

Phil —

8/14/98

The original was given back
to the POTUS. Did you want to
keep this for your records?

cp

THE PRESIDENT HAS SEEN
8-14-98

FROM UNIVERSAL PRESS SYNDICATE

FOR IMMEDIATE RELEASE

DATED: 5/7/97

RICHARD REEVES by Richard Reeves

SOFT MONEY AND HARD PRESIDENTS

*Copied :
Branch
Emanuel
COS*

WASHINGTON -- Republican suspicions about the president's fund-raising tricks began during the Democratic National Convention, when it seemed the White House was using all the powers of the presidency to get around legal restrictions on corporate contributions to his re-election campaign.

"Corporations and corporate officials have been and are being bludgeoned into tribute to the coffers of the Democratic national campaign chest," said one Republican senator, according to CBS News transcripts at the time. "The whole proceeding is manifestly unlawful, vicious and demoralizing ... cynical ... contemptuous ... They are peddling (the) president of the United States."

The White House, bland as always about such charges, said the president himself knew nothing of what his fund-raisers might be doing. It seems he did not even know that the money calls were being made from the offices of Cabinet members.

Sure he didn't, not even when he signed his own name for contributors -- 2,500 times.

"A dark page in the history of this country," Sen. Roy O. Woodruff of Michigan told CBS Radio on Aug. 8, 1937. The president was Franklin D. Roosevelt. The law being skirted (or rolled over) was the Federal Corrupt Practices Act of 1925.

"This was the beginning of soft money in presidential politics," said Lloyd Cutler, a former counsel to President Bill Clinton. He was holding a heavy leather-bound volume, 384 11-by-14 pages, titled "The Democratic Book of 1936." (Our encounter was neither political nor journalistic. The occasion was the opening of a showing of the recent work of artist Polly Kraft, who is Mrs. Cutler.)

*Phil
cc: T. G. Branch
Return*

REEVES

5/7/97

2

This was how FDR raised more than \$1 million for the Democratic Party after winning a second term against Gov. Alfred Landon of Kansas. The book was an expanded version of the program of the 1936 convention in Philadelphia, which made some money for the '36 campaign at \$2.50 a copy. After crushing Landon, who carried only two states, Maine and Vermont, FDR signed 2,500 bound copies with some new material, including the overwhelming vote count in his favor. Then James A. Farley, who was chairman of the Democratic National Committee and sat in the Cabinet as postmaster general, sold the bound copies for prices ranging from \$100 to \$1,000 each.

There were also more than a hundred pages of advertising, which sold for at least \$700 a page. There were more than a dozen alcohol and tobacco pages alone, congratulating the First Smoker and the man who signed the repeal of Prohibition: Calvert, Canadian Club, Schenley's, Seagrams, Anheuser-Busch, Miller's, Pabst, Chesterfield, Lucky Strike, Camel and Old Gold. One of two Camel pages had this to say: "Science confirms the truth of the popular phrase: 'For Digestion's sake, smoke Camels.'"

IBM was in there, showing an automatic payroll machine the size of a small car, along with Chrysler, United Fruit, Bank of America, Bendix, John Deere, Sears-Roebuck, the United Mine Workers, and a yacht company called ELCO offering a nifty 48-footer for just 15,500 Depression dollars.

Some of those corporations, or their officers, had been notably hostile to candidate Roosevelt, but there is only one president at a time. Live and let live? Of course. Coercion? Of course. That's politics, then and now.

The text of the book was pretty good, with short biographies of Roosevelt and his team and the short histories of his 4-year-old "alphabet" agencies.

The WPA (Works Progress Administration) section was written by Harry Hopkins, a close FDR aide, who began with

REEVES

5/7/97

3

the quote, "The poor we shall always have with us," and this rejoinder, "Then it is time we did something about them." Willem Van Loon ("Van Loon's Lives") profiled Roosevelt, and Fannie Hurst, the actress, wrote the section on "Democratic Women in Politics."

It was fun to read. The copy I saw was engraved to Henry P. Fletcher and numbered 873. The price was \$1,500 at the shop of Glenn Horowitz Bookseller in Easthampton, N.Y., at the end of Long Island. It was not affordable history for me. But driving home, I imagined FDR laughing at self-righteous Republicans. Even with a sure loser, the Republicans were able to raise almost \$9 million for Landon while Roosevelt had to make do with just over \$5 million. The man was the Michael Jordan of his business, born to laugh at his critics.

I thought this, too: If it were not for the 22nd Amendment, passed after FDR's death, limiting presidents to two terms, Bill Clinton would run again in 2000 -- and he would win.

COPYRIGHT 1997 UNIVERSAL PRESS SYNDICATE
4520 Main St., Kansas City, Mo. 64111, (816) 932-6600

TRANSMITTED BY:



EMBASSY OF THE
UNITED STATES OF AMERICA

Mr. President -

For your
information —

We should
discuss the situation
soon.

