.

- * The position in which the body was found was totally inconsistent with a suicide, yet the death was treated as such from the beginning.

- * Both the CW and the first official witness placed the body at the "first cannon" in Fort Marcy Park. The body was "officially" found over 200 feet away at the "second cannon," the only other cannon in the park.

- * Three civilian witnesses saw two suspicious individuals hanging around Mr. Foster's Honda in the FMP parking lot. No attempt was made to find these individuals until over 2 years after Foster's death.

- * More than one civilian witness has come forward to state that the *official* FBI reports of their testimony were completely false, and contradicted their actual testimony in key areas.

* Six of the seven Fairfax County Fire and Rescue Department (FCFRD) and Park Police (PP) employees who were first on the scene after the 911 call recall a second civilian vehicle in the parking lot when they arrived. None of the FCFRD members were interviewed in the PP investigation, even though they were requested to turn in reports before leaving at the end of their shift. This vehicle has never been identified.

* The PP Investigator on the scene stated that the determination of suicide was made before the PP went up to look at the body.

* The PP reports indicate that there were "volunteers" cleaning trails in the park while they were there, but none of the "volunteers" was ever identified or interviewed.

* The testimony of the only M.D. to examine Foster's Body at the scene has not been included in the *official* record. It places the body 450 feet from the parking lot (the first cannon). the second cannon is over 750 feet from the parking lot.

* The M.D. wrote that the wound was consistent with a *low-velocity* weapon, and not a *high-velocity* one. The PP report and the Fiske report conclude that the wound was made by a *high-velocity* weapon and NOT a *low-velocity* one. In order to avoid a contradiction in the final reports, the M.D.'s report is not included in the official report.

* The Fiske Report stated that there was "a large pool of blood located on the ground where Foster's head had been." and that the M.D. "Observed a large exit wound in the back of the skull." The M.D. told the FBI that the blood volume was "small" and what blood there was had "matted and clotted." The lead investigator was also very surprised by the small size of the exit hole, and speculated that the bullet might still be in the skull cavity, in direct contradiction to the conclusions of the Fiske report.

* A small trail of blood ran *uphill* from Foster's mouth up his face.

* Paramedics noted what looked like a bullet hole in Foster's neck. No such hole was mentioned in the autopsy.

* The doctor who performed the autopsy, took no X-rays of Vince Foster's body, yet the PP report claimed that no bullet fragments were seen in an X-ray of Foster's skull. This discrepancy has not been resolved. In his testimony before the WW committee, the doctor said that he didn't take any X-rays of the body, even though his report said that he did, and even though the two policemen in attendance at the autopsy said that he did. The doctor testified that he had sent out the body for X-rays because his machine was broken, but the X-rays had not been processed before he did the autopsy. He has never received these X-rays, and the X-ray service company did not "fix" his machine for months after the Foster death.

* The autopsy was rescheduled from Thursday afternoon, the 22nd, to Wednesday morning, the 21st, ensuring that nobody with first-hand knowledge of the crime scene could be there, since

they had been out the entire night before.

* Foster's eyeglasses were found 19 feet *downhill* from his head with one of the stems broken. The ground was covered in thick vegetation, and there is no reasonable explanation how they could have gotten there if Foster committed suicide as reported by the PP and the Fiske report.

* A US PP officer took 7 Polaroids of the body, which are missing from the record. Another PP officer took several Polaroids, all of which are missing. All of the 35mm photos taken at the crime scene are missing as well.

* After arriving at the scene, the lead PP officer searched Vince Foster's body and his pockets and found no car keys. No keys were found in Foster's car, either. Yet, the death was never treated as a possible homicide.

* After it was pointed out that they still had no car keys, the PP did not search the area or the car again, but instead drove straight to the morgue, where they "found" not only Foster's car keys, but also his White House key and a high security key in his front right pocket. Such a bulk of keys should have been obvious in the first search.

* Two White House officials traveled to the morgue that night to "identify" the body, even though the PP had already identified it via Foster's White House ID. One of the officials had already identified the body as Foster to his boss earlier in the day. Why was the trip necessary?

* The only unusual piece of paper found on Foster was a note with the initials of Bill, Hillary, and Chelsea, along with dollar amounts and Arkansas city names. This paper was never explained in the official reports.

* Five witnesses testified that they saw a briefcase in Foster's car at FMP. No briefcase was listed in any of the official reports.

* When the FCFRD examined the exterior of the Honda, it was noted that the car was locked. less than an hour later, the car was unlocked when it was first officially searched. The keys to the car were not found until hours later.

* At 6:40 p.m., the PP lead investigator wrote down the name and phone number of a Secret Security officer. The official White House position is that they did not find out about the death until 8:30.

* The first question asked by the White House when it learned of Foster's death was if the investigators had checked the registration number of the gun to see if they knew who it belonged to. The White House Director of Personnel called the PP investigator a few minutes later to ask him the same question. Why was this the first question asked, and why was the White House so interested in this that it was the second question as well.

* There was little damage to Foster's gums and teeth, which should have been broken and mutilated due to the recoil of the .38 Colt and its high front site.

* The PP investigation was completed with the finding of suicide before the gun was even sent in for testing to see if it could even fire.

* Blonde hairs were found on the crotch of Foster's pants, semen was found in his underwear, and his clothes were covered with pink carpet fibers. None of these pieces of evidence was investigated in the PP investigation or the Fiske investigation.

* On the day of Foster's death, subpoenas were served to Arkansas Judge David Hale, and the offices of Madison Grant Savings and Loan were raided by the FBI. An odd coincidence?

* Secret Service memo 2551 indicates that the White House knew about Foster's death before the time they "officially" knew of his death. The memo also indicated that Foster was found in his car in the White House parking lot, which meshes well with phone calls allegedly made by Clinton nanny Helen Dickey.

* An FBI fingerprint expert testified to the Senate Whitewater committee that he had received 28 pieces of the torn "suicide note," yet later, only 27 pieces could be found, and the news media reported, and still reports that only 27 pieces of the note were found. Who is lying? Where did the missing piece go?

* Dr. Beyer testified to the committee that HE did not take any X-rays, because his X-ray machine was broken, although he had written on the autopsy form that he had, and the two policemen who were in attendance at the autopsy said that he told them that he had. However, in Dr. Beyer's Deposition to the Committee, he stated that he sent the body out to another facility for the X-rays. He further said that the X-rays were not processed and back to him by the time he did the autopsy. Furthermore, the X-ray machine service company was never called, and never did any repairs on the new X-ray machine for many months before or after the date of the autopsy. Which testimony is the truth and which is a lie?

* Three of the top experts in "questionable" documents claim that the "suicide note" is a forgery. The credentials of these people make it hard to not believe them; therefore the "suicide note" is most likely a forgery. Who forged it? Who knew it was a forgery?

* There are MANY more discrepancies, which are documented in Hugh Sprunt's CIR

What was the President's response to Foster's death?

The day after Foster's death, Clinton told a meeting of White House staffers, "In the first place, no one can ever know why this happened. Even if you had a whole set of objective reasons, that wouldn't be why it happened, because you could get a different, bigger, more burdensome set of objective reasons that are on someone else in this room.... I hope when we remember him and this we'll be a little less anxious to talk outside our family." Was this a warning

to keep silence?

What about Foster's suicide note?

The "suicide note" was found in the bottom of Foster's briefcase six days after Foster's death, even though the briefcase was searched and turned upside-down in the presence of an FBI agent several days before. The note was torn into 28 pieces, of which only 27 were found. The missing piece was the one which was in the place which should have been used for Foster's signature. Two years after Foster's death, three handwriting experts were able to conclude that the note was a forgery. This story was completely spiked by the mainstream media.

What's the deal with the files in Foster's office?

On the evening of July 20th, White House lawyer Bernard Nussbaum told the FBI and Park Police that they could come to Vince Foster's office to look through his files and the rest of his belongings in the office at 10:30 the next morning. The next morning, Nussbaum reneged on the agreement, saying that he did not want the FBI to have "unfettered access" to Foster's documents. The FBI and PP were only able to search the office in the presence of Nussbaum at a later time. Months later, it was revealed that Hillary Clinton's Chief of Staff Maggie Williams had removed files from the office that night, and that Clinton aides spent much of the night getting access to Foster's office safe. An entire box of files containing the Clintons' personal files was removed from Foster's office, and an itemized index of Foster's files which was present in his office on the 20th disappeared. The Clintons' files, which contained papers on Whitewater, were stored for three days in a closet in Hillary Clinton's suite before they were turned over to the Clintons' private lawyers. In Senate testimony, over 2 years after Foster's death, it was discovered that Maggie Williams, Bernard Nussbaum, Hillary, and Hillary's close friend, Susan Thomases, had exchanged a flurry of telephone calls late at night on the 20th, and early in the morning on the 21st, linking the First Lady to the obstruction of the Foster investigation. Why the secrecy and obstruction if the Clinton's had nothing to hide?

Deborah Gorham, Foster's secretary, testified that she placed two large manila envelopes in the safe-both addressed "For Eyes Only," one to White House Associate Counsel William Kennedy, the other to Attorney General Janet Reno. She also testified that Nussbaum asked for the combination to this safe immediately after Foster's death. Deborah Gorham told investigators for Kenneth Starr that on the day before he died, Foster received a document related to Systematics. And this was a document that disappeared from his office after his death. What happened to the three envelopes? What was in them? Why did Foster leave them? Kennedy testified he did not receive his envelope. He does not know what happened to it.

How was Foster related to the Clintons?

There have been some reports that Foster was a lifelong friend of Bill Clinton. The record on this, though, does not bear out under scrutiny, as they were no better than acquaintances before Clinton became governor. However, there is documented evidence that Mrs. Clinton and Foster, who were law partners at the Rose Law Firm, carried on a long-time love affair. Foster

and Hillary were seen "deep kissing" in a semi-public party, and Foster was seen with his hand on Mrs. Clinton's buttocks. When Bill Clinton traveled out of Little Rock, Vince Foster spent long evenings with Mrs Clinton as soon as Bill had left. It has also been reported by Clinton acquaintance Nicholas Guarino that Hillary and Foster spent several weekends together in the Rose Law Firm cabin in the Ozarks.

In the White House, Foster was involved as a lawyer for the Clinton's private matters (Whitewater, Trust Funds, etc.) and their public matters (Travelgate).

Who is Maggie Williams?

Williams was Hillary's Chief of Staff. She has admitted to taking a box full of files from Vince Foster's office on July 21st, 1993 and putting them in a closet in the Hillary's private residence in the White House. Despite being seen by a Secret Security officer removing several file folders from Foster's office on the night of July 20th, Williams denies she did this. In her Senate Whitewater testimony, she claimed not to recall answers to questions posed by Republican senators in regards to the events surrounding Foster's death and its aftermath. There are speculations that Williams was present in Foster's office to remove any personal correspondence (i.e. love letters) between Foster and Mrs. Clinton.

Who is Bernard Nussbaum?

Nussbaum was a White House attorney who removed files from Foster's office on the night of his death. He also refused to allow Foster's office to be searched by the FBI and PP the day after Foster's death.

Who is Patsy Thomasson?

Thomasson is a close personal friend and advisor of Mrs. Clinton. She was also an ex-employee of Dan Lasater. In her official role, she had no business whatsoever being in Foster's office after his death. However, as a liaison between Lasater's shady Bond company, his drug operation in Mena, and the White House, she may have been there to remove any files relating to Lasater

Who is Patrick Knowlton?

Mr. Knowlton was one of the only persons to visit Fort Marcy Park during the hours preceeding the finding of Vince Foster's body. He had information relating to a suspicious looking character and a car which were present at FMP. His testimony to the FBI was falsified in the FBI reports, directly contradicting his actual testimony to them. When he publicly complained that the FBI rendering of his testimony was incorrect, he was subpoenaed by Kenneth Starr's Whitewater probe. During the period of time between his receiving the subpoena until the time of his testimony, he was stalked and intimidated by a group of men who owned cars with license plates registered to the US government. He has several witnesses to the intimidation campaign carried out against him.

