

## LaRouche's prosecutor jumps to Starr's defense

by Edward Spannaus

On Sunday, May 3, a nationwide viewing audience was exposed to some dramatic examples of the thuggish and abusive tactics used by prosecutors in Kenneth Starr's White-water investigation.

In a feature called "Starr Wars," CBS News's "60 Minutes" focussed on the pressure tactics used against peripheral players in Arkansas, in an effort to get them to provide evidence against others. The program opened by noting that most of the media's attention has been on what Starr is doing in Washington, but that in Little Rock, Starr "has been targeting people you've probably *never* heard of." In his efforts "to net the biggest fish of all, the President and the First Lady," said host Morley Safer, "the independent counsel went after some very small fish indeed."

The program first examined the tactics used against Sarah Hawkins, a former bank examiner who had worked at Madison Guaranty Savings & Loan with James McDougal; Hawkins was threatened with indictment, and with up to a 400-year prison sentence, unless she would "rat" on James McDougal, who would then be squeezed to get at Bill Clinton. After Hawkins's name was published in the *Wall Street Journal*, her consulting business, at which she was making \$100,000 a year, nosedived, and she and her family ended up on food stamps.

"You cannot force a person to admit something that's not true," Mrs. Hawkins said. "And that's exactly what they were trying to do, in my case."

According to Hawkins's lawyer, Starr's prosecutors then took the attitude: "Since this person would not cooperate with us, we wondered what she had to hide." So, Starr's office investigated her background, and threatened her with further prosecution — without ever telling her what she was supposed to have done wrong. Ultimately, she was never charged with anything.

The show also cited the example of Starr's office trying to serve a subpoena on the 16-year-old son of local banker Robert Hill, at the boy's high school, as a means of putting pressure on the boy's father. "60 Minutes" also interviewed former banker and now professor Steve Smith, who told how Starr's prosecutors wrote up a script for his grand jury testimony which was knowingly false. "They're not interested in the truth," Smith said. "They're interested in getting the President."

To defend Starr and the legitimacy of these tactics, "60 Minutes" interviewed the former United States Attorney for the Eastern District of Virginia, Henry Hudson. Hudson's response was that what Starr's office had done to Hawkins, is what all good prosecutors do. Tactics such as threatening lower-level people to get at the higher-ups are the type of tactics that are used every day, Hudson declared. "The only way you're going to get to the people at the top . . . is to prosecute the underlings, and have them testify against the people who play a much greater role," he said.

### Who is Henry Hudson?

Hudson is not just another Federal prosecutor. In a speech in February 1997, Starr described Hudson as "a dear friend" and "a legend among U.S. Attorneys." Hudson is also a friend of Starr's top Little Rock deputy, Hickman Ewing, who is directly responsible for the strongarm tactics used in Arkansas.

Moreover, Hudson is a walking textbook in prosecutorial abuse and unscrupulous tactics; he was once quoted as saying, "I live to put people in jail." It is therefore entirely fitting that he should be dragged out to defend Kenneth Starr.

Hudson became the U.S. Attorney in Alexandria, Virginia in June 1986. By his own later testimony, he had announced within 48 hours that the indictment and prosecution of Lyndon

LaRouche was a top priority for his office. He spent much of the next few months planning the multi-agency armed raid on offices of LaRouche-associated publishing and political organizations which took place on Oct. 6-7, 1986. This operation involved over 400 Federal, state, and local law enforcement officials—according to Hudson’s own boasting at a post-raid press conference. (Yet, when Hudson was being questioned in 1995 during his testimony at Senate Judiciary Committee hearings on the Ruby Ridge killings, and was asked if he had ever previously been involved in a situation or incident in which 400 people were involved, Hudson conveniently forgot about the 1986 LaRouche raid.)

In April 1987, Hudson’s office took the unprecedented step of filing an involuntary bankruptcy action against three publishing companies operated by associates of LaRouche, and he managed to obtain a secret court order authorizing the immediate shutdown and padlocking of those businesses; by court order, the companies could not conduct any business or repay any creditors or lenders.

