

Starr witness against Clinton is a perjurer

by Edward Spannaus

As if there were not sufficient cause already for the removal of Whitewater special prosecutor Kenneth Starr, there is now the additional ground that Starr is using a demonstrated perjurer as his key witness against the President of the United States.

David Hale, who is Starr's star witness in the ongoing trial in Little Rock of Arkansas Gov. Jim Guy Tucker and James and Susan McDougal, is the only witness whom Starr has been able to convince to make allegations directly against President Clinton. Starr had to go to great lengths to do this, including offering an attractive plea bargain to Hale, and putting him in hiding at taxpayer expense for two years—but all of this could not turn Hale into a credible witness against either the defendants on trial, or against the President.

FBI agents raided his offices in July 1993, and Hale was indicted a few months later. He was desperate to cut a deal with federal prosecutors, but the regular United States Attorney in Little Rock refused to do so. Defense attorneys in the Tucker-McDougal trial introduced phone records showing that Hale had made 26 telephone calls in late 1993 to Jim Johnson, a bitter enemy of Clinton, who is also a former state judge known as a notorious segregationist. Johnson then put Hale in touch with Floyd Brown, a rabid Clinton-hater who authored a scurrilous 1993 tract called *Slick Willie*, and with Brown's co-author and researcher, David Bossie. (Bossie was hired last summer as a staff aide to Sen. Lauch Faircloth (R-N.C.), and a recent mailing from Brown's Citizen's United organization claimed that their top investigator Bossie was actually running the Senate Whitewater probe.)

After a special prosecutor was appointed to take over the Little Rock investigations, Hale succeeded in making a plea bargain—after he offered to give evidence against President Clinton. Then, and only then, was Hale allowed to plead guilty to reduced charges. Incredibly, Hale was able to go almost two years before being sentenced, all that time being secreted away by Starr in federal protective custody.

But under cross-examination during the week of April 8, Hale admitted that he had lied in sworn depositions, and that he had lied in statements to the FBI and in Small Business Administration documents. He was even compelled to admit that he had lied to the judge at the time he entered his guilty plea. At that time, Hale had denied that any of the money from the federally backed loans in question had gone to businesses

he controlled, and he said he couldn't remember to whom the money did go. But under cross-examination by defense attorneys, Hale admitted that \$172,000 had gone to two companies he controlled.

"When he asked me, I was scared to death, and I don't even know what I said," Hale testified. "I would not, under any circumstances, want to mislead the judge at all."

"But you did?" asked defense attorney George Collins, the lawyer for Governor Tucker.

"Yes, I did," Hale admitted.

Dragging Clinton in

Under direct examination by prosecutors from Starr's office, Hale mentioned Bill Clinton on a number of occasions in connection with allegedly illegal loans, even though Clinton is neither indicted nor even named as an unindicted co-conspirator. But under cross-examination, Hale admitted that he has no evidence to back up his claims. Hale changed his story from that which he had told the same jury only a few days earlier.

Hale had testified for the government that Clinton had said, "My name can't show up in this," in connection with a loan. But under cross-examination, Hale conceded: "I can't recall specifically what he said." Hale had testified that Clinton proposed using his Whitewater property as collateral for an illegal loan—which means, as Hale allowed, that Clinton's name could easily have been traced to the loan, by simply examining the deed to the land.

Defendant Jim McDougal later told reporters that the Whitewater property, including Clinton's stake, had been sold a year before the time that Hale said Clinton offered the land as collateral.

Hale also said that the meeting had taken place sometime before the making of the loan on Feb. 28, 1986, and that the meeting had taken place in a trailer because bank examiners were present at McDougal's Madison Savings and Loan. However, under cross-examination, Hale admitted that the examiners had not arrived until March 4—after the loan was placed.

Prosecutor Ray Jahn admitted to reporters outside the courtroom, that Hale's testimony differed from what Hale has been telling Starr's office for the past two years.

One exchange between Hale and defense attorney George Collins went as follows:

Collins: Now you have, at different times, lied for different reasons, haven't you?

Hale: Yes sir, I have.

Collins: When you lied on the \$900,000 bogus deal, you did it for money, didn't you?

Hale: Yes I did.

Collins: So we know you will lie for money. Would you lie for your liberty, Mr. Hale?

Hale: Not now.

Collins: So yesterday you might have lied, but not today.