Sincerely,
Ray Hyman

Coveting Catholic electorate

GOP fires an early salvo in new version of old war

Boston Globe 9-9-94

By John W. Mashek
SPECIAL TO THE GLOBE

WASHINGTON — An old battle is looming anew as the midterm elections near: the political struggle for the Roman Catholic voter.

With an obvious eye toward building Republican support in November, the national party chairman, Haley Barbour, made a strong bid yesterday for Catholic voters, lashing out at a Clinton administration official for "making a direct and scurrilous attack on the Catholic clergy."

Barbour's ire was directed at Surgeon General Joycelyn Elders, but he also suggested that the administration had erred in its handling of the abortion issue at the UN population conference in Cairo. The US delegation, headed by Vice President Al Gore, has been trying to deal with Vatican representatives, who want to leave abortion out of a final report.

At a breakfast with reporters, Barbour, a Protestant descended of French Huguenots, declined to get into specifics when asked whether Republicans were free to criticize Sen. Edward M. Kennedy of Massachusetts for supporting the ordination of women as priests. The Republicans view Kennedy, a Catholic, as a possible upset victim on Nov. 8.

But Barbour's remarks pointed up the importance of the Catholic vote to both parties. Catholics, to the extent that they were considered a voting bloc, were once viewed as an integral part of the Democratic coalition, especially in urban areas of the East and Midwest. But they have been increasingly a swing vote, with some, especially those in the suburbs, shifting toward the Republicans.



HALEY BARBOUR
Assails remark on priests

"In recent elections, more Catholics have identified themselves as Republicans or independents," said John Green, an authority on religious voting patterns and director of the Ray Bliss Institute at the University of Akron. "Republicans also see a real possibility of linking up the religious right with conservative Catholics who agree with them on social issues such as abortion and family values."

Green and other analysts maintain that older Catholics remain more traditional Democrats, many younger Catholics agree with Republicans more on economic views, and middle-aged Catholics generally still maintain a Democratic bias but are liable to shift depending on the candidates.

John Krumkowski, president of the National Center for Urban Ethnic Affairs at Catholic University in Washington, said that, at least in presidential elections, "It's almost not too much to say that the candidate who attracts them wins the election."

The majority of the Catholic vote has gone Democratic in six of the 10 presidential elections since 1952. The strongest Catholic turnout was for Democrat John F. Kennedy, himself a Catholic, who was backed by 78 percent.

The landslide presidential victories of Richard M. Nixon in 1972 and Ronald Reagan in 1984 were helped by huge Catholic majorities. Democrat Hubert Humphrey got 41 percent in 1968 to 47 percent for Nixon, and the rest went to independent candidate George Wallace.

President Clinton, a Baptist, won 42 percent of the vote in 1992 but George Bush slipped badly from 49 percent in 1988 to 37 percent against Clinton. Ross Perot got the other 21 percent.

Congressional elections, of course, are more difficult to predict than presidential contests using voter groups. But if Republicans are to make the substantial gains they are predicting this fall in both the Senate and House, it follows that they will have to win over a majority of Catholics.

In the meeting with reporters, Barbour said Elders had infuriated more voters than believed. "Attacks on the Roman Catholic clergy have made people mad," he said.

Barbour's aides said he was referring to a column by the conservative Patrick Buchanan, who quoted Elders at an abortion rights rally in Little Rock, Ark., as saying, "Look at who is fighting the prochoice movement — a celibate, male-dominated church." Barbour termed that "a tacky, personal type of attack."

THE WHITE HOUSE
WASHINGTON

Date 6/25

To: Sylvia

From: The Staff Secretary

Do we need to have a Presidential
message sent to this event,
or can the President just
send a letter later? It's a
little late for a message.

Phil

ORGANIZATION FOR A NEW EQUALITY



Nlt
cc. staff
sec

6/27/98
Phil, Sorry I was
behind on my paper
this week. Check
w/ Mignon to see if we
really need to do a letter
other a Stith response
Snat

June 24, 1998

President William Jefferson Clinton
Attn. Nacy Hemreich
The Presidents Office
The White House
Washington, DC 20502

Dear President Clinton:

I have attached an advance copy of a report -- *Affirmative Action 20 Years After Bakke: Fairness Works for Everybody* -- the Organization for a New Equality (O•N•E) will be issuing this Friday, June 26, 1998 on the 20th anniversary of the Supreme Court's decision on affirmative action in the Bakke case.

The point of this 25 page report is that efforts include minorities in the mainstream of American life have made America more fair and inclusive for all Americans. We are releasing this report on the 20th anniversary of the Bakke decision for three reasons. One, the case was the opening salvo in an assault on affirmative action. Two, affirmative action is still under assault. And three, while affirmative action is much discussed, it is very much misunderstood. Not only does its intent relative to the inclusion of minorities go unrecognized, but its benefits to broader society do also.

