

U.S. operations are based in Arkansas.

The pressure continued, and when Hubbell was released from prison in February 1997, he declared that he would no longer cooperate with the Whitewater prosecutors. "I have spent an extraordinary amount of time cooperating with investigations," Hubbell said in a statement at the time. "My answers did not always please the investigators, but they were always truthful. That cooperation did not benefit me at all. I was subjected only to further investigations. There is no apparent purpose in continuing down this path."

While Starr's grand jury in Little Rock is ostensibly investigating Whitewater-related financial deals, Starr's Washington grand jury is said to be trying to make an obstruction of justice case against President Clinton, Mrs. Clinton, and their circle of friends and associates. This is the pretext for the entire "sexgate" operation around Monica Lewinsky et al. Just as the President's friend Vernon Jordan is being accused of trying to get Lewinsky a job to keep her quiet, Jordan also reportedly helped Hubbell out. Hubbell is clearly seen by Starr's office as a stepping-stone to get Vernon Jordan, and former U.S. Trade Representative Mickey Kantor—both of whom helped Hubbell obtain jobs in 1994.

In February 1998, the *American Spectator*, whose editor Emmett Tyrrell is a regular participant in the "Olson Salon," published a cover feature on Hubbell which emphasized Hubbell's work in the Rose law firm with Hillary Clinton and Vincent Foster, and the firm's links to the Lippo Group and its owners, the Riady family. The article was rather prescient: It predicted that Hubbell would probably be indicted again. The *American Spectator* was not alone in this; much of the news media has been the recipient of leaks from Starr's office in the past few months, predicting indictments of Hubbell, his wife, his lawyer, and his accountant.

To add to the pressure, Representative Burton announced that he would make public the tape recordings of telephone conversations between Hubbell and his wife, while Hubbell was in Federal prison. During the week prior to the indictment, Burton's committee also released detailed information about Hubbell's consulting payments during 1994—with much of the Burton data being the same as what appeared in Starr's indictment one week later.

The April 30 indictment charged Hubbell and the other defendants with conspiracy to violate the IRS laws through impairing and impeding the IRS, evading taxes, and mail fraud. Hubbell's lawyer John Niels said that Starr's office had brought "a very rare type of tax charge" against Hubbell, one that "would not be brought against an ordinary taxpayer" by the Department of Justice. A statement issued by Niels's office elaborated this point, saying that Hubbell had acknowledged to the IRS that he owed taxes, that he had been unable to pay them, and that under existing DOJ prosecutorial guidelines, the failure to pay taxes does not constitute tax evasion. But this did not stop Starr and his friends, in their quest to "get" President Clinton at any cost.

## Clinton slaps down 'clean needles' ploy

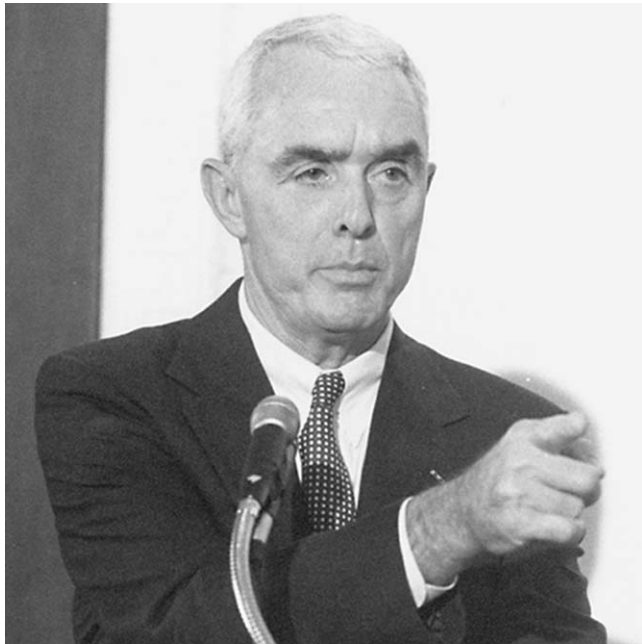
by Jeffrey Steinberg

President Clinton delivered a significant defeat to mega-speculator George Soros on April 20, when he announced that he was extending the nine-year ban on Federal funding of needle-exchange programs. Such programs exist in 110 cities in 22 states, providing "clean" disposable hypodermic needles to heroin addicts, ostensibly to decrease the spread of the HIV virus and other blood-borne diseases among intravenous drug users who share their needles. In recent years, Soros, who is the largest bankroller of the drug legalization movement in the world today, has poured substantial amounts of tax-free money into the needle-exchange programs, through his Open Society Fund, and through the Drug Policy Foundation, an organization dedicated to the legalization of psychotropic drugs.

Within hours of President Clinton's announcement of the extension of the ban of Federal funding for the needle exchanges, Soros announced that he was creating a \$1 million matching fund, to encourage the expansion of the free needle programs by state and local governments. Sources close to the Clinton White House have told *EIR* that, had President Clinton lifted the ban on Federal funding, as much as \$600 million in taxpayers' money could have been funneled into the distribution of hypodermic needles. They characterized Soros's announcement as a defensive move, highlighting the fact that his dope legalization cause had suffered a substantial setback.

