

# Espy special prosecutor puts President Clinton in his sights

by Edward Spannaus

President Clinton is now a target of not just one, but *two* special prosecutors. While independent counsel Kenneth Starr is officially charged with probing "Whitewater" and related matters, another special prosecutor investigating former Secretary of Agriculture Mike Espy, Donald C. Smaltz, has gone well beyond his original authority into an investigation which also encompasses the President.

Smaltz betrayed his intentions when he announced on Feb. 6 that a high-level Department of Justice (DOJ) official, Theodore Greenberg, has been named "Special Counsel" to Smaltz to assist in Smaltz's investigation of former Secretary of Agriculture Espy. Smaltz's statement says that Greenberg, now chief of the Justice Department's money-laundering section, "has been detailed to the investigation" at Smaltz's request, and "will take a significant role in the investigation" of Espy "and related matters."

It is most extraordinary for a high-ranking DOJ official to be assigned to work for an independent counsel. Independent counsels generally draw their prosecution staff from private attorneys or low-level federal prosecutors—although Whitewater special prosecutor Kenneth Starr has also brought a number of DOJ prosecutors onto his task force.

The latest escalation in the Espy inquiry has to be seen in the context described by William Rees-Mogg in the *London Times* on Feb. 6, when he gloated about six different inquiries, "each of which could be fatal against the President." Rees-Mogg (see p. 37) writes that "President Clinton is trapped by a process of inquiry from which he would be unlikely to escape even if he were wholly innocent of any wrongdoing." That, of course, is the whole idea.

The assault flaunted by Rees-Mogg includes the investigations by Starr and Smaltz, those by the Senate and House Banking committees, and the Paula Jones sexual harassment lawsuit. The sixth is apparently the series of investigations being conducted by the news media into various Arkansas scandals, including the Mena drug-running story and a long list of alleged assassinations.

## The Ted Greenberg file

The objective—trapping President Clinton "even if he were wholly innocent"—comes into sharper focus if we trace the profile of Smaltz's aide Greenberg, one of the

dirtiest career prosecutors in the Justice Department, who has long been suspected of having Mossad ties. He is a 21-year Justice Department veteran, who has been in supervisory positions in the Criminal Division since 1987. A press release issued by Smaltz's office on Feb. 6 notes that Greenberg's duties included overseeing prosecutions in areas of foreign corrupt practices, failed S&Ls, defense procurement fraud, and "matters of national security." For ten years, says Smaltz, Greenberg was an Assistant U.S. Attorney in the Eastern District of Virginia (Alexandria), "where he had primary responsibility for complex white collar crime prosecutions and matters of national security."

Greenberg was involved in every case coming through the federal court in Alexandria involving the CIA or the intelligence community, including the Wilson-Terpil case, the Dale Duncan/Yellow Fruit case (involving Army special operations personnel), and numerous others. His role was to protect certain elements of the intelligence community, while going after various "rogue" elements in the CIA and the military.

There are also two documented instances of Ted Greenberg's involvement in the frameup of Lyndon LaRouche in Alexandria. It was Greenberg who made the first contact with the Pentagon to arrange for two truckloads of files which were seized from associates of LaRouche on Oct. 6-7, 1986, to be taken to a military facility. This was arranged through the secret "focal point" channel in the Joint Chiefs of Staff, traditionally the CIA communications channel within the military.

Greenberg was also consulted during the involuntary bankruptcy used in 1987 to illegally shut down three publishing companies identified with LaRouche. Assistant U.S. Attorney David Schiller testified that he consulted Greenberg, because of Greenberg's experience in the CIA-linked Bishop Baldwin Rewald bankruptcy case. Greenberg congratulated Schiller on his "innovative" approach, and told Schiller he wanted to stay in touch concerning the LaRouche case.

The recent appointment of Greenberg to participate in the Smaltz witch-hunt is the best evidence that Smaltz has set his sights much higher than merely looking into free football tickets given to Espy.

## Smaltz's 'witch-hunt'

Although Smaltz was originally appointed to investigate allegations that Espy had received illegal gifts (travel, football tickets, etc.) from the Arkansas-based poultry processing giant Tyson Foods, Inc., and other food processors regulated by the Agriculture Department, Smaltz quickly expanded his investigation into Tyson's dealings with Bill Clinton, including allegations of money-laundering and of cash deliveries to Clinton while he was governor of Arkansas.