Who is Marsha Scott?

Ms. Scott, sometimes known as Bill's "hippy girlfriend," is an acquaintance of Bill's from the 60's. A fellow Arkansan and FOB, Scott was brought with the Clinton entourage to Washington. Although she never passed a security clearance, Ms. Scott was a White House employee for some time. She met with Vince Foster for over an hour on July 19th for "personal" business, but when questioned could only recall that Vince said he had a good weekend. She has divulged no other details from the meeting, although it is a possibility that she was a go-between the Clinton's and Foster who may have tried to talk Foster out of resigning/turning state's evidence.

Who is Helen Dickey?

At the time of Foster's death, Dickey was Chelsea's nanny. (perhaps Hillary's ghost-written book, "It Takes a Village" should have been titled "It Takes a Nanny") According to the sworn testimony of Arkansas State Troopers Roger Parry and Larry Patterson, and testimony of another Arkansas resident, Lynn Davis, Ms. Dickey called sometime between 5:30 and 7:00 CT to notify Governor Jim Guy Tucker that Vince Foster shot himself in his car in the White House parking lot. This story meshes well with Secret Service memo 2551. However, in testimony before the Senate Whitewater committee, Ms. Dickey claimed that she called Arkansas at about 10:30 EDT and that the story she told Governor Tucker was that Foster killed himself in FMP.

Sources

Senate/House Whitewater Committee Testimony
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Various AP/Reuters articles
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Nicholas Guarino, "Murder, Bank Fraud, Drugs, and Sex"
The American Spectator

B. Travelgate

Issues/Allegations

What is Travelgate?

The scandal known as "travelgate" occurred in May of 1993. Under intense pressure from Hillary Clinton, White House employee David Watkins fired the seven-member staff of the White House Travel Office with the intent of replacing them with the World Wide Travel of Little Rock, a company partially owned by Hollywood producer and FOB Harry Thomasson and one of Clinton's cousins. The manager of the White House Travel office was indicted for embezzlement, though he was acquitted two years later.

So what's the scandal?

The scandal in travelgate is in the cover-up. Mrs. Clinton denied any involvement in the decision, and the White House insisted that the seven-member staff (six members were quickly rehired) was inept and should have been fired, a charge that was consistently proved false. They also charged WHTO manager Billy Dale with embezzlement, a charge that Dale was acquitted of after less than 2 hours of deliberation. Notes released more than two years later revealed that Mrs. Clinton's attorneys lied on her behalf in stating her non-involvement, and that Mrs. Clinton and Vince Foster were major players in the scandal, a pure and simple attempt at political patronage at the expense of innocent people. Also, the White House misused the FBI in trying to clear themselves of any wrongdoing.

What criminal charges can be made in this scandal?

Most of the offenses in travelgate were ethical in nature, although there are some charges that can be made. Misuse of the FBI could yield some charges, and the testimony given by Hillary's lawyers on her behalf to a GAO investigation could yield perjury charges. It is also possible that perjury charges could be brought against the First Lady, depending on what she testified in her deposition to Kenneth Starr.

What is the purpose of the White House Travel Office?

The WHTO makes the travel arrangements for the White house Press Corps, \$7 million-dollar-a-year expenditure. The office is an apolitical non-partisan agency that aids the media accessibility to the White House.

Why has this scandal received much more press coverage than other Clinton scandals?

The White House Press Corps personally knew the members of the WHTO and did not believe the charges made against them. They also felt that the Clintons were being spiteful in prosecuting Billy Dale.

Could anyone be indicted over Travelgate?

In a word: Yes. Hillary Clinton's written testimony to the GAO investigator of the Travel Office Affair stated that she had nothing to do with the firings and was unaware of the situation. However, David Watkins' memo, and other papers reluctantly released by the White House (under threat of a Contempt of Congress citation) paint a different picture; one of Hillary showing great interest in getting the old Travel Office employees out and "our people in". Or, if you choose to believe that Hillary is telling the truth, the David Watkins could be indicted for perjury.

Who's Who

Who is Billy Dale?

Billy Dale was the manager of the WHTO who was wrongly accused of embezzlement, a charge that cost him his job, two years of his life, and his entire life savings. His only "crime" was that he held a job that Hillary had earmarked for a FOB.

Who is David Watkins?

Watkins was a management consultant hired by the White House. He was pressured by Hillary Clinton and his boss, Mack McClarty to fire the WHTO at the behest of Harry Thomason. After the firing reached scandal proportions, it was leaked to the press that Watkins had used a White House helicopter to take a golfing trip, and Watkins resigned. Before he was put in hot water, Watkins wrote a memo which he wrote was his "first attempt to be sure the record is straight, something I have not done in previous conversations with investigators." He also wrote that "I have been as protective and vague as possible" in his interviews with investigators looking into the firings. This memo was not released until two-and-a-half years after the firings.

Who is Harry Thomason?

Thomason and his wife are Hollywood producers with ties to Little Rock and the Clintons. Thomason, who did not have a White House security clearance, spent several days in the White House during the months after the Clintons' inauguration, and was lobbying Hillary to fire the WHTO so that he could bring in his company, World Wide Travel, to take over the business.

Sources

Tony Snow, Creator's Syndicate
Mona Charen, Creator's Syndicate
The American Spectator
AP, Reuters, CNN

C. Whitewater Congressional Hearings

Issues/Allegations

What are the Washington-based scandals in the WW hearings?

During the period of time from 1993 - 1995, the Democratically-controlled House and Senate performed weak inquiries into Whitewater and other Clinton scandals. Key witnesses were not allowed to testify, evidence was disallowed, and certain lines of questioning were declared "out-of-bounds". In 1995, the hearings began anew, and this time the witnesses displayed outrageous behavior. Witnesses testified that they lied to their diaries, tape recordings of themselves couldn't be identified, and many witnesses displayed incredible amnesia. In addition to this, key documents were withheld from the committees by the White House, and some

documents were provided only after the Senate voted to take the White House to court.

Who lied to his diary?

Josh Steiner, a White House aide, was being questioned by the WW committee about events he wrote in his diary which conflicted with testimony given by Roger Altman. Rather than impeach Altman's testimony, Steiner, in effect, testified that he lied to his diary!

Who is Roger Altman?

Altman was one of Clinton's top financial White House employees. He arranged meetings between Justice Department officials and the White House to (illegally) brief the Clintons on the ongoing investigations into their Whitewater venture and the failure of Madison Guarantee S&L. His testimony before the committee was full of contradictions and disrememberances. One of his aides, Josh Steiner, testified that he lied to his diary in order to keep from conflicting with Altman's testimony.

Who couldn't recognize her own voice on tape?

Answer: Ms. April Breslaw. Ms. Breslaw was lawyer in the Kansas City office of the Resolution Trust Corporation (RTC), the government investigational organization which was in charge of the S&L cleanup. Ms. Breslaw intentionally mischaracterized the nature and conclusions of the Whitewater/Madison investigation by Jean Lewis. In 1994, she met with Lewis to tell her that "the people at the top...would like to be able to say Whitewater did not cause a loss to Madison." She did not know that Lewis recorded the conversation, and when Breslaw was confronted with the audio tape in front of the Whitewater committee, she claimed that could not recognize her voice on tape, as she'd never heard it on tape before, in an obvious attempt to prevent incriminating herself and her superiors in obstruction of justice.

Who is Jean Lewis?

Ms. Lewis was a Senior Investigator with the RTC in Kansas City, who was assigned to the Whitewater/Madison investigation. She made criminal referrals on many FOB's, including both McDougals, Jim "Guy" Tucker, and Dan Lasater. She was also able to connect a significant amount of money to the Bill Clinton political campaigns. Most of her referrals have EVENTUALLY ended in indictment and conviction. However, when she made the referrals, some were misplaced for a significant amount of time by Clinton appointees, and one set of referrals was dismissed by Ms. Paula Casey, another Clinton appointee. Lewis was pressured by RTC lawyer April Breslaw and told that "the people at the top...would like to be able to say Whitewater did not cause a loss to Madison." Lewis recorded this conversation and played a tape of it before the Whitewater committee. Breslaw claimed she could not recognize her own voice on tape, and disavowed that the recorded voice was hers.

Who is Paula Casey?

Paula Casey is the United States District Attorney for the Eastern District of Arkansas, appointed by Bill Clinton. She received from her predecessor, Chuck Banks, the criminal referrals made by RTC investigator Jean Lewis. Although a Republican appointee, Banks was angling for a Federal Judgeship appointment from President Clinton and did not act upon the referral. Paula Casey was also a former law student of Clintons, during his stint as a professor. She also refused to enter into a plea bargain with Judge David Hale, who accused Bill Clinton of pressuring him to make a bad unsecured loan to Susan McDougal. The proposed plea bargain would have exchanged Hale's testimony against McDougal (and indirectly, Bill Clinton) for a reduced sentence against Hale. Four days later, November 9, 1993, Ms. Casey recused herself of the

situation after there was a Republican outcry. Prosecution of the McDougal case was subsequently taken over by the Whitewater Special Counsel. (Source: The Whitewater Whitewash, Martin L. Gross, Ballantine Books, 1995)

What is the significance of the November 5, 1993 notes that had to be subpoenaed by the entire Senate?

On November 5, 1993, a meeting was held with the Clintons, their personal lawyers, and White House (i.e. PUBLIC) lawyers. The meeting was held to stem the tide of Whitewater torture the Clintons were enduring. In the meeting, William Kennedy, a White House lawyer with confidential information on an investigation into the Clintons, took notes of the meeting. Initially, Kennedy said he could not release the notes because Bill Clinton was claiming attorney-client privilege, despite the fact that Kennedy was not his private lawyer. Eventually, only after the Senate voted to take the Clintons to court, the notes were released. Several damning statements were made in the notes, the most obvious one being that they needed to "vacuum the documents" from the Rose Law Firm.

What is the importance of the Susan Thomases notes?

Notes taken by Susan Thomases, Hillary Clinton's close friend, show that Hillary may have had more of a role in the failure of Madison Guarantee Savings and Loan than she previously testified. The note also smacks of a possible cover-up in which Thomas that Rose Law Firm Junior Partner "will say he did the work." The testimony and notes of Thomases also revealed that ORIGINALS of Whitewater and Madison files once in the possession of Foster, and after his death, were stored in the basement of Webster Hubbell.

Who has displayed amazing amnesia in the hearings?

Maggie Williams and Susan Thomases, in their smug testimony before the Senate WW committee disremembered _170_ times events relating to Whitewater and Vince Foster. Other testimony had to be dragged from them, full of qualifiers and weasel words, revealing a series of late night and early morning phone calls from Hillary on the day of Vince Foster's death and the following day. Their testimony was so ingenious that Senate WW Committee chair, Al D'Amato asked Independent Counsel Kenneth Starr to indict the two of them on perjury charges.

Who are the notable personages on the WW panels?

* Senator Alfonse D'Amato - head of the Senate Banking committee, and the leader of the same committee's inquiry into the Whitewater matter. D'Amato is believed to have a clandestine source of White House documents, which he uses to leverage original copies from the White House.

* Senator Paul "Sourbrains" Sarbanes is the ranking minority member of the Senate WW committee. One wonders if he is really paying attention to the proceedings, as he usually blows up long enough to call the hearings "propoganda" before falling back into a state of lethargy.

* Michael Chertoff is the Republican counsel and runs most of the questioning of witnesses before the committee. Seems to be a pretty good lawyer (a contradiction in terms?), and one gets the impression that he already knows the answers to the questions he's asking and that he's leading the witness to a place he/she never intended to go.

* Richard Ben Veniste is the Democratic counsel in the Senate WW committee. Mr. Ben Veniste provided the committee hearings with its lowest point, questioning Investigator Jean Lewis about an erased personal letter he recovered from a floppy disk she provided.

