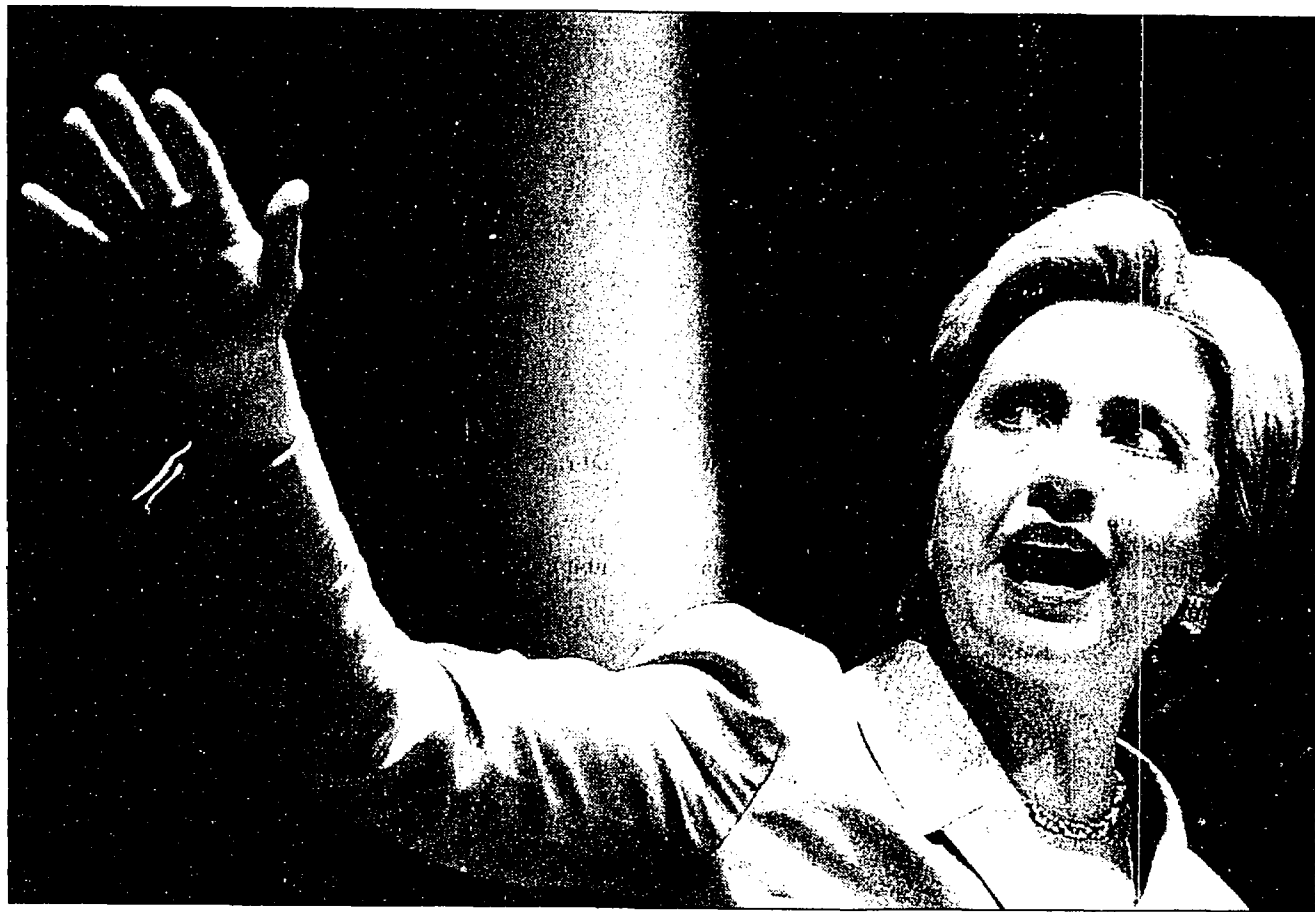


New York voter **Gregory Palast** is ruffled by murky episodes in Hillary Clinton's past

# The lesser of two evils?



Whether Hillary Clinton exercised her powers of patronage to sweep past misdemeanours aside is hotly contested. Photograph by Aaron Harris

MY WIFE would kill me if she knew what I was doing to that blonde, but I don't see how I can vote for Hillary Rodham Clinton. My vote against her in the New York Senate race could put Republican bats in charge of Congress and the White House, where they are certain to suck the blood of the working class - by privatising social security.