If at all possible, we would like you to join us for a press conference to release the report at 11:00 am on Friday, June 26, 1998 at the Organization for a New Equality in Boston. If you are unable to attend, we would at least like you to fax us a press statement which supports the importance of affirmative action as a strategy to make the American dream accessible to all Americans.

I will call your office this afternoon to follow-up. Thank you in advance for your time and assistance.

Sincerely,

Rev. Dr. Charles R. Stith
National President, O•N•E

Board of Directors
Directors

Rev. Dr. Charles R. Stith
National President

Hon. Joyce Landon Alexander
Dr. Nathan Allen
Rev. Walter C. Burton, Jr.
George H. H. H. H.
Marilyn Carington
Hon. Rev. Emanuel Cleaver

Charles F. Cooke, III
Rev. Charles Coverdale
Rev. Howard W. Greedy, Jr.
Ike Fields
Samuel R. Foster, II
Hon. Alexander Green
Joseph Hill

William A. Jackson
Rev. Dr. Clyde H. Miller, Jr.
Mildred Matthews
George A. Russell, Jr.
Thomas Sutton III
Deborah P. Thomas-Stith, M.D.
May Mildred Stith

Hon. Joe
Rev. Joseph Washington
Arnet Waters
Patty Wilson
Hon. J. Z. Z. Z.

National Headquarters
364 Baylston Street

Washington D.C. Office
4480 King Street, Suite 100
Alexandria, VA 22302

Kansas City Office
1216 Brooklyn Avenue
Kansas City, MO 64127

A FACT SHEET

AFFIRMATIVE ACTION 20 YEARS AFTER BAKKE: FAIRNESS WORKS FOR EVERYBODY

Twenty years ago on June 28, 1978, the United States Supreme Court handed down its decision on affirmative action in the case of the *University of California Regents v. Bakke*. The Organization for a New Equality is releasing its report -- *Affirmative Action 20 Years After Bakke: Fairness Works for Everybody* -- on the 20th anniversary of the Bakke decision for the following reasons. First, the Bakke decision was the opening salvo in an assault on the opportunity agenda to include African Americans and other minorities in the American mainstream. Second, affirmative action is still under assault, most recently in *Adarand v. Peña* and the passage of Proposition 209 in California. Third, while affirmative action is much discussed, it is very much misunderstood. Not only does its intent relative to the inclusion of minorities go unrecognized, but its benefits to broader society do also. **The point of this report, simply stated, is that the efforts to include minorities in the mainstream of American life have made America more fair and inclusive for all Americans.**

- Bakke's claim of reverse discrimination by UC Davis does not take into account the fact that this program, which set aside 16 percent of the total number of seats for minority applicants, went into effect at the same time the school doubled the total number of seats available, increasing the number of white students admitted.

Education: Over the last 30 years, the Federal government has helped Americans access educational opportunities. While the language used in these initiatives targets class inequities, it is no coincidence that this generation of legislation to provide greater educational opportunity started in the sixties. The programs, including the Higher Education Act, passed in 1965 and afterwards are clearly a part of the civil rights movement and the civil rights legacy.

- In 1992-93, 2.52 million low-income white students who might not otherwise have been able to afford a secondary education received Pell grants. The same year, 685,000 African American students, 49,000 American Indian and Alaskan Native students, 129,000 Asian and Pacific Islander students, and 423,000 Latino students also received Pell grants. This opportunity-expanding program has benefited people across all racial lines, helping disadvantaged whites as well as minorities.
- The number of women enrolled in all levels of higher education programs increased 52 percent from 1976 to 1994.

Employment: In 1964, Congress passed the Civil Rights Act which prohibited discrimination based on race, sex, national origin and religion in employment and education. In 1969, the U.S. Labor Department under President Richard Nixon developed the concept of "quotas and timetables" in order to remedy the underrepresentation of minorities in some industries and companies. This approach was necessary because discrimination was rampant and, affirmative and proactive efforts were needed to remedy the situation.

- Employment rates for all Americans have been increasing over the past 20 years. The employment rate among white Americans, now 65 percent, grew 8.3 percent between December 1977 and December 1997. The employment rate for African Americans, now 58 percent, grew 8.4 percent over this same period. The employment rate for Latinos, now 63 percent, grew 8.6 percent.
- Women, especially white women, have benefited enormously from these laws and programs. From 1977 to 1997, the percentage of all employed white women over 20 years old increased 25 percent (from 46.1 to 57.8 percent employed). In 1977, there were 29 million white women employed in the United States; by 1997, this number had increased 60 percent to 47 million.
- In 1996, the percentage of women employed in executive, administrative, and managerial occupations increased by 123 percent, from 3.5 million in 1983, to 7.8 million in 1997. The number of men holding these positions increased 37 percent over this same period, from 7.3 million in 1983 to almost 10 million in 1997.