The President's decision to extend the ban was not a foregone conclusion. Up until the last moment, supporters of the scheme had expected him to lift the ban, based on the fact that the program had the support of Vice President Al Gore and Health and Human Services Secretary Donna Shalala. Their support was based on a number of dubious studies of the results of needle-exchange programs in allegedly reducing the spread of HIV, and an intensive lobbying effort by homosexual rights organizations, AIDS activists, and Soros's drug lobby. The Soros apparatus is notorious for producing slick "medical" studies, prepared by doctors and biomedical researchers on Soros's payroll, which attempt to give a veneer of "objectivity" to their pro-dope-legalization propaganda.

Indeed, days before the President made his announcement, Shalala and some White House staff had drafted a press release, and scheduled a press conference, where it was expected that they would announce the President's lifting of the ban.



*National Drug Policy Director Barry McCaffrey, who convinced President Clinton that needle-exchange programs are not all they're cracked up to be.*

Unfortunately, while President Clinton continued the funding ban, he did allow Shalala et al. to issue statements endorsing the effectiveness of needle exchanges in reducing the rate of HIV infection.

The President's eleventh-hour decision to continue the ban was the result of an effort by Gen. Barry McCaffrey (ret.), the head of the White House Office of National Drug Control Policy (ONDCP). McCaffrey personally walked the President through the needle-exchange controversy, while the two were travelling together, aboard Air Force One, to a summit meeting in Santiago, Chile. He gave the President a memo by former Health, Education, and Welfare Secretary Joseph Califano, detailing his own studies of the hazards of needle distribution. McCaffrey had also solicited the assistance of Congressional Republicans.

Rep. Dennis Hasert (R-Ill.), who heads the Congressional Republicans' Drug-Free America task force, warned on April 23, that if the President lifted the ban, Congress would pass an override. A week after the President's announcement, the House, by a 287-140 vote, passed a permanent ban on direct or indirect Federal funding of the needle-distribution programs.

### **Debunking the needle-exchange myth**

Critical to McCaffrey's successful fight to retain the ban, was a fact-finding study conducted by a researcher at the ONDCP, into the oldest, and one of the largest, needle-exchange programs in North America, that in Vancouver, British Columbia. The program dispenses more than 2.5 million free hypodermic needles each year.

At the time the Vancouver program was launched in 1988, approximately 2% of the drug addicts serviced by the program were infected with HIV. Five years later, the rate of HIV infection was 20%. During the same period, the number of heroin overdoses in the Vancouver area went from 18 in 1988 to 200 in 1993—a clear indication that heroin abuse was on the rise.

The Vancouver study also revealed that the heavy funding of the needle-exchange program cut into money that would have otherwise gone to treatment programs, aimed at getting people off drugs altogether. The net effect: Vancouver has become a magnet for drug abusers and drug-related crime for the entire Pacific Northwest. While it would be unfair to say that the transformation of Vancouver into the “needle park” of the Northwest was caused by the needle-exchange program, the study clearly demonstrated that the needle-exchange program had neither reduced the spread of AIDS among drug addicts, nor contributed in any way to combatting the spread of illegal drug abuse in the area.

### **Soros's hidden agenda**

To hear George Soros tell it, his Open Society Institute Lindesmith Center, and the Drug Policy Foundation, which he funds to the tune of at least \$15 million, are not in favor of the legalization of drugs. They merely wish to foster a “debate” on how to reform the country's anti-drug effort. This is a lie.

At the Nov. 8-9, 1996 tenth annual meeting of the Drug Policy Foundation, in Washington, D.C., founding member Eric Sterling told a closed-door gathering that he was proud to have devoted the last 20 years of his life to the cause of “drug legalization.” He went so far as to chastise those who balk at the idea of crack cocaine legalization. At a press conference at the National Press Club in February 1997, when confronted in public by a reporter for *EIR*, Sterling admitted that he and his Drug Policy Foundation colleagues were unabashed advocates of the legalization of all drugs. “The challenge is to end the policy of prohibition against the use of cocaine [and] heroin,” he said.

For the Soros gang, the idea of needle-exchange programs has been to establish yet one more step forward for their quasi-secret agenda of full legalization. And without the Drug Policy Foundation backing, the needle-exchange effort would have likely never gotten off the ground.

In 1990, for example, the Drug Policy Foundation gave its \$100,000 cash prize, the Richard J. Dennis Drugpeace Award, to Jon C. Parker, the founder of the National AIDS Brigade, and David Purchase, founder of the needle-exchange project in Tacoma, Washington. The next year, DPF gave its Norman Zinberg Award for Achievement in the Field of Medicine and Treatment to Prevention Point, a San Francisco needle-distribution project. In 1992, the Zinberg prize went to Dr. Alex Wodak, of the Royal Australian College of Physicians, who set up the first needle-exchange programs in that country.