* Senator Bobbie Boxer (D - CA) is the ridicule of the WW committee (which may be why she almost never shows up). As a relative of the Clinton's (related by marriage), she has refused to recuse herself in the matters of the committee.

* Rep. James Leach, Republican leader of the House Banking Committee, has been a long-time critic of the Clintons' Whitewater and related scandals. Leach has raised serious questions about the Clintons' on the floor of the House and is pushing for hearings into the Mena drug-smuggling operation and the ADFA.

* Rep. Henry "Gonzo" Gonzales, the Democratic ex-leader of the House Banking Committee who threw out key evidence and refused to seat crucial witnesses in the Whitewater "sham" hearings in 1994.

Sources

Transcripts of the Senate and House Whitewater committee meetings.
AP, Reuters, CNN Newsfeeds
William Safire, New York Times editorialist

D. The FBI File-flap - "Filegate"

What IS Filegate?

In early 1993, Craig Livingstone, an ex-bar-bouncer, and friend of Hillary Clinton, was hired by the Clinton White House to head up their security. Livingstone hired Anthony Marceca, a long-time Democratic operative working for the Army's Legal Services group to go through background files.

However, what Marceca and Livingston went over were over 900 files of ex-Bush and -Reagan employees, including Billy Dale (who would, in a few months, be fired in the Travelgate scandal) and ex-Secretary of State James Baker. This information came to light in the House Congressional hearings into Travelgate, when the White House reluctantly released records which showed that they had Dale's FBI file pulled, and that it was still in a safe at 1600 Pennsylvania Avenue. At first, the White House claimed that only a few files were pulled. This number grew to 70, then 150, then 300, then 400, and finally to 900 (at least for now). Though the White House has claimed that this was just a "clerical oversight", their excuses have been shot down, one-by-one, although no evidence has been submitted showing that information from the files was used. (NOTE: Watergate figure, Chuck Colson, was sent to jail for 3 years for the misuse of ONE FBI file!). The "Filegate" matter is now being investigated by the office of Mr. Kenneth Starr.

Who hired Craig Livingstone?

Good question. While an employee of the White House, Livingstone told associates that he was hired by Hillary Clinton, an allegation supported by many involved. However, once the FBI file matter became a controversial issue, Livingstone fell victim to White House Amnesia, and could not remember who hired him during Congressional hearings. Eventually, the Clintons' decided to blame the dead guy, so the story was circulated that Livingstone was hired by Vince Foster. This excuse contradicted Livingstone's testimony, though, as Livingstone had testified to Congress that he barely knew Mr. Foster, and had never met with him. (An interesting side-note: Livingstone was the White House staffer who identified Foster's body in Fort Marcy Park.) So, the answer to the question of who hired Livingstone is still undecided.

Sources

Transcripts of the Senate and House Whitewater committee meetings.
AP, Reuters, CNN Newsfeeds

E. The Death of Ron Brown

On April 3, 1996, Ron Brown, and 35 other people were killed when his plane crashed outside of Dubrovnik, Croatia. At the time of his death, Ron Brown was under investigation by a Special Prosecutor for illegal acts committed during his tenure as Secretary of Commerce. Though it is likely that this truly was an accident, a number of controversies surround the crash and its aftermath.

What were the discrepancies and controversies involved in the crash and investigation?

* Sergeant Cheryl Turnege, a steward on the plane, survived the crash and was walking and coherent at the site of the wreckage when the rescue crews arrived 4 hours after the event. When

she was inspected before being flown to Dubrovnik, no major injuries were noted. Yet, on the trip to the hospital, she died of a severed femoral artery. This type of injury should have killed her minutes after the crash, and would have been obvious to medical personnel on the site.

- * Croat investigators were reported to have found the "black box" (which is really a bright day-glow orange) soon after the crash, but the box disappeared soon after the Americans came on the scene, and it was claimed that the military plane did not have a black box due to oversight.

- * The plane DID have INS, GPS, and Doppler equipment on board, but no information on its contents has been released.

- * Tapes of radio traffic were 'accidentally erased,' a very unusual occurrence, since these tapes are highly guarded under tight security.

- * It took an unusually long time for U.S. Forces to reach the crash site (over 4 hours), and the group which arrives was a U.S. Special Forces group (which is also VERY unusual for this type of incident).

- * While the White House reported that the plane went down during "the worst storm in a decade", no such storm was reported by local Croats, and no such storm existed according to both Aviation Week and The Weather Channel.

- * The commander of the plane's unit at Ramstein AFB was reassigned a week before the crash after he complained about safety concerns and insufficient funds for proper safety equipment.

- * The Dubrovnik maintenance tech responsible for the "faulty beacon" which may have led to the crash was not to be interviewed until 4 days after the crash, which was one day too late, as he shot himself in the stomach 3 days after the crash, though supposedly for reasons unrelated to the crash.

- * Engineers from Pratt & Whitney (the makers of the plane) were not invited to take part in the crash investigation, though they are normally brought in to do so.

- * Traces of thermite were recovered from the crash site and from the victims. Thermite can easily be used to sabotage an airplane.

- * It was initially reported that the plane crashed into the Adriatic Sea, and that debris had been recovered. The plane did disappear from radar when it went below 2000 feet, while it was still over the water. If the plane had been sabotaged with thermite, debris could have streamed out of a hole in the plane, though the pilot, with some luck, might be able to get the plane safely to land.

- * Less than 2 months before the crash, Ron Brown was quoted as saying that if he went down he would "take a lot of people" with him.

Sources

AP, Reuters, CNN Newsfeeds
Aviation Week
Hugh Sprundt, an independent investigator

V. Arkansas Phase

A. MGSL/WWDC

Issues/Allegations

What exactly are the allegations in the federal WW probes?

- * The Clinton's have received illegal campaign donations and fraudulent loans
- * Bill Clinton used his power as governor to prevent the shutdown of a failed S&L so that he and his friends could use it as a cash cow.
- * Hillary Clinton was involved in an obvious conflict of interest, representing both Madison Guarantee Savings & Loan (MGSL) and the federal government, defrauding the government of \$60 million dollars.
- * Hillary and the Rose Law Firm, through the ADFA, set up a sweetheart regulatory deal to defraud the government and funnel money to FOBs.
- * The White House may have played an active role in the death of White House Deputy Counsel Vincent Foster.
- * The White House was involved in a cover-up in the taking of files from the office of White House counsel Vincent Foster after his death.
- * The Clinton's used the WWDC, in which Hillary had full power of attorney, as a real estate scam to defraud the government.
- * Hillary helped Seth Ward, Father-in-Law of Web Hubbell, to defraud the government of \$3 million in the Castle Grande real estate deal.
- * Roger Altman arranged a meeting between the Justice Department and the White House to pass on confidential information in the investigation of MGSL

What is the Whitewater Development Corporation (WWDC)?

The WWDC was a real estate venture created in 1979 by James and Susan McDougal and

Bill and Hillary Clinton at a cost of \$200,000. The Whitewater property is comprised of 230 acres along the White River. The nearest grocery store is 90 miles away, and at the time WWDC was formed, there were no roads anywhere near it. One could argue that, on the surface, WWDC was a stupid investment, especially for "the brightest lawyer of our time."

The Clintons and McDougals borrowed \$182,611 in 1978 from the Citizen's Bank of Flippin. The down payment on the loan was made via a \$20,000 loan from the Union Bank. Neither loan required any financial statement. [When was the last time you were able to take out a \$200,000 loan with a 10% down-payment, also loaned, without a background check?] During a nine-month period in which no payments had been made, the Citizens Bank made an unsecured \$20,000 loan to help pay \$30,000 in unpaid interest, also w/o a financial background check. Initially, the Clinton's made payments along with the McDougals on the property (\$9000 of which was illegally deducted on the Clinton taxes), but after 1984, the Clintons made few payments. The last lot of WWDC was sold in 1985.

Chris Wade, a real estate agent who owned Lot 7, illegally shielded the property in his bankruptcy hearings by a temporary transfer of its title. Kenneth Starr had indicted Wade and received a guilty plea for this infraction.

What is the story on Madison Guarantee Savings & Loan (MGSL)?

MGSL was a bank formed by WWDS co-owner James McDougal in 1979 with initial assets of \$500,000. In 1985, it had assets of \$120 million dollars, and in 1989, MGSL went under, costing the US government \$60 million to bail it out. The checking account for the WWDC was a major account at MGSL, and made millions of dollars in loans to friends of the Clintons and their campaign supporters. Jim "Guy" Tucker's ventures received over \$1 million in unpaid loans from MGSL.

In 1985, McDougal supposedly held a fund-raiser for Clinton at MGSL, paying off Bill's \$50,000 campaign debt. The only problem with this is that the "supporters," (mostly employees and family of employees of MGSL) don't remember making any such political donations.

What is Castle Grande?

Castle Grande was a real estate scam involving Seth Ward, (the father-in-law of Webster Hubbell), James McDougal, and Hillary Clinton. Seth Ward obtained a \$1.15 million dollar loan from MGSL to buy a large piece of land known as Castle Grande, in which James McDougal personally invested \$400,00 as a partner. Then, MGSL proposed buying Castle Grande back from Ward & McDougal, paying Ward a 10% commission. The first transaction involved the sale of a 22-acre plot to MGSL for \$400,000, a transaction written up by lawyer Hillary Clinton. The eventual failure of Castle Grande cost the government \$4 million. The initial loan to Ward was structured so that he could not be liable in the case of Castle Grande's failure.

Hillary testified to the RTC that she could not remember doing any legal work on Castle Grande. In addition to the above-mentioned legal transaction, Hillary completed the legal work

for the addition of a sewer and a brewery for Castle Grande. Hillary's specialty with the Rose Law Firm was litigation, and Mrs. Clinton is yet to adequately explain her involvement in this scam.

How is the Arkansas Game and Fish Commission (AGFC) involved?

During Clinton's second term as governor, the AGFC was approached by Whitewater owner Chris Wade, who "gave" two acres of the WW property to the state upon which the state could build a boat ramp and a few trash barrels. (It is important to note that up to this point there was not even a road attached anywhere near the WW property.) In exchange for the "gift" of land to the state, the AGFC and the Arkansas Highway department spent several million tax dollars to build a road and a bridge to the Whitewater property. This money came from federal and state funds from the Marine Fuel-Tax Turnback Fund, which was created make fisheries more accessible. In Arkansas, though, this money could be used by state agencies, like the AGFC, to pay off political favors to the governor and his buddies.

How is Capital Management Services, Inc. (CMS) involved?

CMS was an investment company owned and run by Arkansas Judge David Hale, which went bankrupt because of unpaid loans. As a Small Business Investment Company, it could only make loans to "disadvantaged" businesses. CMS made a number of questionable loans and other financial transactions. Some examples:

- * Hale was pressured by Bill Clinton to give an unsecured \$300,000 loan to Susan McDougal which was not repaid. The \$300,000 was briefly put into the WWDC, and part of it was eventually used to help pay off some Clinton campaign debts.

- * Capital received a \$500,00 real estate loan from MGSL, which it never repaid.

- * CMS loaned \$300,000 to Jim Guy Tucker supposedly for a cable television business, and the loan was not repaid. Tucker has been indicted for giving a fraudulent reason for the loan.

- * CMS made a \$65,000 loan which was used to illegally pay off a debt of the Kings River Land Company real estate development owned by Clinton aide Stephen Smith, Jim Guy Tucker, James McDougal, and Smith's father. Smith has pled guilty to misdemeanor charges in this action.

How is Master Marketing involved?

Master Marketing was the company owned by Susan McDougal to which the \$300,000 loan was made by CMS, under the pressure of then-Governor Bill Clinton.

How is the Bank of Cherry Valley involved?

The Bank of Cherry Valley is an Arkansas bank that was owned by Maurice Smith, Jr.

The bank gave Clinton an unsecured \$50,000 personal loan during Clinton's 1984 gubernatorial campaign. It also loaned Clinton \$220,000 during Clinton's governorship that was used to promote Clinton's legislative agenda. Smith was appointed Arkansas State Highway Director in 1987, and was given an aide position in the White House.