Credit & Capital: Owning one's own home has always been an integral part of the American dream. Yet historically this dream has been unattainable for many minorities in America, due to the unavailability of credit and capital. The most significant legislation in terms of affirmative efforts to expand access to credit and capital was the Community Reinvestment Act (CRA), passed in 1977 to end the redlining of communities of color by banks. The result has been far greater fairness and expanded opportunities for all Americans.

- From 1993 to 1996, homeownership increased dramatically. Whites own 2.4 million (70 percent) of the total 3.4 million new homes, an increase for whites of 4.5 percent. Latinos bought 460,000 new homes between 1993 and 1996, for a total increase of 16 percent. African Americans bought 350,000 new homes, an increase of 7.5 percent.
- Removing the structural barriers which have prevented minorities from becoming homeowners would enable 2.2 million white families who would otherwise be denied loans to realize the American dream.
- In 1997 alone, 835,520 low- and moderate-income families received over \$51 billion in loans through the Fannie Mae Corporation's \$1 Trillion commitment to help 10 million families become homeowners, particularly senior citizens, minorities, new immigrants, residents of urban, underserved areas, and others in need. Over 255,000 minority households received \$24.6 billion in loans; and 1.19 million families headed by whites or white individuals received loans totaling \$95.4 billion.

Throughout history, American policymakers have shown an affinity for top-down approaches to try to create opportunity for Americans. The history of affirmative action and efforts to include African Americans and others who've been marginalized has demonstrated that it is the bottom up policies rather than the trickle down policies that truly result in an America that is consistent with the tenets of equality addressed in our Constitution, our creeds and our customs.

Rev. Dr. Charles R. Stith
Letter re: Affirmative
Action

THE WHITE HOUSE
WASHINGTON

Date 6/25

To: Sylvia

From: The Staff Secretary

Do we need to have a Presidential
message sent to this event,
or can the President just
send a letter later? It's a
little late for a message.

Phil

ORGANIZATION FOR A NEW EQUALITY



Nlt
cc Staff
sec

June 24, 1998

President William Jefferson Clinton
Attn. Nancy Hemreich
The Presidents Office
The White House
Washington, DC 20502

98 JUN 25 PM 10:53

Dear President Clinton:

I have attached an advance copy of a report -- *Affirmative Action 20 Years After Bakke: Fairness Works for Everybody* -- the Organization for a New Equality (O•N•E) will be issuing this Friday, June 26, 1998 on the 20th anniversary of the Supreme Court's decision on affirmative action in the Bakke case.

The point of this 25 page report is that efforts include minorities in the mainstream of American life have made America more fair and inclusive for all Americans. We are releasing this report on the 20th anniversary of the Bakke decision for three reasons. One, the case was the opening salvo in an assault on affirmative action. Two, affirmative action is still under assault. And three, while affirmative action is much discussed, it is very much misunderstood. Not only does its intent relative to the inclusion of minorities go unrecognized, but its benefits to broader society do also.

If at all possible, we would like you to join us for a press conference to release the report at 11:00 am on Friday, June 26, 1998 at the Organization for a New Equality in Boston. If you are unable to attend, we would at least like you to fax us a press statement which supports the importance of affirmative action as a strategy to make the American dream accessible to all Americans.

I will call your office this afternoon to follow-up. Thank you in advance for your time and assistance.

Sincerely,

Rev. Dr. Charles R. Stith
National President, O•N•E

Board of Directors
Trustees

Rev. Dr. Charles R. Stith
National President

Hon. Joyce London Alexander
Dr. Niihio Allen
Rev. Walter C. Burton, Jr.
George Burnett, Esq.
Marilyn Carrington
Hon. Rev. Emanuel Cleaver

Charles F. Cooke, III
Rev. Charles Coverdale
Rev. Howard W. Creech, Jr.
Ike Fields
Samuel R. Foster, II
Hon. Alexander Green
Jesse Hill

William A. Jackson
Rev. Dr. Clyde H. Miller, Jr.
Mildred Prothro
George A. Russell, Jr.
Thomas Sutton (Jill)
Deborah Prothro-Suth, M.D.
Mary Mildred Suth

Earl Tate
Rev. Joseph Washington
Armen Waters
Percy Wilson
Leonard Zikora, Esq.