Then, in October 1988, Hudson indicted Lyndon LaRouche and six associates for “loan fraud,” for not repaying loans from the padlocked companies! While Hudson’s prosecutors repeatedly told the jury that LaRouche and his associates had not repaid the loans, LaRouche and the other defendants were prohibited from telling the jury that they were prevented from repaying the loans by the forced bankruptcy.

After LaRouche and the others had been railroaded into prison, the Federal bankruptcy judge presiding over the bankruptcy case ruled that Hudson’s filing of the bankruptcy petitions was “an improper use” of the bankruptcy law, that Hudson’s office had filed the action in “bad faith,” and that “the government’s actions could be likened to a constructive fraud on the court.”<sup>1</sup>

The LaRouche trial was riddled with misconduct by Hudson’s office and the Justice Department. This included illegal leaks to the news media, suppression and concealment of evidence, inducing witnesses to lie and knowingly presenting false testimony, pressuring witnesses and threatening them with prosecution if they did not testify as prosecutors wanted, and failing to disclose promises and inducements made to witnesses.

While being the most egregious, the LaRouche case was not the only instance of dishonesty and misconduct by Hudson. While he was preparing the LaRouche railroad, in the summer of 1988, Hudson involved himself in another high-profile case: He literally invaded the Pentagon, leading FBI agents in a search-and-destroy mission, known as “Operation Ill-Wind,” against the nation’s military and its aerospace sector. Hudson antagonized Federal prosecutors in other parts of the country by his turf battles and his grandstanding, and he was publicly criticized by the General Accounting Office for

his handling of the Pentagon probe.

In February 1992, Hudson was appointed by George Bush to head the U.S. Marshals Service. During the 1995 Senate hearings on the Ruby Ridge shootings, Hudson was caught in a number of lies while trying to cover up his own complicity in the unlawful shootings—in one case contradicting a written FBI report, by denying that he knew right away that Randy Weaver’s son Sammy had been shot by U.S. Marshals.

All in all, Hudson is a fitting character witness to be put forth to defend Kenneth Starr and his tactics.

## Vindictive indictments

The occasion of the “60 Minutes” feature was that a few days later, the Whitewater grand jury in Little Rock was scheduled to end its term; and indeed, on May 7 the grand jury did close up shop without issuing any indictments around the 1980s Whitewater land deals which—readers with long memories may remember—were the original pretext for the appointment of the Whitewater independent counsel. The only indictment issued in the past two years by the Little Rock grand jury was that issued in a fit of vindictiveness and vengeance against Susan McDougal, charging her with criminal contempt and obstruction of justice for refusing to testify before Starr’s grand jury; this was after the courageous McDougal had already been imprisoned for 18 months for civil contempt.

Susan McDougal’s new indictment followed only a few days after Starr’s second indictment of former Clinton administration official Webster Hubbell, on trumped-up tax-evasion charges. Both Susan McDougal and Hubbell made it clear that Starr was pressuring them to give false testimony against the President and the First Lady, and both declared that they will not lie for Starr, even to save their own skin.

“I will not do so, and my wife would not want me to do so,” Hubbell declared. “I want you to know, the Office of Independent Counsel can indict my dog, they can indict my cat, but I’m not going to lie about the President. I’m not going to lie about the First Lady or anybody else.”

Only days later, after she was indicted once again, Susan McDougal said that she was being charged with a crime she did not commit “in order to be coerced into turning on former friends and giving false testimony to save myself. I will not perjure myself for leniency.”

Meanwhile, Starr’s Washington, D.C. grand jury is still very much in business, having wandered a long way from the piece of Arkansas real estate known as Whitewater. Using the Washington grand jury, Starr and his team of deputies are inspecting details of the President’s personal life, trying to cook up an obstruction of justice and perjury case against the President, the First Lady, and a number of their close associates. Starr is also known to be preparing a report for the House of Representatives on possibly impeachable offenses alleged to have been committed by the President; that report could be delivered as early as June.

1. See “How the Justice Department Used a Forced Bankruptcy to Rig the Trial in the Lyndon LaRouche Case,” *New Federalist*, April 28, 1997.