How is the Kingston Bank & Trust involved?

The Kingston Bank and Trust (which later became Madison Bank and Trust - not to be confused with MGSL, though) loaned Hillary Clinton \$30,000 which was used to build a model home on the WWDC, which then assumed responsibility for the loan. This was not correctly reported in the Clintons' tax returns.

How is the Perry County Bank involved?

The Perry County Bank loaned the Clinton campaign \$180,000 for his 1990 campaign. The president of the bank has been indicted for trying to hide a \$30,000 withdrawal from the account from the IRS. Another sizable withdrawal was made, \$22,500 just before the election. Right after Clinton's election, the co-owners of the bank were given Arkansas state government positions.

How is the Rose Law Firm involved?

The Rose Law Firm is at the center of many of the Arkansas scandals. In relation to Whitewater, Rose was the legal representative of MGSL, and later became the law firm representing the RTC in its suit against MGSL, an obvious conflict of interest. Hillary Clinton, Webster Hubbell, Vince Foster, and William Kennedy III are all partners of the firm, with Foster, Hubbell, and Clinton as the three senior partners.

Rose is being investigated by the RTC for its conflict of interest involving MGSL, and possibly by Kenneth Starr for its shredding of documents belonging to Vince Foster, which began right after Fiske became the first special counsel. Rose is countersuing the RTC to keep it from revealing its list of major clients.

Who are the major clients of the Rose Law Firm?

Axiom Corporation, Aluminum Coproration of America, Arkansas Association of Bank Holding Companies, Arkansas Freightways, Arkansas Poultry Federation, Arkansas-Oklahoma Gas Corporation (ARKLA), Beverly Enterprises, Bridgestone/Firestone Inc., Canon Express Inc., The Equitable Life Assurance Society of the United States, Fairfield Communities Inc., Federal Deposit Insurance Corporation, General American Transportation, General Electric, General Motors, Georgia-Pacific, The John Hancock Mutual Life Insurance Co., Harps Food Stores, Harvest Foods,

International Paper, The Kemper Insurance Group, Massachusetts Mutual Life Insurance, MCI Telecommunications, 3M, New York Life Insurance Co., Paine-Webber, Panhandle Eastern Corporation, Pel-Freeze Inc., The Prudential Insurance Company of America, J. A. Riggs Tractor, The Winthrop Rockefeller Foundation, Stephens Inc., Systematics Information Services, TCBY, Tramell Crow Companies, Tyson Foods Inc., USX Corporation, Walmart Stores Inc., WEHCO Media Inc., Worthen Banking Corporation

Who's Who

How is Bill Clinton involved?

There are many allegations made in the Whitewater scandals in which Clinton takes official action as governor to give special favors to his friends, and also received illegal benefits from the same set of friends.

Clinton was the recipient of several shady loans, some of which were repaid by shady means. He also pressured Capital Management to make an unsecured \$300,000 loan to Susan McDougal which was never repaid. Money from this loan was also used to pay off some of Clinton's campaign loans.

Clinton appointed Beverly Bassett Shaffer, Jim McDougal's lawyer, was appointed by Clinton to run the Arkansas state agency which regulated Savings and Loans in 1984. At the same time, he also requested that MGSL put Hillary on \$2000/month retainer. Shaffer was known for being lax in her regulation and kept Madison afloat for two years longer than it should have been.

How is Hillary Clinton involved?

Hillary has been at the heart of the Whitewater scandals in her role as senior partner of the Rose Law Firm. She may have perjured herself in testifying that she was not involved with MGSL in its involvement with its stock offering and the Castle Grande land scam.

Hillary was the legal representative for MGSL before she represented the RTC in its suit against MGSL, which had to be bailed out for \$60 million dollars. She "bargained" MGSL into paying \$1 million back in fines. Of the \$1 million dollars returned to the federal government, \$600,000 was returned to Seth Ward as a refund from Castle Grande, and Hillary charged the federal government \$400,000 in legal fees. Her role and the obvious conflict of interest are art of Starr's probe into Whitewater.

In 1984, Hillary was put on a \$2000/month retainer by MGSL at the request of her husband to help with the family financial situation (i.e. the need for more legitimate family income).

Hillary also was involved with a political payoff by Tyson Foods employee James Blair in which she supposedly converted a \$1000 investment in cattle futures into a \$99,000 dollar gain, despite the fact that such a feat is impossible in a legitimate investment.

Hillary Clinton was a vocal opponent of the pharmaceutical industry in 1993, and a fund her personal money was invested in, Value Partners I, made \$275,000 selling short in pharmaceutical stocks. This action fits the definition of insider trading and may be part of the WW probe. Right after this, the Clintons' money was placed in a blind trust, 7 months later. Vince Foster was handling this matter at the time of his death.

How is James McDougal involved?

James McDougal, a close FOB is in the middle of most of the corporations involved in Whitewater, with his most key role being the head of MGSL and the co-owner of WWDC. He has been indicted in the Starr probe of Whitewater. He was convicted on 18 of the 19 charges brought against him. Since this time, he has agreed to aid Starr's investigation.

How is Susan McDougal involved?

Susan McDougal, the ex-wife of James McDougal is involved as a co-owner of WWDC, an owner in MGSL, and as the owner of Master Marketing, which took money from an illegal loan from CMS and funneled part of the money into Clinton's campaign debts. She was indicted by Starr and found guilty of all 4 of the charges brought against her. Hoping for a Presidential pardon, she has refused to testify whether Bill Clinton had anything to do with the \$300,000 loan from Capital Management, as she has stated she does not wish to perjure herself (suggesting that Clinton DID pressure Hale for the loan.)

How is Vince Foster involved?

Foster's only living involvement with Whitewater was his representation of the Clintons in the 1992 sale of the Clintons' share of WWDC. As White House Deputy Counsel, he still conducted personal work for the Clintons. He was working on scandals with the Clintons' investments in a mutual fund that sold short on pharmaceutical stocks, the Whitewater scandal, and Travelgate at the time of his death. (SEE DEATH OF VINCE FOSTER)

How is David Hale involved?

David Hale was the Arkansas Judge who owned Capital Management Services, which made several suspicious loans to FOBs. He has testified that he was pressured by Bill Clinton to give a \$300,000 loan to Susan McDougal which was never repaid. In 1993 he was indicted by the SBA for \$800,000 in fraudulent loans.

How is Webster Hubbell involved?

Hubbell was once the mayor of Little Rock, the managing partner of the Rose Law

Firm, and the Associate Attorney General of the United States. In 1994, he pled guilty to postal fraud and overbilling during his time at the Rose Law Firm. He received a 21 month sentence and a \$135,000 fine, and it is believed that he is a major source of information for the Starr probe into Whitewater. His wife was given a \$60,000/year job with the federal government in right after his plea bargain, in a possible attempt by the Clinton administration to influence his testimony. The Starr probe is looking into this matter.

How is William Kennedy III involved?

He was an ex-partner of the Rose Law Firm who was hired by the White House to make background investigations of all White House employees. He allowed hundreds of people who could not pass the background checks access to classified documents. He later resigned from the position to assume "other duties" for the Clintons. His notes from the November 5, 1993 meeting in the White House were sought by the Senate WW committee, and when they were released, they talked of "vacuuming documents." His father and Patsy Thomasson are under investigation by the SEC for securities violations.

How is Dan Lasater involved?

Personal friend of Clinton. They first met back in the late seventies when Lasater got a racetrack box for the late Virginia Kelley. (Dan first met Bill through Clinton's mother). Their friendship grew as they spent time together at the racetrack.

In the early 1980's, Lasater started a bonding company, and hired Patsy Thomasson as the company's Vice President, at Clinton's recommendation. Before this, Patsy was appointed by then Gov. Clinton to the Arkansas Highway Commission. Among Patsy's other responsibilities while working for Clinton, was keeping an eye on Clinton's half-brother Roger. In 1982(?), Patsy hired Roger as the limo driver for the Lasater Co.

In 1985, Lasater was under investigation for the sale and possession of cocaine, along with Roger who was being investigated for the purchase and use of cocaine. Sometime earlier, Lasater gave Roger \$8,000 to pay off drug debts he accumulated. During Lasater's trial, he testified that he "served ashtrays full of cocaine on his corporate jet", a plane used by Clinton on more than one occasion. [Giving Clinton the benefit of the doubt, there is no reason not to believe that the ashtrays were not present during the times he occupied the plane.] He later told the FBI that he distributed cocaine on more than 180 occasions. He stated "I shared my success in that manner".

In 1985, during the same time of the ongoing and widely publicized investigation of Lasater, Gov. Clinton awarded Lasater a \$30.2 million bond issue to modernize the State police radio system. Lasater received \$750,000 underwriting fee for the radio bond.

In 1986, Lasater was sentenced to 2.5 years in prison, with Roger Clinton testifying against him. Roger, although already occupying a jail cell on cocaine possession charges, was named "unindicted" on coconspirator charges which would have carried a much stronger sentence

than his present conviction. Lasater appealed and thus did not begin his sentence immediately. Patsy Thomasson became President of the Lasater Co. shortly after Lasater's trial.

As it turns out, during the '80s, Lasater was one of the largest contributors to then Gov. Clinton's many campaigns. In 1990, Gov. Clinton pardoned him.

From 1984 to 1987, he owned a New Mexico resort called Angel Fire, which Special Prosecutor Starr is also investigating.

Lasater was sued by the FDIC for illegal activity involving failed S&Ls, and has been suspected of illegal bond running through Lasater & Co. Dennis Patrick, who visited Angel Fire as a guest of Lasater, claims that in 1985 and 1986, Lasater & Co. traded nearly \$60 million in bonds in Mr. Patrick's name without his knowledge. (Crowe)

How is Robert Palmer involved?

On 5 December 1994, Robert Palmer pleaded guilty to falsifying appraisal documents concerning the status of Madison Guaranty Savings and Loan. This was Starr's first conviction.

Palmer admitted to his involvement in covering up Madison's failure to follow a supervisory agreement with the Federal Home Loan Bank Board, which Madison had entered in 1984 after failing to keep adequate appraisal records for some real estate loans. He prepared 78 false and backdated appraisal to cover for loans that did not comply with the agreement, for which he received \$15,350.

He has been granted immunity from prosecution on further charges related to Madison in return for his cooperation with the investigation. He was sentenced on 16 June 1995 to 3 years probation and a \$5,000 fine. Starr stated that his cooperation with the investigation was, "significant and on-going" (Reuters, Crowe).

How is Beverly Basset Schaffer involved?

Served as a lawyer for Madison Guaranty. Appointed head of the State Securities Dept. in January 1985 by Gov. Clinton, apparently at McDougal's request. She allowed Madison Guaranty to operate while virtually insolvent for 18 months. This was accomplished by hiring a former Madison employee to run the state audit of Madison Savings, who reported that the institution was sound. The auditor was eventually indicted for mishandling the audit. Her current husband is a corporate attorney for Tyson Foods, and was involved in arranging Hillary Clinton's amazingly successful futures trades. (Crowe)

How is Stephen Smith involved?

Served as Clinton's Chief of Staff when Clinton was the Arkansas Attorney General (1978-79) and then as an assistant during his first gubernatorial term. In the early 80s, Smith jointly owned the Bank of Kingston with James McDougal. On 8 June 1995, he plead guilty to

one misdemeanor for making false claims in obtaining a \$65,000 SBA loan from Capital Management Services, Inc. in a plea bargain agreement. The loan was supposed to be used for the development of a demographic research company, but instead was apparently used to pay off debt on the Kings River Land Co. development, which Smith, his father, Jim Tucker, and James McDougal owned. He is now cooperating with Starr's investigation. (Crowe) Smith was also mentioned by Ms. L. Jean Lewis in her testimony before the Whitewater Committee:

"Prior to the House Banking Committee hearings on August 8 and 9, 1995, the Independent Counsel obtained guilty pleas from Stephen Smith, Chris Wade and Larry Kuca, as well as the initial indictment against Arkansas Governor Jim Guy Tucker, all of whom were clearly identified within the RTC referrals."

