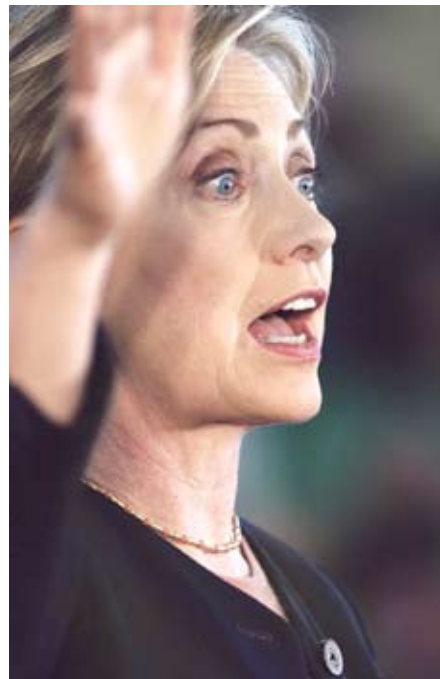


# Hillary's Dirty Stuff

A Chapter from

## **Hillary's Scheme: Inside the Next Clinton's Ruthless Agenda to Take the White House**

by *New York Times* best-selling author **Carl Limbacher, Jr.**



**A NewsMax.com Special Report**



**Barbara Olson:** was one of the passengers on the hijacked airliner that hit the Pentagon on September 11, 2001.

## “Hillary takes care of the dirty stuff.”

— the late Barbara Olson to NewsMax, January 2000

**N**o one has written more — nor more incisively — about the dark side of Hillary Clinton than the late Barbara Olson, author of *Hell to Pay*, one of the most revealing books about Mrs. Clinton, and *The Final Days*, which details the scandals that consumed the former first couple’s last months in office and was published a month after Olson was killed in the Sept. 11 attacks. But it’s less well known that Olson came by her depth of knowledge of Hillary not as any mere author researching her subject, but as the lead investigative counsel in the mid-1990s for the House Government Reform and Oversight Committee, which probed the Travelgate and Filegate scandals that swirled around the then first lady.

For two years Mrs. Olson went toe-to-toe with Mrs. Clinton and her White House legal team and learned firsthand about the real Hillary that voters in New York never got to know before they elected her senator — and set her on a path to become president of the United States.

In never-before-published comments made to NewsMax in an interview the year before her death, Olson shared new in-sights about attempts by Mrs. Clinton to

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fend off Travelgate investigators’ questions about her intimate friend, the late Vince Foster, as well as how Hillary’s transparent bid to fool probers nearly got her indicted — and even Olson’s own suspicions about a secret sexual harassment lawsuit filed against Bill Clinton’s 1992 campaign.

“Every time we were asking about discussions that any of the people had with the first lady involving any of the [Foster] stuff, we got cut off,” the lead House investigator revealed, explaining that when it came to Foster’s role in the Travelgate scandal — or in anything else connected with Mrs. Clinton — “They said ‘we’ve already testified about this.’”

“The White House was cordoning off things they would and wouldn’t answer,” Olson complained. “And when we got into Vince Foster questions that went an inch beyond the part of [his suicide] note that mentioned the Travel Office and the Travel Office files, they wouldn’t answer, saying it wasn’t relevant.” When Olson and her probers pressed the issue, Hillary’s lawyers would stonewall, saying, “Look we’ve already been questioned on Vince Foster and all the other forums and we’re not going to re-answer the same questions.”

Olson also revealed never-before-reported evidence that Hillary Clinton hired White House security chief Craig Livingstone, who got his hands on over 1,000 confidential FBI files on potential Clinton opponents, in a scandal that had even left-wing civil libertarians howling.

The top House prober described a visit to FBI headquarters in 1996, where she learned that White House FBI agent Dennis Sculimbrene had performed the background check on Livingstone.

“In his file Sculimbrene had asked Bernard Nussbaum about Craig Livingstone coming in, just doing the typical background discussions. And that was when Bernard

Nussbaum said, ‘Well the reason Craig Livingstone is being hired is because Hillary wants him.’” But in a sign the FBI was still under the White House’s thumb, Olson revealed “Unbeknownst to me they had shared the information [about Hillary’s role] with the White House the day before.” Nussbaum later testified that he had made no such admission even after other evidence tying Mrs. Clinton to the suspicious hire emerged.

If Mrs. Clinton’s role in hiring Livingstone seemed transparent, if unprovable, her lies in Travelgate were of a whole different order. From the outset of her dealings with the first lady and her lawyers, Olson said, efforts to cover up her central role in that scandal were both audacious and pathetic. In her capacity as the Travelgate Committee’s chief investigator, Olson drew up twenty-six questions for the first lady. Mrs. Clinton had already denied she was the instigator behind the Travel Office firings in answers to interrogatories from the General Accounting Office, but the answers weren’t given under penalty of perjury.

“I wrote twenty-six questions, and Chairman Clinger sent them to [Mrs. Clinton] and she then sent them back without her signature,” Olson recalled. “We sent them back and said, no, we want her to sign them. It has to be notarized under penalty of perjury.” The attempt to dodge legal responsibility for her answers might have seemed pathetic to some, but Olson had been smart enough to tighten one legal loophole that could have rendered Mrs. Clinton unindictable. In one of Olson’s Travelgate questions, the first lady had to swear that her responses to the GAO had been honest and truthful.

“That tied her to all of her GAO answers,” the investigator-turned-author told NewsMax. “Before that, you could say, well, with GAO she wasn’t under oath because she had another attorney, Neil Eggleston, answer them. And she could always say, well, he inartfully answered. That’s why I made her sign the twenty-six questions that our committee did.”