National Headquarters

364 Boylston Street

Boston, MA 02116

Washington D.C. Office

4480 King Street, Suite 100

Alexandria, VA 22302

Kansas City Office

1216 Brooklyn Avenue

Kansas City, MO 64127

A FACT SHEET

AFFIRMATIVE ACTION 20 YEARS AFTER BAKKE: FAIRNESS WORKS FOR EVERYBODY

Twenty years ago on June 28, 1978, the United States Supreme Court handed down its decision on affirmative action in the case of the *University of California Regents v. Bakke*. The Organization for a New Equality is releasing its report -- *Affirmative Action 20 Years After Bakke: Fairness Works for Everybody* -- on the 20th anniversary of the Bakke decision for the following reasons. First, the Bakke decision was the opening salvo in an assault on the opportunity agenda to include African Americans and other minorities in the American mainstream. Second, affirmative action is still under assault, most recently in *Adarand v. Peña* and the passage of Proposition 209 in California. Third, while affirmative action is much discussed, it is very much misunderstood. Not only does its intent relative to the inclusion of minorities go unrecognized, but its benefits to broader society do also. **The point of this report, simply stated, is that the efforts to include minorities in the mainstream of American life have made America more fair and inclusive for all Americans.**

- Bakke's claim of reverse discrimination by UC Davis does not take into account the fact that this program, which set aside 16 percent of the total number of seats for minority applicants, went into effect at the same time the school doubled the total number of seats available, increasing the number of white students admitted.

Education: Over the last 30 years, the Federal government has helped Americans access educational opportunities. While the language used in these initiatives targets class inequities, it is no coincidence that this generation of legislation to provide greater educational opportunity started in the sixties. The programs, including the Higher Education Act, passed in 1965 and afterwards are clearly a part of the civil rights movement and the civil rights legacy.

- In 1992-93, 2.52 million low-income white students who might not otherwise have been able to afford a secondary education received Pell grants. The same year, 685,000 African American students, 49,000 American Indian and Alaskan Native students, 129,000 Asian and Pacific Islander students, and 423,000 Latino students also received Pell grants. This opportunity-expanding program has benefited people across all racial lines, helping disadvantaged whites as well as minorities.
- The number of women enrolled in all levels of higher education programs increased 52 percent from 1976 to 1994.

Employment: In 1964, Congress passed the Civil Rights Act which prohibited discrimination based on race, sex, national origin and religion in employment and education. In 1969, the U.S. Labor Department under President Richard Nixon developed the concept of "quotas and timetables" in order to remedy the underrepresentation of minorities in some industries and companies. This approach was necessary because discrimination was rampant and, affirmative and proactive efforts were needed to remedy the situation.

- Employment rates for all Americans have been increasing over the past 20 years. The employment rate among white Americans, now 65 percent, grew 8.3 percent between December 1977 and December 1997. The employment rate for African Americans, now 58 percent, grew 8.4 percent over this same period. The employment rate for Latinos, now 63 percent, grew 8.6 percent.
- Women, especially white women, have benefited enormously from these laws and programs. From 1977 to 1997, the percentage of all employed white women over 20 years old increased 25 percent (from 46.1 to 57.8 percent employed). In 1977, there were 29 million white women employed in the United States; by 1997, this number had increased 60 percent to 47 million.
- In 1996, the percentage of women employed in executive, administrative, and managerial occupations increased by 123 percent, from 3.5 million in 1983, to 7.8 million in 1997. The number of men holding these positions increased 37 percent over this same period, from 7.3 million in 1983 to almost 10 million in 1997.

Credit & Capital: Owning one's own home has always been an integral part of the American dream. Yet historically this dream has been unattainable for many minorities in America, due to the unavailability of credit and capital. The most significant legislation in terms of affirmative efforts to expand access to credit and capital was the Community Reinvestment Act (CRA), passed in 1977 to end the redlining of communities of color by banks. The result has been far greater fairness and expanded opportunities for all Americans.

- From 1993 to 1996, homeownership increased dramatically. Whites own 2.4 million (70 percent) of the total 3.4 million new homes, an increase for whites of 4.5 percent. Latinos bought 460,000 new homes between 1993 and 1996, for a total increase of 16 percent. African Americans bought 350,000 new homes, an increase of 7.5 percent.
- Removing the structural barriers which have prevented minorities from becoming homeowners would enable 2.2 million white families who would otherwise be denied loans to realize the American dream.
- In 1997 alone, 835,520 low- and moderate-income families received over \$51 billion in loans through the Fannie Mae Corporation's \$1 Trillion commitment to help 10 million families become homeowners, particularly senior citizens, minorities, new immigrants, residents of urban, underserved areas, and others in need. Over 255,000 minority households received \$24.6 billion in loans; and 1.19 million families headed by whites or white individuals received loans totaling \$95.4 billion.

Throughout history, American policymakers have shown an affinity for top-down approaches to try to create opportunity for Americans. The history of affirmative action and efforts to include African Americans and others who've been marginalized has demonstrated that it is the bottom up policies rather than the trickle down policies that truly result in an America that is consistent with the tenets of equality addressed in our Constitution, our creeds and our customs.