How is Jim Guy Tucker involved?

On 7 June 1995, he was indicted with three felony charges for making false claims in obtaining \$300,000 in loans from Capital Management Services, Inc. in 1987. He and his partner in a Florida cable television business claimed that the money was for the a small Arkansas cable TV venture in order to qualify for the small-business loan. Instead, according to the indictment, it was used as collateral to obtain an \$8,500,000 line of credit for a Florida cable TV business. Related charges involving shielding of assets from the IRS and false bankruptcy filings were also filed. His partner and John Haley, Tucker's personal lawyer, were also indicted.

His office allegedly received a phone call notifying him of Vince Foster's death at least an hour before the knowledge reached the White House.

Apparently he was in on all of the "money for free" loans, and other dealings involved in Madison Guaranty's failure. He was named by the RTC in the criminal referrals for which congress had hearings in August of 1994. The crux of this whole issue is whether Clinton via Web Hubbell (the de facto head of Justice at the time) clued Tucker in to the fact that he was being named. On 6 October 1993, Clinton and Tucker had a 20 minute meeting, and if Clinton gave him a heads up, and it proves to have hindered the wheels of justice then Clinton is guilty of felony obstruction of justice and hence impeachable. (Crowe)

Tucker was found guilty of 2 of the 7 charges against him, and resigned from the Governorship of Arkansas in disgrace.

How is Chris Wade involved?

Real estate agent who managed Whitewater Development Corp. He collected payments and made deposits at Citizens Bank of Flippin. Wade has stated that the venture did not lose money. He has stated that "tens of thousands of dollars were passing through Whitewater's account" and that "the transactions seemed to bear no direct connection to Whitewater's lot sales or home development activity."

On 19 March 1995 he plead guilty to two bankruptcy-related felony charges brought by

Starr. He admitted to receiving a loan based on a fraudulent application and hiding assets when filing for bankruptcy in 1989 and 1990. The "assets" apparently include a Whitewater lot.

He has agreed to cooperate with the Whitewater investigation in return for a promise of a maximum sentence of 16 months. (Crowe)

How is Robert Fiske involved?

Fiske was appointed as Special Prosecutor in the Whitewater matters. While it was initially thought that since Fiske was a registered Republican, he would have more of an appearance of impartiality, he later had to be replaced. Many people felt he was trying to cover up Whitewater, a theory given credence under the light of later facts. He was completely against congressional hearings, regardless of whether immunity from prosecution was granted. He was also a defense lawyer in the BCCI scandal. Since there may be a tie between BCCI and Whitewater, Fiske had a conflict of interest. Reporter William Safire also reported that Hillary Clinton was familiar with Fiske's history of never prosecuting unless he had an airtight case. In the matter of David Hale, Fiske was willing to let Hale go on lesser charges if it would keep Clinton's name out of the records. All of these facts led to Fiske's replacement in August of 1995.

How is Kenneth Starr involved?

Starr was appointed by a three-judge panel to take over the Whitewater investigation after Robert Fiske had to be dropped.

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Preston Crowe's Whitewater Web/Archive

B. Mena

Issues/Allegations

1. What was the Mena Operation?

As part of the Iran-Contra operation, guns were smuggled to the Contras in Nicaragua from the Intermountain Airport, an obscure little airport outside of the tiny town of Mena, Arkansas. Cocaine and money from Nicaragua was then flown back from Nicaragua to the Mena airport. If the cocaine shipments were too large, the airplanes had been fitted with side-doors

which allowed them to drop the drugs into remote clearings. The drugs were then distributed to the American public through large cities, and the money was laundered through the ADFA and banks which would later be linked in the BCCI scandal.

2. Did Clinton know about Mena?

With over a hundred million dollars in drug money flowing through public and private institutions in such a poor state as Arkansas, it would be hard to imagine that Clinton would not know about Mena. However, at least one eyewitness can attest to Clinton's knowledge of the drug-smuggling operations. State Trooper L.D. Brown wanted to work for the CIA and was hooked up with the Mena operation by Governor Clinton. After Brown learned of the cocaine trafficking, he left the Mena operation and approached Clinton who told him "that's Lasater's deal, that's Lasater's deal." State Trooper Bobby Walker and several CIA or airport employees also saw Bill Clinton at the Mena airport on different occasions, none of them "official" visits.

3. Did Ollie North, George Bush, and/or Reagan know about Mena?

While Oliver North knew about the gun smuggling conducted by Barry Seal, it is not clear that he knew about drugs returning from Nicaragua. Terry Reed has written of North's involvement in the gun-running side of the operation. Whether Bush or Reagan knew of the drug side of the operation is unknown.

4. Are there deaths involved with Mena?

Yes. At least eight boys met their death for their knowledge of Mena Operation, and investigators have been thwarted in their attempts to investigate the deaths or the Mena Operation. SEE CLINTON-RELATED DEATHS/INJURIES

Who's Who

1. How was Bill Clinton involved?

According to State Police Officer L. D. Brown, Bill Clinton made statements that he knew about the operation, but that it was "Lasater's Deal." Brown also accompanied Mr. Clinton to the Mena airport on several occasions. Trooper Larry Patterson also testified in a deposition that he overheard Clinton conversations involving drugs and guns at the Mena airport.

2. Who is Barry Seal?

Mr. Adler "Barry" Seal was a flamboyant CIA contractor who ran the gun/drug-running operation between Mena and Nicaragua. His legend was so famous, it was made into an HBO movie, "Double-Crossed." Mr. Seal was eventually arrested by the DEA, and he set up a sting operation for the CIA to finger some Medellin Drug Cartel operatives. He received a light sentence to a halfway house in Baton Rouge, Louisiana, where he was gunned down a few days later. According to Terry Reed, another CIA employee, Clinton told him, "Seal just got too big

for his britches and the scum basically deserved to die, in my opinion..."

3. Who is Terry Reed?

Terry Reed was a CIA contractor, who was involved with some of the airplane "procurement" for Mena. He and journalist John Cummings wrote a book, "Compromised: Clinton, Bush, and the CIA." Reed is suing the three men who framed him, Baker, Don Sanders, and Buddy Young, and in his trial is trying to make public previously unpublished documents related to the Mena operations.

4. Who is L.D. Brown?

L.D. Brown was an Arkansas State Trooper working in narcotics who was a friend of Bill Clinton. He wanted to do work for the CIA, and after passing an entrance exam, he was given a chance to work with the gun-running operation in Mena. After he learned of the drug smuggling operation, he left the Mena operation and confronted Bill Clinton, who told him that the Mena operation was "Lasater's deal."

5. Who are Henry & Ives?

Don Henry and Kevin Ives were the two boys who died on a railroad track near Mena.
SEE CLINTON-RELATED DEATHS/INJURIES.

6. Who is Buddy Young?

Buddy Young was one of Clinton's bodyguards. He is named in Terry Reed's lawsuit, and he supposedly was the Clinton operative who approached Larry Nichols and informed him that he was a "dead man" if he did not drop his suit against Clinton (SEE ADFA SCANDAL). Young is now the head of the Federal Emergency Management Administration in Denton, Texas.

7. Who is Charles Black?

Charles Black is a Polk County, Arkansas, prosecutor who investigated the crimes committed at Mena. In 1988, he begged Clinton to open a state investigation of Mena. Clinton told Black he would take care of it, but never did. Clinton also claims that he appropriated \$25,000 for the investigation, but the money never arrived, and the investigation died.

8. Who is Jean Duffy?

Ms. Jean Duffy was the head of the Arkansas state drug taskforce, and presented mountains of evidence of the Mena drug-smuggling and its ties to the Clinton administration to members of Congress, much of which might only be made public if or when Congress holds hearings on Mena. Since this time, she has received many anonymous death threats.

9. Who is Bill Duncan?

Bill Duncan was a federal agent in charge of the IRS investigation of Mena. While in Washington, D.C., where he held a permit to carry a gun, he was arrested for weapons possession (his service revolver) and was handcuffed to a pipe in the basement of the D.C. police station. After this incident, he was taken off of the Mena investigation. Later, when he was asked to falsify testimony for a Federal Grand Jury, he refused and was fired on the spot.

10. Who is Russel Welch?

Russel Welch is a former investigator for the Arkansas State Police who was the head of one of the first Mena investigations. He compiled large volumes of evidence of the Mena operations (at a time before Iran-Contra became public), and was thwarted when he tried to continue to pursue the investigation. He was poisoned with military-grade Anthrax (a substance only available to military sources) and nearly died.

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"The Mena Connection" video - call 1-800-MENA-850 to order

C. Arkansas Development Finance Authority (ADFA) Scandal

Issues/Allegations

1. What was the ADFA?

The Arkansas Development Finance Authority (ADFA) was a state governmental organization officially established to make loans to colleges, churches, and small businesses which might have a difficult time procuring loans. In reality, the ADFA made loans to no such organizations, but allegedly made loans to friends of Mr. Clinton, who funneled some of it back into Clinton's campaign coffers. There are also allegations that millions of dollars of drug money from the Mena operation was laundered through the ADFA.

2. Were the loans repaid?

Supposedly the loans were not repaid by those to whom the loans were made to. The drug money from Mena was allegedly used to zero-out the books at the end of each month.

3. What is the role of Park-o-meter?

Park-o-Meter (PoM) was the first company to receive a loan from the ADFA. Its owner was Seth Ward, the father-in-law of Webster Hubbell, the lawyer who drafted Act 1062, the piece of legislation which brought the ADFA into being. Park-o-Meter supposedly manufactured parking meters, but upon investigation, was found to make retrofit nose cone compartments for airplanes in the Mena drug-smuggling operation.

4. What is the role of the Rose Law Firm?

The RLF was in charge of the audits and evaluations of ALL business entities which received loans. Even though there were law firms much more qualified for this type of business, the RLF was the sole firm in charge of this process. The three lawyers at the head of the RLF were Webster Hubbell, Vince Foster, and Hillary Clinton.

Who's Who

1. What is Bill Clinton's involvement in ADFA?

Then-governor Clinton sold the concept of ADFA to the people of Arkansas. As governor, he was also required, by law, to sign all loans made by the ADFA. In order for some companies to receive a loan from the ADFA, it was supposedly a requirement that they make a sizable donation to Mr. Clinton's election campaign fund. Since Mr. Clinton signed all of these loans, it would be difficult for him to claim ignorance in matters regarding the ADFA.

2. Who is Larry Nichols?

Larry Nichols was hired by his friend, governor Clinton, in 1988, to the position of Director of Marketing of the ADFA. In a short while he learned about the drug-money laundering, the non-payment of loans, and the suspicious selection policies of the ADFA. While pretending to work late, he secretly photocopied a huge number of documents as evidence of wrongdoing, documents he still possesses. After documenting the corruption, he approached Bill Clinton in 1992 and asked him to tell the truth about Mena and the ADFA. Two weeks later, Nichols brought a legal suit against Clinton. He was later forced to withdraw the suit by a judge who was a FOB.

3. How is Webster Hubbell related to the ADFA?

Web Hubbell drafted the legislation, Act 1062, which created the ADFA. His law firm, the Rose Law Firm, was in charge of investigating applicants for ADFA loans, and his family was the first one to benefit from an ADFA loan, a definite conflict of interest.

4. Who is Wooten Epps?

Wooten Epps was the head of the ADFA and was in Bill's "inner-circle" of friends. He

was also named as a defendant in Larry Nichols' lawsuit.

5. How was Dan Lasater involved in the ADFA?

Lasater was the bond-broker for the ADFA, even though he never did sell a bond. Through a series of monetary transfers, Lasater laundered Mena drug money and paid off ADFA loans, collecting "handling fees" along the way. Lasater became careless with his drugs and money, and was arrested along with Roger Clinton for cocaine use. (Lasater also hooked teenage girls on cocaine at his lavish cocaine parties.) Lasater was pardoned by Governor Clinton after serving 6 months of his sentence, a fact that was shielded from the press for a lengthy period of time.