Yet I hesitate about Hillary. It all goes back to something Ron Brown, the late Commerce Secretary, said about our dear First Lady: 'I'm not Hillary's mother-f\*\*\*ing tour guide.'

To know what that's all about, turn back to Arkansas 1976, when Bill Clinton won election to the powerful state post of Attorney General. I hunted down Clinton's old ally Zack Polatt, of Little Rock, to talk about those glory days.

Clinton ran his campaign on fighting the despised local electricity company, Arkansas Power. Funny thing was, Polatt told me, Arkansas consumer organisations were defeated in court by the power company's sharp lawyers, Webster Hubbell and Hillary Rodham of Rose Law.

At the time, Hillary would not use her husband's name. She strategically switched to 'Mrs Clinton' only while crying crocodile tears for the oppressed. The official biography of the 'Flotus' (government-speak for First Lady of the United States) lists her six-month stint on a child-protection task force. Yet nowhere does it mention her six years on the board of Wal-Mart Corporation, notorious during her directorship for alleged abuses of child labour. Sam Walton called her 'My little lady' and paid her fees equal to 60 per cent of her income as a lawyer.

Fast forward to 1994 and the Brown 'tour guide' business. According to Nolanda Hill, the Commerce Secretary's long-time business partner and love interest, Brown, who

died in 1996, endorsed a Hillary cash-for-access scheme (\$10,000 for coffee with the President, \$100,000 for a night in the Lincoln bedroom), but resented the discount rate the Flotus put on US executives joining his lucrative trade missions. 'I'm worth more than \$50,000 a pop!'

A reflection of the Brown-Hillary scheme is visible in a document *The Observer* obtained through the US Freedom of Information Act, dated June 1994. In the memo, Jude Kearney, Commerce Department officer (and Clinton chum from Arkansas) warned someone called 'JCB' of power company Entergy that his employer would be locked out of Brown's upcoming China mission unless it was 'politically connected'.

By the end of the month, Entergy, whose partner in the China venture was the Riady family of Indonesia, would connect big time to both Flotus and 'Potus' (the President) and get its spot on the China mission, on which it signed a billion-dollar deal with the Chinese.

On 27 June James Riady paid Webster Hubbell, Hillary's former law partner, \$100,000. How strange. Hubbell was under indictment for fraudulently inflating his

legal bills, a felony. I've conducted investigations of lawyer overbilling. How can one law partner to fake detailed time logs without the complicity of another lawyer in the firm? Hillary's logs were worth close inspection by authorities.

Funny thing about Hillary's billing records: when requested for disclosure in an unrelated matter they disappeared. First, her law firm's computers went ka-blooney. Then the paper printouts vanished, but not before, during the 1992 Presidential campaign, they were secretly combed over, line by line, by two of her partners, Vince Foster and Web Hubbell.

Hubbell knew his own logs were phoned, and he understood the consequences of exposure. Ultimately, bloated hours on those records caused him to lose his law licence, his ministerial post (the President had appointed him Assistant US Attorney General) and his freedom - 21 months in the slammer.

What did Foster and Hubbell see and know about Hillary's logs? Hubbell won't say, except for a cryptic remark, after seeing her bills, that 'every lawyer' fabricates records. Hubbell pleaded guilty, but refused to answer

investigators' questions, a requirement in any plea bargain, so the judge had to sentence him to prison.