Copied:
Begala
NH
COS

Sean -

8/14

Should we put a ~~copy~~ in Chron. or
send to Rm?

cp

PHK

Mercury Cougar

THE PRESIDENT HAS SEEN

8-14-98

S A L O N

news
realThe most
fabulous
stories
of 1998Democrats
nervous about
life after
Zippergate

TABLE TALK

Does Starr have too much power?
Discuss the office of the independent council in the Politics area of [Table Talk](#)

▶ THE BEST OF SALON ▶ NEWSREAL ARCHIVE

SPECIAL REPORT



WHEN KEY WHITEWATER FIGURE DAVID HALE FELL INTO THE GRIP OF THE FBI, HE TURNED FOR HELP TO PRESIDENT CLINTON'S MOST DEDICATED ENEMIES.

[Part One of a series]

RECENTLY

[Democrats running scared](#)

By Jonathan Broder
Capitol Hill
Democrats fear the future
(08/10/98)

[Click here for Viagra \(or other drugs\)](#)

By Greg Critser
Your Viagra is only a click away
(08/07/98)

[Just do it, Bill](#)

By Fred Branfman
The president should tell the truth
(08/06/98)

[Clinton's sexual scorched-earth plan](#)

By Jonathan Broder and Harry Jaffe
The White House may be ready to declare a "total war" on Congress over the Lewinsky case
(08/05/98)

EDITOR'S NOTE | Four years and \$40 million poured into investigating President Clinton. And all that independent counsel Kenneth W. Starr has to show for it, according to press reports, is a lurid tale about the president and his intern. There will reportedly be *nothing* in Starr's upcoming report to Congress about Whitewater, the 1980s Arkansas scandal that gave rise to Starr's gargantuan probe in the first place.

But if Starr is ready to sweep his expensive Whitewater operation under the rug, the media -- and the taxpayers stuck with the prosecutor's bill -- should not.

As Starr's lavish hunting expedition gallops toward its conclusion, it's time for the country to assess what he's accomplished. What exactly did the independent counsel finally unearth in Arkansas about Clinton's financial and political dealings? Was it worth the enormous cost and distraction to the country? What did Starr build his case on -- and why has it apparently disappeared? The independent counsel's office has much to account for -- as do the reporters and editors at the New York Times, Washington Post

New JFK death film
By Scott McLemee
New Zapruder film
doesn't solve JFK
case
 (08/04/98)

[Browse the](#)
[Newsreal Archives](#)



editors at the New York Times, Washington Post and Wall Street Journal who aided and abetted Starr by keeping the Whitewater non-story going year after year.

Starting today, Salon presents a series of investigative reports on the untold story of Kenneth Starr's destructive investigation. The series, "False Witness," focuses on former Arkansas municipal Judge David Hale, the central figure in Starr's Whitewater case, the man whose testimony against Clinton triggered the most exhaustive legal probe of a president in American history.

Today's cover story documents how, after his criminal activities were discovered by federal investigators, Hale turned for help to some of the president's most avid political enemies, who helped him devise a way out of legal trouble -- blame Bill Clinton. Future articles will detail how Starr's investigators knew about, but ignored, evidence that Hale was guilty of a pattern of lies and corruption that, had it been revealed, might have altered the outcome of Starr's Whitewater trials where Hale was the central prosecution witness. Finally, Salon will tell the stunning tale of a second key Whitewater witness, a man who now alleges that Starr's investigators ignored exculpatory information about Clinton that he provided them.

Ultimately, these Salon stories document how Kenneth Starr attempted to build his costly case against Clinton on the tainted testimony of a corrupt and untrustworthy witness, a man with close relationships and financial ties to a secret cabal of Clinton's political foes.

Eventually it became clear, in part because of the reporting in Salon and other publications, that no firm case against the president could hold up. But Starr did not close up shop. He turned his huge Whitewater apparatus toward the president's private life, with the timely help of Linda Tripp. Now the country watches in fascinated horror as the Clinton presidency stands on the brink of political disaster. This is the final legacy of Whitewater.

BY MURRAY WAAS

LITTLE ROCK, Ark. -- The secret criminal life of David Hale began falling apart on July 20, 1993, when FBI agents executed a surprise search warrant on his offices in a nondescript building he owned at 1910 North Grant St. in Little Rock. For Hale, the raid was his worst fear come true. According to one former employee, Hale was constantly battling an unrelenting anxiety "that he was going to be found out." He had become so fearful that he had taken to typing all his business correspondence himself, compulsively destroying the typewriter ribbons at the end of each day.

Until the FBI raid, Hale, who was then a Pulaski County municipal judge and president of a federally subsidized loan company, was a respected member of the Little Rock community. When he was a younger man, Hale had served as president of the National Jaycees. A devout Baptist, Hale was not only a regular churchgoer, but also made much of the fact that one of the many businesses he owned manufactured church pews.