6. Who is Doc Delaughter?

Doc Delaughter was an Arkansas Police Detective who put Laseter and Roger Clinton behind bars for cocaine distribution. After successfully investigating and indicting these two crooks, Delaughter was harassed by his superiors and was forced to resign from the Arkansas Police Force.

Sources

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VI. Media Silence

What stories have the major media quashed related to Whitewater?

* Former NSA employee Roger Morris, and journalist Sally Denton did in-depth research on the Mena drug-running operation for the Washington Post. After months of delay in order to give Post lawyers time to approve the article, it was set to run on January 29, 1995. However, at the last minute, the lead editor of the Post decided to spike the story and not permit it to *ever* be run in the Post. The article exposed Clinton, Oliver North, and other major players in the guns for drugs operation at work in Mena Arkansas. It was later printed in Penthouse magazine.

* Ms Sally Perdue, a former Ms. Arkansas, carried on a long-time affair with Bill Clinton in the early 1980's. She was witness to his marijuana and cocaine use. In 1992, she was interviewed by ABC, NBC, and was taped on the Sally Jesse Raphael show. None of the interviews were permitted to run on national TV.

* During the 1992 presidential campaign, the press covered up Larry Nichols' press conference in which he sued Bill Clinton and named several women, including Gennifer Flowers, who were sexually involved with Clinton. As women came forward to tell their stories, they were savaged by Betsy Wright, Clinton's staffer in charge of "bimbo eruptions", and the press largely

ignored any sexual charges, including the incriminating tapes produced by Gennifer Flowers.

* In order to regain her good name, Paula Jones approached reporter Mike Isakoff of the Washington Post to tell her story. Isakoff believed her, and wrote a long feature article on Ms. Jones' allegations of sexual harassment against Mr. Clinton. Even after the lawyers approved the story, the editor of the Post refused to print it. Jones, distraught, was forced to file suit against Mr. Clinton.

* James Norman, a senior editor for Forbes magazine, wrote an investigative story on the death of Vince Foster which was spiked by the magazine, and Norman left the company. (SEE GRABBE/NORMAN AND OTHER ODD THEORIES)

Who is the most clueless reporters covering WW?

There is a tie in this particular category: Ms. Sara Fritz of the Los Angeles Times and Terry Lemon of the Little Rock Democrat-Gazetteer. Ms. Fritz has spent the months of the Senate Whitewater hearings working on knitting a green afghan (in plain view of C-SPAN eras), and her articles reflect her ignorance, as she seems to be using the White House press briefing summary without bothering to check its content or listening to testimony to the contrary. Terry Lemon was the LR reporter covering Whitewater related issues during the Clinton reign in Arkansas. His LACK of reporting has given him the opportunity to live in infamy.

Who are the most in-depth reporters?

Chris Ruddy, of Pittsburgh and Ambrose Evans-Pritchard, a London (that's London ENGLAND, folks) reporter have provided in-depth reports on the death of Vince Foster, Mena drug-running, and the other Clinton coverups and scandals. (Please do not let their life insurance companies find out, though, as the stories they are covering seem to decrease the lifespan of their followers.)

VII. Grabbe/Norman and other odd theories

What is the Grabbe/Norman school of thought on Whitewater?

James Norman, once the senior editor for Forbes magazine and J. Orlin Grabbe, a professor at the Wharton School of Business have each independently come up with similar theories on Whitewater and the death of Vince Foster. Their sources of information are in the intelligence community and few of the sources are named, making their articles hard to verify. The theory is very complicated, but the following is a bare-bones summary:

Vince Foster was working for the White House and for the Israelis as a double-agent, trying to sell highly sensitive data-encryption and banking software to Israel. He had \$2.73 million in a Swiss bank account, and frequently took trips to Switzerland. The weekend before his death, Foster was scheduled to go to Switzerland, but cancelled it when he found that his account had

been emptied, and its funds transferred to a US treasury account. (The Swiss trips and the cancellation have been verified via White House Travel Office and credit card records, including the cancelled trip.)

When Vince Foster signaled that he was going to spill the beans on the whole ball of wax, a team of Mossad agents killed him at his apartment and left his body in Fort Marcy Park, as a warning to the administration.

In the meantime, a group of CIA hackers known as "the fifth column" emptied almost a billion dollars from illicit Swiss bank accounts belonging to Congressmen, international politicians, and world businessmen. The list of U.S. politicians has been given to a democrat and republican in the House and the Senate. This appointed individual, known as the "Angel of Death" approaches the corrupt individuals and tells them that they have 24 hours in which to announce their effective retirement. Norman predicted about 20 announcements in the Senate and 30 in the House, with these predictions made BEFORE the wave of retirements occurred.

Also part of the Norman/Grabbe theory is that the INSLAW scandal, relating to PROMIS software, a powerful tracking software used by banks with "back doors" to allow NSA monitoring of financial transactions, is tied to Whitewater via the BCCI scandal and the "October Surprise" in 1980. It's very heady stuff, and is available on several Web servers.

What is a counter-theory about Grabbe/Norman?

The counter-theory to Norman/Grabbe is that the Clinton administration or the CIA and NSA are feeding disinformation to respected sources, such as James Norman and J. Orlin Grabbe in order to try to discredit the true coverups and crimes behind the Clinton administration. This type of disinformation is a trademark of the CIA in past foreign incidences, and was also used in the Hitler regime in Nazi Germany. In other words, Norman and Grabbe believe what they're saying, but they're unwittingly serving as protective fire for the Clinton's and/or the CIA. Or, as Orlin Grabbe has supposedly admitted, the theory was made up.

What is the strangest theory of all?

The strangest theory of all is this: Josh Steiner lied to his diary. The voice on Jean Lewis' tape is not April Breslaw. Vince Foster really did kill himself in Fort Marcy Park. Maggie Williams did not take any files the night of Foster's death, and she truly cannot remember what happened on those days after the death of Foster. Several other White House aides truly cannot remember anything that happened the summer of 1993. Marsha Scott truly can't remember what she talked about with Foster about for over an hour on the day before his death. Financial records in Arkansas are not accurate and the Clintons and their buddies are guilty of no wrongdoing in all of the loans and financial schemes. Witnesses from Fort Marcy Park, Arkansas witnesses, ex-business partners, Terry Reed, Larry Nichols, Arkansas State Troopers, the RTC, and many other federal investigators are part of a huge effort to discredit what is truly the most ethical and trustworthy Presidential administration ever in these United States of America.

This theory is advanced only by folks like Senator Sarbanes, White House parrot Mark Fabiani, and mindless American sheep like Lucille V. Wilson and Richard Hanson. Of all the theories, this one is the most easily discredited.

VIII. Miscellany

What is the Healthmaster Scandal?

Healthmaster is a HMO in Georgia, and its president, Jeanette Garrison, has pled guilty on twenty counts of soliciting political contributions for several democratic candidates and then reimbursing the contributors with Medicare funds, totaling hundreds of thousands, if not millions, of dollars. Some of these funds, it appears, ended up in the Clinton/Gore campaign. Hillary's now-defunct healthcare plan would have made this type of fraud even more easy to get away with.

Healthmaster executives were on the Health Care task force, Ms. Garrison was made the chairman of the Clinton/Gore campaign, and was appointed to the Governor's Club. This trial is ongoing. See the Healthmaster website at <http://ac.america.net/~mwatkins>

Is Bill Clinton a Rhodes' Scholar?

No. He was originally in the Rhodes' Scholar program at Oxford, but he never completed it. [source - Nora Wayne, ex-business partner of Bill's stepfather.]

IX. Credits

Who are some of the more notable posters to [alt.current-events.clinton .whitewater](http://alt.current-events.clinton.whitewater)?

Serious posters:

* Hugh Sprunt is an attorney and a CPA with an engineering degree from MIT, and has personal interests in the mysterious death of Vincent Foster. Mr. Sprunt has combed the 2,700 pages of Whitewater testimony and documents covering Foster's death, and he has compiled a "Citizen's Investigative Report", a 110-page document which chronicles all of the discrepancies in VWF's Death.

* Orlin Grabbe and Jim Norman (SEE GRABBE/NORMAN AND OTHER ODD THEORIES) are frequent posters to the a.c-e.c.ww news group. Both claim to have inside connections to intelligence community which, while they are sometimes a bit wacky, have proven (uncannily) to be correct on several key points and predictions.

* For a while, Ms. Gennifer Flowers (allegedly) made several posts to the newsgroup.

The following persons and written sources are used for this FAQ:

The Clinton Chronicles

Emmett Tyrell, Jr., American Spectator 8/95

Micha Morrison, "The Mena Cover-up" WSJ 10/18/94

Ambrose Evans-Pritchard - Series in London Sunday Telegraph

Hugh Davies, The Daily Telegraph, 1/4/95

Paul DeRienzo, CIA Drugs for Guns Connection

Bill Duncan, Congressional testimony, 7/24/91

L. J. Davis - "The Name of the Rose"; The New Republic

The Whitewater Whitewash, Martin L. Gross, Ballantine Books, 1995

"Oral Depositions of Richard J. Brenneke, William C. Duncan,
and Russel F. Welch," 6/21/91

James Norman, Media Bypass

J. Orlin Grabbe,

Larry Nichols,

Hugh Sprunt,

Michael Rivero

Christopher Ruddy Stories on Vince Foster's Death

Preston Crowe, Crowe's Whitewater archive -

AP, Reuters, CNN newsfeeds

D.J. Sussmann's Clinton Expose Web at <http://141.210.150.23/>

CAPITOL REPORT

Reporting the politics & government of Kansas

Martin Hawver, Publisher

Hawver News Company, LLC, Topeka, Kansas

Feb. 16, 1999

HCR 226



GOP will follow Demos in tobacco cash-for-kids

The Legislature's Republican leadership "New Futures" task force is expected in the next week to fall into line behind House Democrats with a pledge to spend all the money Kansas receives as a result of the national tobacco settlement on children's programs.

"That's the way we're heading, and I don't see any of the tobacco money being spent on general tax cuts," said Chairman Rep. **David Adkins**, R-Leawood.

That Republican committee is preparing to tag the richest flow of essentially "found" money to enter the state, the tobacco money, estimated at \$1.5 billion between now and the year 2023, for children's programs and creation of a children's trust fund.

The decision also apparently eliminates use of the tobacco money for the national tobacco settlement for the purpose for which it was intended: to pay lawsuit against the tobacco industry—compensate for additional health care costs to Medicaid caused by the industry.

Adkins said he's envisioning a children's trust fund as part of the state's Economic Development Initiative, which would use the tobacco money to create jobs and generate revenues, "as a fund that would be used to create jobs, which money can be spent on anything."

"I don't see us spending the tobacco money on anything else," Adkins said.

Top Dem heads for

Brett Cott, executive director of the Democratic Party of Kansas for almost three years, is leaving to become executive director of the campaign Committee chief for Wisconsin Sen. **Mark Chvala**.

Cott, who started working for the party as a volunteer at age 22 five years ago, will report to Madison, Wis., on March 1, just days after Democratic Washington Days Week and the annual Kansas Democratic convention.

You're right; stats show '99 session starts slowly

If the Legislature seems slow so far—and it does—heading into its sixth week, well, it is. Marginally.

The deadline for introduction of bills by individuals and committees, the pace of the session is slightly slower than in previous years, according to the information.

During the time the Legislature was in session the last year of a session and the last time a session has been elected.

Four years ago, both the House and Senate were brand new. Four years ago, the Senate was, well, maybe nearly out of fresh ideas, about where it stands now, Legislature-watchers surmise.

It may seem slow, though, because four years ago, the House had taken a dramatic turn to the right, with election of

*Bryan's
Additional for your
Info thanks*

[continued on page 7]

[Continued on page 7]

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The decision also apparently eliminates use of the money from the national tobacco settlement for the purpose for which Kansas filed its lawsuit against the tobacco industry—compensating the state for the additional health care costs to Medicaid caused by tobacco use.