In December 1994, Smaltz was quoted as saying that there was "a ring of truth" to allegations made by a former Tyson's pilot who claimed that he carried envelopes of 100-dollar bills to Little Rock which were delivered to Clinton. About the same time, the *New York Post* reported that Smaltz "is being bombarded with allegations ranging from influence peddling to drug trafficking." There's not much doubt where the "bombarding" was coming from. The Tyson-drug allegations were first raised last October by Ambrose Evans-Pritchard in the London *Sunday Telegraph*, in a piece called "Bill Clinton and the Chicken Man," in which Pritchard wrote that "there may be another aspect to this scandal which has been overlooked by the American press." Pritchard cited a former state trooper who allegedly told him that Tyson smuggled cocaine "stuffed inside chickens."

In an attempt to curtail Smaltz's free-wheeling probe, motions were filed in court on Feb. 8 challenging his wide-ranging subpoenas and the scope of his investigation. Separate sealed motions were filed by attorneys for Tyson Foods and by attorneys for a former Tyson's corporate pilot, seeking to quash a subpoena for grand jury testimony and challenging what Tyson's lawyers call a "witch-hunt" being conducted by Smaltz.

In a front-page story on Feb. 9, the *Washington Post* reported that former Tyson employees say they've been questioned about whether chairman Don Tyson sent cash to Clinton, about the death of Tyson's brother in 1986, about drug use and drug trafficking, and whether company representatives ever bribed Mexican officials. "Several witnesses said they were asked few, if any, questions about Espy when called before a grand jury," said the *Post*.

Smaltz and his team have been subpoenaing numerous former Tyson pilots and employees. It is believed that Smaltz is using a list of 2,200 Tyson workers who have filed personal injury claims against Tyson, hoping to find disgruntled employees who will give evidence against the company, which can then be used to build a case against President Clinton.

## Spun out of Faircloth

Next to the role of the British press—especially the *Sunday Telegraph* and the London *Times*—probably the next dirtiest public role in Whitewater is being played by Sen. Lauch Faircloth (R-N.C.). It was Faircloth who, along with his fellow North Carolina Senator Jesse Helms (R), was in-

strumental in having former Whitewater special prosecutor Robert Fiske fired and replaced by Bush-leaguer Kenneth Starr. Faircloth is now griping because representatives of Tyson Foods, Inc. have been coming to Capitol Hill and meeting with congressional offices to expose Smaltz's activities.

An aide to Faircloth recently told the *Washington Times* that Archie Schaffer, Tyson's director of media, public, and governmental affairs, had presented "a detailed criticism of the independent counsel and the investigation of Tyson. It floored us." But Schaffer said that "I did not ask them to do anything for us, whatever. I was simply there to make them aware of what we see as a witch-hunt."

Smaltz was appointed as an independent counsel on Sept. 9, 1994 by the same three-judge panel which appointed Starr. This panel includes Judge David Sentelle, a North Carolina crony of both Faircloth and Helms.

Faircloth is also leading the charge against another cabinet member, Commerce Secretary Ron Brown. According to information publicized by Faircloth's office, the Justice Department has begun a preliminary review to determine whether still another independent counsel should be appointed to investigate Brown. This in response to allegations made in a Jan. 23 letter from Faircloth and 13 other senators to the Attorney General, charging that Brown failed to disclose his finances involving a former business partner.

## The Starr chamber

Starr, meanwhile, is also stepping up his pressure on President Clinton. He has recently added four more attorneys to his staff, so that he now has 20 lawyers on his "Get Clinton" task force, plus more than 25 FBI agents and other investigators.

Starr is known to be putting massive pressure on one of President and Mrs. Clinton's former Whitewater partners to force her to plead guilty and testify against the Clintons. Susan McDougal, former wife of James McDougal, was called in to meet with prosecutors in Little Rock on Feb. 8, and was threatened with indictment if she did not cooperate. After the meeting, one of her attorneys said, "Mrs. McDougal is not interested in pleading guilty to any felony or misdemeanor counts. She has done nothing wrong." In addition to being the Clintons' partners in Whitewater Development Corp., the McDougals owned an Arkansas savings and loan, Madison Guaranty, that collapsed in 1989.

The prosecutors met with Susan McDougal after issuing a new round of subpoenas, including several to current White House aides, demanding that they turn over any documents pertaining to Whitewater or to Jim and Susan McDougal. Among the subpoenaed aides was Patsy Thomasson, director of the White House office of administration, according to one of her lawyers, Tim Dudley of Little Rock. Dudley said he received the subpoena on Feb. 7 from an FBI agent who told him, "I've been serving subpoenas all day."