But when his shadowy life was finally exposed, it became clear that Hale had been using his reputable positions to facilitate his criminal activities. He had turned his loan company, Capital Management Services, into a private piggy bank, making fraudulent and illegal loans that benefited himself and powerful Arkansas political and business figures -- the crime that brought the FBI agents to his offices that day. While president of the National Jaycees, he embezzled funds from the organization, according to records obtained by Salon. As a judge, Hale received kickbacks from a private fine-collection business he allowed to illegally operate out of his courthouse, according to former courthouse employees and law enforcement records. Even the company that manufactured church pews was used as a front to launder money for corrupt deals.

After the FBI raid, Hale did not sit quietly while the wheels of justice decided his fate. Instead, he

turned for help and guidance to old friends and acquaintances, who happened to be dedicated foes of President Clinton. With the help of these friends, Hale managed to wriggle out of the legal net that had fallen on him by leveling criminal charges against Clinton, which in turn triggered the appointment of an independent prosecutor, setting off the longest, most expensive investigation of a president in American history.

But even five years later, as Clinton's political future hangs in the balance, relatively little information has come to light about the secret effort by a small group of conservative activists, funded in part by a reclusive billionaire, to use Hale's charges to try to bring down the president.

In response to evidence first reported by Salon, federal investigators are now probing allegations that Hale received cash payments and other gratuities from the conservative Clinton foes during the period he was becoming independent counsel Kenneth Starr's key witness in the so-called Whitewater case. Starr granted Hale lenient treatment in return for his testimony against Clinton in that matter.

In addition to these allegations, there is now compelling new evidence that the ties between Hale and the conservative activists were much closer than has previously been revealed. According to Hale's telephone records, which have been made available to Salon, Hale was in frequent, close contact with the two conservative political activists who directed the controversial Arkansas Project, a \$2.4 million campaign to discredit Clinton, as Hale was first making his charges against the president and seeking the appointment of an independent investigator to examine his accusations.

According to the records, Hale frequently placed calls to Stephen S. Boynton, a Vienna, Va., attorney and lobbyist; and Dave Henderson, the vice president of the American Spectator Educational Foundation. Boynton and Henderson, who were close political advisors to ultraconservative Pittsburgh philanthropist Richard Mellon Scaife, oversaw the Arkansas Project, which was funded with Scaife money

secretly funneled through the American Spectator and a tax-exempt foundation that runs the conservative periodical.

Boynton and Henderson had previously told Salon and other media outlets that they did not have their first discussions with Hale about his Clinton allegations until February 1994. But the telephone records obtained by Salon show that Hale had conversations with Henderson more than two months earlier -- as early as Nov. 22, 1993, with a dozen additional calls over the next several weeks as well. The records are incomplete: While they reflect telephone calls that Hale placed to Boynton or Henderson, they do not show any calls that the activists might have placed back to Hale.

The timing of these first contacts between Hale, Boynton and Henderson is significant because all three men have asserted that they did not begin working together until months after Hale made his allegations of illegal wrongdoing by the president. But Hale's telephone records directly contradict those claims.

These records detail hundreds of telephone calls placed by Hale from his home and office, as well as from the office of the now-defunct Little Rock law firm of Skokos & Coleman, which was then representing Hale. The records cover a period from early 1993 to late 1994.

The telephone records were originally obtained by investigators working for the Whitewater independent counsel's office during the course of their probe of Hale's charges. It is routine in criminal inquiries to obtain the phone records of the principal figures involved in such an investigation.

When Salon first published allegations of the payments to Hale, the independent counsel's office insisted it had never heard of such charges. Hickman Ewing, Starr's chief deputy in Little Rock, asserted, "We're convinced that none of our people had any knowledge of any such payments."

But sources close to Starr's investigation say that

it was known among some Whitewater investigators that Hale was in contact with numerous conservative activists and journalists, including several associated with the American Spectator, just prior to and during Hale's cooperation with the independent counsel. Indeed, in papers filed in a federal lawsuit, Starr's office conceded it had known of Hale's connection with the American Spectator. The fact that Starr's office also had in its possession telephone records detailing Hale's contacts with the Scaife-funded Arkansas Project might also indicate that Starr's investigators knew of a possible financial connection between Hale and Clinton's critics. But the same law enforcement sources say these facts would not necessarily have caused Starr's investigators to suspect that payments were made to Hale.

"That they were in touch with one another doesn't necessarily follow that anyone from this office could have known that there might have been money that exchanged hands," a senior federal law enforcement official stated.

Henderson and Boynton have told a number of contradictory stories about their involvement with Hale and their work in directing the Arkansas Project. Boynton first told the press that he had met David Hale in February 1994. Boynton admitted meeting Hale at a Hot Springs, Ark., fishing resort owned by a mutual friend, Parker Dozhier, who has been implicated in the alleged payments to Hale. "We fished together," recalled Boynton. "We fished together many times," he said, without apparent irony.

Boynton also denied at that time that he or Henderson had ever discussed anything about Whitewater with Hale: "I vaguely remember that David was somehow involved with something about Whitewater. But that was something we have never spoken about. It was something that I only knew about from reading the newspaper. That was not part of our relationship."