Adkins said he's envisioning a children's trust fund much like the state's Economic Development Initiatives Fund, which is fueled by gambling revenues, "as a fund that has very special purposes, and from which money can be spent only by appropriation."

"I don't see us spending the money for any tax cuts that aren't spe-

[continued on page 2]

Top Demo staffer Cott heads for Wisconsin

Brett Cott, executive director of the Kansas Democratic Party for almost three years, is leaving to become an aide and Senate Campaign Committee chief for Wisconsin Senate Majority Leader **Chuck Chvala**.

Cott, who started working for the party as a field organizer at age 22 five years ago, will report to Madison, Wis., on March 1, just days after Democratic Washington Days Weekend, the annual Kansas Democratic convention.

[continued on page 7]

You're right; stats show '99 session starts slowly

If the Legislature seems slow so far—and it does—heading into its sixth week, well, it is. Marginally slow.

At the deadline for introduction of bills from individuals and nonexempt committees, the pace of legislation is slightly slower than four years ago, according to the Kansas Legislative Information System.

So far, in the 1999 session, there have been 818 bills introduced; four years ago, there were 871.

Why the four-year measuring stick? That was the last time the Senate was in its third year of a four-year term, and the last time a new House had been elected. Two years ago, both the House and Senate were brand new. Four years ago, the Senate was, well, maybe nearly out of fresh ideas, about where it stands now, Legislature-watchers surmise.

It may seem slow, though, because four years ago, the House had taken a dramatic turn to the right, with election of

[Continued on page 7]

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Martin Hawver:
Editor and Publisher

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GOP will follow Demos in tobacco cash-for-kids

[Continued from page 1]

cifically related to children; no business machinery and equipment, or severance tax, nothing like that," he said.

The decision will put legislative Republicans, plus Gov. **Bill Graves**, who told a health group last week that he favors 100 percent of tobacco monies being spent on children's issues, solidly behind the issue that Democrats inaugurated.

"I think we're looking at a real trust fund, in which we build up a large amount of money."

—Rep. David Adkins

Whether Democrats can keep their hold on the issue of the trust fund remains in question; though they might benefit on the issue if they keep reminding the media to check their files for previous stories before letting the majority Republicans hijack the issue.

State Rep. **Henry Helgeson**, D-Wichita, who scored last year with a bill that apportioned half of any tobacco receipts to children's issues, was happy that Republicans are coming aboard the bigger ship that Democrats launched just a week ago, the total dedication of tobacco money for children's issues.

Both Helgeson and Adkins, separately, see the trust fund being more than a dollar-for-dollar pass-through account, one that actually grows into a pot of money that could total more than \$1 billion.

"I think we're looking at a real trust fund, in which we build up a large amount of money, and manage it like a trust fund, with limitations on the amount of the fund that we would spend, so that it grows, and at some point, we'll spend the interest and invade the principal only for real emergencies...something like 10,000 cases of whooping cough in south-east Kansas, we need vaccine and there's no quick source of money available...things like that," Adkins said.

Adkins says he's also looking for some way to make a good return on the trust fund's principle: better than the state's idle funds investment rate.

"I think a portion of it could go into a KPERS-type investment pool, something that includes equities, but not very volatile, a conservative investment that might return more than government bonds," Adkins said.

They say it's your birthday!

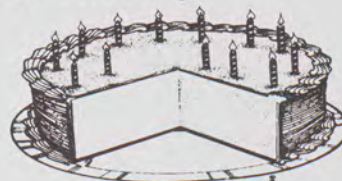
State Sens.

Feb 26, 1932

Janice Hardenburger

Feb. 26, 1946

Marge Petty



Legislative heads-up

Electricity, by the numbers...

It's time to look at the hard numbers on the continued efforts, largely by Rep. **Don Myers**, R-Derby, to lower electric rates in the old Kansas Gas and Electric service territory of southcentral and southeast Kansas.

Best barometer of his chances for success? Well, the numbers are round-house, but close: In the House, roughly 62 members live in the Kansas Power and Light service area (which would have to see its rates rise if there is significant reduction in KGE rates) to 42 KGE. There are about another 20 or so Kansas City Power and Light customers who are probably voting with KPL.

In the Senate, roughly 26 KPL, 17 KGE and most of the rest, KCPL. Oh, and count most of the cooperatives with KPL, because most of them buy their power wholesale from KPL.

Now, that only works if the concept of enlightened self-interest works.

Electronic commerce?

Last week's best hearing, a discussion of electronic commerce.

—The Department of Revenue is basically waiting for a federal panel to determine how to charge sales taxes on Internet commerce.

—The Kansas Chamber of Commerce and Industry sounded unsure whether to protect main street, or maybe the commerce of the future. It apparently has a couple years to decide.

—League of Municipalities wondering whether it's better to save retail stores, or save non-store jobs that are linked to Internet. It's interested in leakage of local option sales tax revenues, though.

Overall, nothing very clear, and major players pretty much sounding like the latest magazines. Oh, and Kansas is only just beginning to get sales tax from out-of-state catalog sales...

School income, sales tax?

No hearings yet, but you probably ought to be reading the bill (HB 2382) by Rep. **Deena Horst**, R-Salina, that would give school districts authority to levy a local sales or income tax to raise the local option portion of a school district's local option budget. It takes a vote of the public to get either one

moving, if the bill is passed.

Upside? Farmers gotta like it. Downside? Do you really want USD's messing with income taxes? No, the board wouldn't get a report of district patrons' income, but Revenue would, under privacy seal, hand retail sales tax reports to districts.

Telecommunications

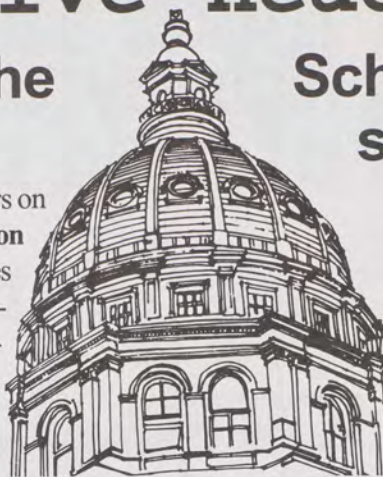
Hearings this week, continuing through Thursday, in Senate Commerce, (8 a.m., Room 123-S) on telecommunications issues, including Sen. **Karin Brownlee**, R-Shawnee, et al, on rate rebalancing and access to the Kansas Universal Service Fund, that \$3 a month a line charge most Kansans are now paying. Worth watching: it requires Bell to provide some accounting to the Kansas Corporation Commission, though the information doesn't necessarily go any further...

Sounds a little CURB-ish in spots, and it comes just after the KCC issues its definition of enhanced universal service, which means we finally will know for sure what basic universal service includes.

Also: whoever thought Brownlee would be lead sponsor of a bill that uses the term "exogenous adjustments."

Best committee?

Try House Business, Commerce and Labor at 9 a.m. Thursday, for HB 2287, exceptions to worker comp as an exclusive remedy for injuries...Smell the grain dust in the air...



Here's the 'major modifications' base for whatever highway plan is approved

There's probably not a House or Senate district without a reason to vote for at least the roughly \$1 billion in "major modifications" identified by the Kansas Department of Transportation.

The bare-bones major mod plan (which we're printing here because we know of no newspaper that has published a full-sized, readable statewide map) includes either a project in every legislative district, or a local project that would have major impact on transportation in a region in which several legislative seats are located.

In fact, while KDOT doesn't break down the major mods by legislative district, a close eyeballing of the map shows only one district which we believe doesn't have at least a bridge replacement or upgrade. That district, No. 11 of the House, is represented by House Minority Leader **Jim Garner**, D-Coffeyville, and though it doesn't appear that there's a dot or line in his district, you ought to be able to see construction equipment at work from the north end of his district.

Why doesn't KDOT know whose district gets work and whose doesn't? Besides not really wanting to know, it's because the generation of those lines and dots is done by an empirical system which puts together roadway and bridge conditions on a statistical basis. Theoretically, all the work could have been located in one legislative district, if the formula factors had indicated that was the highest priority for money from the next highway plan.

Rating the highway plans so far:

Gov. **Bill Graves'** bond-it-all: No. 4, behind only Sen. **Ben Vidricksen**, R-Salina, who wants to use bed tax money for highway construction.

House GOP year-by-year financing plan:

no plan at all, way too hard to hand money to KDOT as long as schoolteachers are pleading for more money. Still, give it No. 2 rating, because it doesn't raise taxes either. Originally, it was a no-bond deal, but now House GOP looking at maybe \$500 million to \$800 million in bonds, but not liking it very much.

Economic Lifelines: 5-cent increase in gasoline tax, \$15 average added to vehicle registration fees. Not popular yet, but Kansans expect to pay something for highway improvements, are wary of something-for-nothing plan. No. 1 so far, but the \$1.3 billion in bonds bound to be pared down to no more than about \$900 million. This plan, remember, is by the folks who want the contracts to build



roads, and therefore gets an edge for practicality. They think they can sell enough of it to keep busy...

Worth remembering: Graves' plan is the only one that guarantees \$50 million to pare car-train contests in Wichita. Wyandotte County? It's getting some additional work to prepare for opening of NASCAR speedway, which isn't included in the major modifications, but would be one if the speedway hadn't already cut its deal with KDOT for access routes.

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Martin Hawver
"The Railster"

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winners a week before the 1998 Kansas
General Election?

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Q&A about HCR

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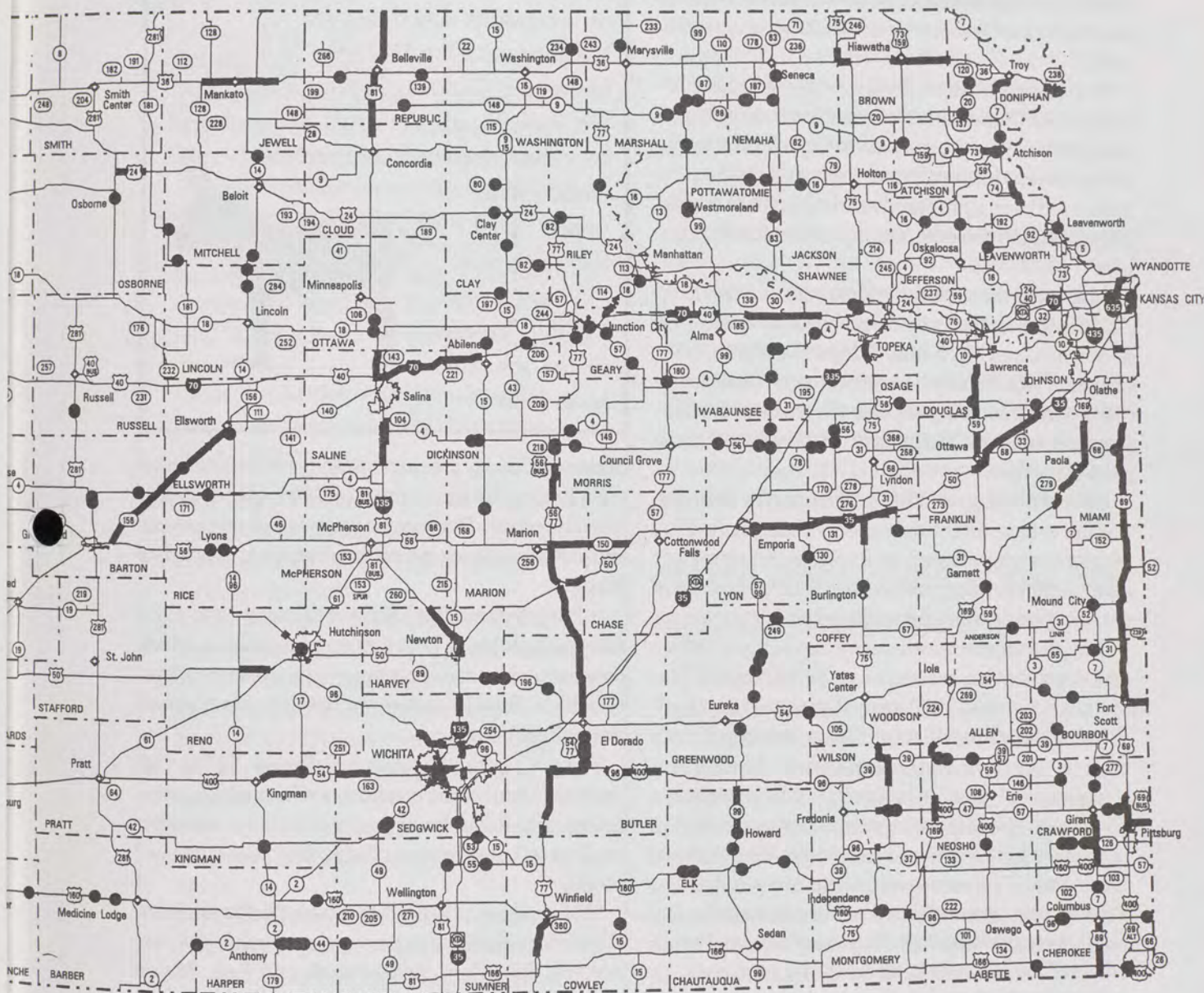
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- **The legislative wrap-up** edition in May, including at no charge a computer disk with objective, concise summaries of all bills passed by the Legislature—**disk sells to nonsubscribers for \$150.00—what a deal a subscription is!!!**

KEY

Bridge
Roadway

Wichita Rail
Project ★



Fatal wrecks count extra

Rep. Dan Thimesch, D-Cheney, has a bone to pick with the statistical model used to determine which highways get improvements and which ones don't.