Why would Hubbell choose to do time on the chain gang over testifying about the Flotus? His prosecutors did not know at the time of a \$100,000 Riady payment, the first of over half a million dollars Hubbell would receive from Clinton friends in the weeks up to his entering jail.

Foster didn't speak either - and now he can't. Hubbell, a jovial good ol' boy, had the temperament to suffer a brush with ruin with a grin... and wait for friends of Bill and Hill to stuff his piggy bank. Foster, who Clinton made a White House counsel, had a less flexible personality. On 20 July, 1993, as Rose Law fake billings were about to become public, Foster committed suicide.

Files of the Flotus were removed from Foster's White House office prior to the arrival of the FBI. Her billing records reappeared two years later just outside her office, right after Hubbell's refusal to testify against her.

By overbilling, Hubbell admits he stole from his partners and clients. Some sued Hubbell, but the Flotus did not. Imagine: Hillary, a sup-

posed victim of the over-billing scam not only refused to sue the thief who cheated her, she helped make him wealthy on his way to prison. The lady's a saint, unless - and I'd never believe this - she was in on Hubbell's scam.

Maybe the Clintons knew nothing about the big money flowing to prison-bound Hubbell. Knowledge of the payments would suggest they were buying Hubbell's silence. In 1996, when the *LA Times* uncovered the payments, the President stone-cold denied he knew anything about it.

Then, this past April, in a deposition by the Justice Department weirdly unreported by the US press, Clinton changed his tune. Investigators confronted the President with this: on 20 June 1994, Hubbell met with the Flotus. Two days later, James Riady met with Hubbell for breakfast, then went to the White House, met again with Hubbell, then made two more treks to the White House. Two days later, a videotape shows the beginning of a meeting in the Oval Office between Clinton and Riady before the tape goes blank. Two days after that, Hubbell gets his \$100,000 through a Riady bank.

Lying to journalists is a venal sin, but lying to the Feds is perjury. In his deposition, the President's denial transformed into amnesia. He couldn't remember if Riady mentioned the payment. Then, the President slyly opened the door to the truth. 'I wouldn't be surprised if James told me,' Clinton said. Neither would I.

Riady said other surprising things to Clinton. According to FBI debriefing papers, on 14 August 1992 the Indonesian billionaire, riding with candidate Clinton in a limousine, promised to give \$1 million to Clinton's campaign. Riady made good on his promise through sham donors, a violation of US laws

against concealed and foreign donations.

What did Riady get? The Flotus herself, says Nolanda Hill, forced Brown to accept the appointment of Riady's bag man, John Huang, as a Commerce Department deputy. Huang's first order of business was to wheedle his way into confidential CIA briefings on Indonesia and China, then call Riady and his Entergy partners.

The very day Riady met the President, diaries show he called on a Clinton crony at the top of the department's Export-Import Bank. 'We just came over from the Oval Office,' is a nice way to provide assurance of the 'political connection' required for help. These and other Riady team meetings at Commerce are marked 'social'. Yet, shortly thereafter, the department agreed to promote and fund the Riady-Entergy China venture.

Influence is not a victimless crime. Riady and his minions' visits to the White House (94 times!) included successful requests for the President to meet Indonesian dictator Suharto and to kill negative reports on East Timor and working conditions in Indonesia. Timorese and Indonesians paid for these policy flips with blood.

As a loyal Democrat, I will never accept that the \$1m slipped to the Clinton campaign and the cash for Hillary's tight-lipped partner Hubbell connect in any way with Clinton administration actions - no matter what the evidence says. But it does shake my belief in the Flotus.

Which leaves me with her Republican opponent, Congressman Rick Lazio, the disarming young man with the little-boy grin. Little Ricky, whom I remember trying to sabotage a government racketeering case. Ricky the Rat? Forget it.

So, Hillary, I'm back, flowers and vote in hand.



John Huang was forced on Ron Brown as Commerce deputy (l); Bill Clinton leads Brown's mourners. AP