Since those disclosures, Henderson has acknowledged in the press that the Arkansas Project was indeed an effort to investigate and discredit President Clinton, and that Hale assisted

them in that endeavor by serving as a source of information.

Both Henderson and Boynton declined to comment for this article. When a reporter reached Boynton at home, telling him that Hale's telephone records contradicted his account as to when he first spoke with Hale, he only said, "Isn't that just splendid," before abruptly hanging up. David Bowden, an attorney for Hale, said, "I'll tell you the same thing I always tell you: David [Hale] will talk to you when it snows in hell."

NEXT PAGE | [Hale's old family friend, segregationist Jim Johnson](#)

ILLUSTRATION BY JOE MORSE

[SALON](#) | [ARCHIVES](#) | [SEARCH](#) | [CONTACT US](#) | [SERVICES](#) | [SHOP](#) | [TABLE TALK](#)

[21ST](#) | [BLUE GLOW](#) | [BOOKS](#) | [COLUMNISTS](#) | [COMICS](#) | [ENTERTAINMENT](#)
[FEATURE](#) | [MEDIA](#) | [MONEY](#) | [MOTHERS WHO THINK](#) | [NEWSREAL](#) | [TRAVEL](#)

7-13-98

Phil -
Do we
need
to do
anything?
Deb

7-16 —

OK to send to
ORM?

Is this something
you want to do
in office & show
Time as just
see tonight -

Sounds a little
unusual to me

— 7-13-98

per
phil -
don't think
we need
to do anything

Brad

I wasn't sure
what to do
with this

THE PRESIDENT HAS SEEN

7-13-98

FAX

Date 07/09/98

Number of pages including cover sheet 1

TO:  Nancy ~~Hernreich~~
Rebecca Cameron
The White House

Office 202-456-6610
Fax 202-456-6703

FROM: Bob Rose
326 Bayberry Lane
Westport, CT 06880
Home 203-222-8800
Fax 203-227-4447
Office 212-272-2822
Fax 212-272-7817

REMARKS: ☐ Urgent ☒ For your review ☐ Reply ASAP ☐ Please Comment

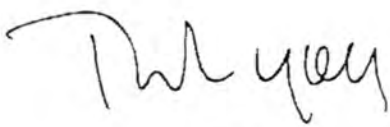
Nancy/Rebecca,

On Monday, July 13th, I have invited Donna Rogg to accompany me to the POTUS dinner for the New Democratic Network at the Sheraton Carlton. As you may recall, Donna and her two boys are close friends of my entire family. Donna has endured a number of personal setbacks during the previous year and we have tried to make her life a little special whenever possible. One of Donna's most memorable days was June 8th when she was our guest at the POTUS luncheon in Westport, CT. When I briefly explained Donna's background to the President, he seemed particularly sympathetic and was kind enough to include Donna and her boys with my family at the LZ.

 If you could mention to the President's that Donna will be joining me Monday evening, I would appreciate it. Obviously, anything else that could be arranged, such as a brief Oval Office photo-op or accompanying the President for the two block ride from the White House to the Sheraton Carlton, would be a wonderful surprise for her.

Thank you for your consideration.

Best Regards,


PHOTOCOPY
WJC HANDWRITING

FAX

7-13-98

Date 07/09/98

Number of pages including cover sheet 1

TO: **Nancy Harnreich**
Rebecca Cameron
The White House

FROM: **Bob Rose**
 326 Bayberry Lane
 Westport, CT 06880
 Home 203-222-8800
 Fax 203-227-4447

Office 202-456-6610
 Fax 202-456-6703

Office 212-272-2822
 Fax 212-272-7817

REMARKS: ☐ Urgent ☒ For your review ☐ Reply ASAP ☐ Please Comment

Nancy/Rebecca,

On Monday, July 13th, I have invited Donna Rogg to accompany me to the POTUS dinner for the New Democratic Network at the Sheraton Carlton. As you may recall, Donna and her two boys are close friends of my entire family. Donna has endured a number of personal setbacks during the previous year and we have tried to make her life a little special whenever possible. One of Donna's most memorable days was June 8th when she was our guest at the POTUS luncheon in Westport, CT. When I briefly explained Donna's background to the President, he seemed particularly sympathetic and was kind enough to include Donna and her boys with my family at the LZ.

If you could mention to the President's that Donna will be joining me Monday evening, I would appreciate it. Obviously, anything else that could be arranged, such as a brief Oval Office photo-op or accompanying the President for the two block ride from the White House to the Sheraton Carlton, would be a wonderful surprise for her.

Thank you for your consideration.

Best Regards,

Bob Thru you

Is this something
you want to do
in office & from
Tome as just
see tonight -

Sounds a little
unusual to me

7-13-98
Phil -
Do we
need
to do
anything?
Deb

7-13-98
per
phil -
don't think
we need
to do anything

Bob