For example, the current highway assessment model lists traffic accidents

as a factor to be ground into the formula for determining which non-interstate highway improvements move to the top of the "to-do" list.

"The problem," says Thimesch, "is that all accidents count the same. The amendment to the formula I'm proposing creates additional weight for injury

accidents and for fatality accidents. I think it ought to mean more when people are killed than when there's just a fender-bender."

No analysis yet of which highways would move to the top of the priority list (and probably the system enhancement list) under Thimesch's bill.

Demo chair 'delegation' plan may not come to a vote

Kansas Democrats this weekend find out whether a radical change in party organization will even be considered by the Democratic State Committee on Saturday.

The change, to allow the state chair to name a delegate to the Democratic National Convention, hadn't been proposed to the rules committee by last weekend by anyone interested in seeing it passed. The committee did have a proposed resolution sponsored by Topeka **Larry Rhodes**, an opponent of the delegation.

And while the state committee has not a lot else to do besides elect the leadership team of **Tom Sawyer**, D-Wichita, and **Micheline Burger**, D-Olathe, to the chair and vice-chair posts, respectively, there are already some wondering whether a keystone of the Sawyer chairmanship, "Tallgrass 2000," is a good use of party resources.

Sawyer's "Tallgrass 2000" project aims by Demofest this fall to have established county chairs in the 25 to 30 counties where there is no formal Democratic Party county organization, and to fill at least 80 percent of precinct positions in all Kansas counties.

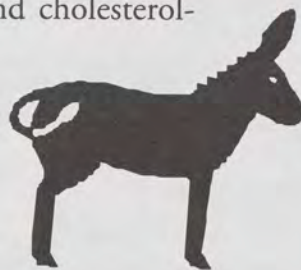
The plan represents a massive expenditure of time and organization resources to be completed just months before the 2000 campaign season kicks off. Whether the effort will result in new Democratic voters is unknown, but, he believes, worth the effort.

There are 51 counties in Kansas in which fewer than 25 percent of voters are registered Democrats and 16 counties where less than 1 in 5 voters are registered Democrats. Those areas are generally represented by Republicans, and in all but five of those counties, Republican registration tops 50 percent, leaving Democrats and unaffiliateds to fill out the registration.

Tallgrass 2000 might be just the ticket to identifying Democrats across the state who haven't been contacted by the party, not given an opportunity to get into the regular habit of contributing toward the party.

But it is ambitious, requiring at least two staff persons, one located in the Wyandotte-Johnson county area, the other based in Topeka spending half time on

Note: We couldn't get a copy of the list of receptions scheduled for Washington Day Weekend in time for HAWVER'S CAPITOL REPORT's deadline: but look for all the usual suspects—and an exhausting and cholesterol-endangering review of all the receptions—in next week's HCR. The rest of the schedule is on page 7.



Shawnee County precinct vacancy recruitment plus coordinating the rest of the project which includes at least one county Democratic party or gathering a year and extensive development and sharing of donor data bases.

Is it worth the effort? Sawyer thinks so, and it is a fairly radical change from current party practice, which concentrates on raising money from in-state and nationally to funnel into high-probability campaigns to unseat Republicans.

Sawyer's basic theme with Tallgrass 2000 is that there are Democratic candidates who are better candidates than Republicans, but unless there is someone local to tell people about them, they won't be successful.

"I'll always remember Sen. **Mark Parkinson** (now Republican State Chair), a very reasonable guy, endorsing Sen. **Sam Brownback** and Rep. **Vince Snowbarger** against much more reasonable, moderate, really, more mainstream Democratic candidates just because they were Republicans.

"That's a choice that we don't want people to have to make, to vote for bad Republicans when there are good Democrats available that would represent their real interests better," Sawyer said.

Washington Days Schedule

Events at Ramada Inn Downtown, Topeka, except where noted.

Friday, Feb. 19

Noon: registration opens

1:45-4 p.m.: Trolley shuttles from hotel to Kansas Statehouse and Insurance Department

2 p.m.: Open Houses by State Insurance Commissioner Kathleen Sebelius, 420 SW 9th; Democratic Senate Leader Anthony Hensley, D-Topeka, Statehouse Room 347-N; Democratic House Leader Jim Garner, D-Coffeyville, Statehouse Room 327-S

2 p.m.: Hospitality rooms open at Ramada Inn Downtown

7-9 p.m.: Legislative Victory Fund auction

9 p.m.-1 a.m.: Kansas Young Democrats "retro" dance

Saturday, Feb. 20

7:30 a.m.: Registration opens

8-9:30 a.m.: Eye Opener breakfast with Kathleen Sebelius

8-9 a.m.: Kansas Federation of Women's Democratic Clubs executive & club meeting

8-9 a.m.: Veterans Club meeting

9 a.m.: Association of County Chairs

9:30-10:30 a.m.: Brunch with Dennis Langley

10:30-11:30 a.m.: Congressional District meetings

11:45 a.m.-12:45 p.m.: KFWDC/ Democratic Veterans Clubs luncheon with Rep. Dennis Moore

1-2 p.m.: Caucuses by Kansas Young Democrats, Black Caucus, Hispanic Caucus

2-3 p.m.: Credentials for State Committee meeting

3:30-5:30 p.m.: State Committee Meeting

7-8 p.m.: Star 34 Club Reception

8-10 p.m.: Banquet, keynoter Bill Press, of CNN's Point-Counterpoint

10 p.m.: After dinner tumbleweeds with U.S. Rep. Dennis Moore

Top Demo staffer Cott heads for Wisconsin

[Continued from page 1]

Closely associated with outgoing Democratic Chair **Dennis Langley**, Cott is in the gunights of the incoming Democratic leadership team of former House Minority leader **Tom Sawyer**, Wichita, and Johnson County Democrat Chair **Micheline Burger**, Olathe.

"I've had a good time here, learned a lot and helped the party win back a House seat, and that's what I'm going to be doing for Chvala, working the split, part time on the Wisconsin payroll, part-time on the party payroll, like we do here," Cott said.

Cott has interviewed with several state party organizations since the 3rd District congressional victory which saw Democrat **Dennis Moore**, Olathe, seize the seat against freshman Republican **Vince Snowbarger**, also of Olathe.

"I apparently am doing something right," he said.

The executive director job—and all jobs at party headquarters—are to be reopened with the incoming new leadership, and both Sawyer and Burger have settled on a national search for a new executive director.

You're right, stats show '99 session starts slowly

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Speaker **Tim Shallenburger**, R-Baxter Springs, and a bunch of tax-cutting bills had been introduced, plus some socially conservative measures that generally went nowhere. This year, the House has been in some uproar, too, with the narrow election of Speaker **Robin Jennison**, R-Healy, slowing some progress. Oh, and a couple of bills have been sent back to committees in the House for more work.

The stats: at the bill introduction deadline this year and four years ago: Individual bills, 265 this year, 306 four years ago; committee bills, 553 this year, 565 four years ago.

Four years ago, just 40 bills had made it out of their first committee, this year, 52 had passed that hurdle. Four years ago, a total of 86 bills at this time had been approved in the first house and sent to the second, and this year, just 63 have made it the same distance.

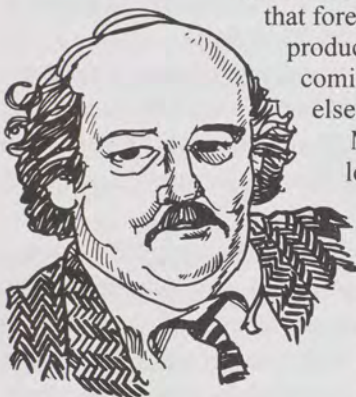
Capitol Rail



From under the dome where the air is thin

By MARTIN HAWVER

We seem to recall something about interstate commerce coming up in relationship to the bill that almost all senators want passed, the one that requires the attorney general to demand that foreign country meat products be labeled as coming from somewhere else.



The Railster

Maybe the AG can look up a previous opinion, but Railsters, seeing the generally conservative tilt of some of the sponsors of the labeling bill, figure they probably aren't going to be satisfied with a label that says merely "product of

unified Europe."

And, then there's always that little problem about do we really want to know where the chunks of fiber in those canned stews come from...

Beer kegs, again?—Seems we've been through this before, making shop keepers keep track of who buys beer by the keg, and if that keg winds up with a bunch of teenagers around it, drunk and dancing, then whoever checked out the keg is in big trouble.

Best solution isn't the one in the bill, the recordkeeping and tattling on keg beer buyers. Former Wyandotte County sheriff, the late Bert Cantwell, recalled that the best way to handle adults buying kegs for kids was to let the patrol officers shoot holes in the kegs. It made them, ummm, difficult to return for credit, and was a lot of fun for the cops...

Witness? what witness?—OK, Railsters are eager to find out just what Tricia Lightner, R-Overland

Park, has in mind for the Kansas Witness Protection Program.

Doesn't sound very comfy, the up-to-six-months hiding of witnesses in gang and drug activities and other crimes "involving a high degree of risk to the witness." Just basic room, board, transportation, health care. No mention even of cable TV, or Internet access for the protectees.

What are we taxing?—Anyone else starting to wonder, just what it is that we're hoping some day to tax in the way of Internet commerce? Now, let's see, we tax retail sales because police and fire departments protect stores, at cost to taxpayers. We tax mail-order sales, because, well, because we can.

But, say, you're just looking at pictures, or maybe downloading a term paper over the Internet...what's to tax, there? Hmmm...we may have to use the full three years we have before the Internet commerce taxes moratorium expires to figure that one out.

500 is 500—Now, Railsters tend to be a little picky about just who gets a distinctive license plate, not certain, for example that the Johnson County sushi club should necessarily want to brag about it. But the rule is if you can get 500 motorists to agree to pony up the extra money, well, those 500 get a special plate.

And, 500 being 500, there's probably no real harm in the Kansas Association for Pregnancy Maintenance, a group against abortion, getting their distinctive plates...though you might want to give them a little extra room in the parking lot, what with the likelihood of multiple kids piling out of the cars.

Barone in a hurry—Yes, that was Sen. Jim Barone, D-Frontenac, heading out fast last Friday to get home to his district. Important work to be done there...bottling gallons and gallons of homemade wine for the little Balkans' Washington Day weekend hospitality suite.

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