*“He felt as though there was a conflict between her testimony and certain evidence”*

*— the late Barbara Olson*

The insistence that Hillary give answers under oath gave investigators a firm basis to send a perjury referral to the Independent Counsel with her name on it. “Chairman [William] Clinger [R-Pa.] thought long and hard about that,” Olson revealed. “But, you know, he had been in the House for many years and he just felt as though it was improper to name her.” But did Clinger believe that Mrs. Clinton had perjured herself in Travelgate?

“He felt as though there was a conflict between her testimony and certain evidence,” Olson explained carefully. “And if you read our White House Travel Office report on Mrs. Clinton, throughout it we talk about her deposition in which she says she did not have a hand in the firing of the Travel Office employees. Well, we had huge amounts of evidence that shows she not only had a hand but she was the driving force.” Olson described another aspect of the White House Travelgate cover-up that involved probable evidence-tampering with a set of subpoenaed documents.

“What they did, the title was changed by deleting HRC (Hillary Rodham Clinton)” from the title of a 2,000-page Travel Office chronology. The title change, plus the fact that the White House was invoking executive privilege to withhold the rest of the document, made it difficult to discern how deeply Hillary was involved. But

eventually the committee got its hands on a “privilege log.”

“What a privilege log does,” explained Olson, “is it’s supposed to give the title of the document or a description of the document, you know, ten pages of chronology. And what we found out on those 2,000 pages, practically every single document that had her name in the title.” Hillary’s role in the firings, however, was consistently downplayed, the chief Travelgate investigator said. “So we would see something like HRC Chronology of Travel Office events, and it would just be characterized as Travel Office chronology of events.”

Some of the Travelgate documents were heavily redacted, said Olson, and the redactions, they later learned, almost always came in a place where Mrs. Clinton was mentioned. “When we saw them unredacted, and this is what really made Chairman Clinger go forward on all of the subpoenas and contempts. He sat down and looked and saw that what had been redacted was not national security evidence, but was just talking about Hillary Clinton’s role. And he felt as though that was a real misuse of executive privilege, which of course it was.”

Olson said the Travelgate probe also gave her new insights into the way the Clintons shared power in their relationship. After first suspecting Bill Clinton as the prime mover behind the Travel Office firings, “We found out it was Hillary Clinton [behind the firings] and she was doing it because (a) she doesn’t trust anybody, and (b) she wanted the slots for her friends.” Olson concluded, “In their relationship Bill’s the one who sort of skates on top of stuff. Hillary takes care of the dirty stuff.”

Neither the accuser nor anyone else was supposed to discuss the case. In its 1995 coverage of the story, *The Washington Post* called it: **“one of the best-kept secrets of Clinton’s 1992 presidential campaign.”**

One bit of dirty stuff Travelgate probers could never quite get to the bottom of was a mysterious sexual harassment lawsuit settled by the Clinton campaign in 1992. The settlement came to light in 1995, after the Federal Election Commission fined the campaign for paying the accuser off with \$37,500 in federally subsidized campaign monies. As part of the deal, neither the accuser nor anyone else was supposed to discuss the case. In its 1995 coverage of the story, *The Washington Post* called it “one of the best-kept secrets of Clinton’s 1992 presidential campaign.” But when the case finally surfaced, the offending harasser was identified as David Watkins, a longtime

Clinton backer from Hope, Arkansas, who was later appointed to run the White House personnel office.

“We asked David Watkins about the sexual harassment payment,” said Olson. “We asked lots of people about it because we thought (a) we were questioning whether this was the person to put in charge of the administration. You know, let’s get a guy that’s been charged with sexual harassment to be head of personnel. And (b) it was paid off by the campaign.”

Despite the shroud of silence that had descended on the case, *The Washington Post* seemed to have little trouble getting Clinton administration aides to detail the so-called secret settlement with Watkins and had no problem naming his accuser, whose identity was supposedly sealed by the courts. “The woman in the case hung up when a reporter called her and did not respond to written requests for comment,” reported the paper. “But an account of how the campaign reacted to [her] allegation can be pieced together from former campaign aides, administration officials and others knowledgeable about the situation. These sources confirmed the woman’s

identity and described the campaign's actions on the condition they not be named.”<sup>1</sup>

Did it make sense that the 1992 Clinton campaign, which was so cash-strapped that aides were charging expenses on their personal credit cards, would pony up \$37,500 to settle a harassment claim for Watkins, who had made millions in the advertising business and was in no need of charity? And if, in fact, it was the Clinton aide who was the harasser, what about all those accounts from campaign flight attendants about Bill Clinton's eight-mile-high friskiness aboard the plane he dubbed “Longhorn One.”

“Now that we have the hindsight of the Monica Lewinsky and Paula Jones cases, that's an excellent question,” Olson said. “It's one of those things now that we have a very different view of given what was going on in '92.”<sup>2</sup>

## Hillary's IRS Henchwoman?

As Barbara Olson understood better than most, Hillary Clinton became a force to be reckoned with largely because Republicans cringed at the thought of enforcing the law against a sitting first lady whose election as senator would render her even more untouchable. Still the record is clear. And that record remains the best forewarning of how the federal bureaucracy will be used and abused under a politician whose ruthlessness makes Nixon look like a choirboy. In an eight-year reign of terror conducted by the Internal Revenue Service during the Clinton administration, witness after witness in a position to testify about wrongdoing by the president — not to mention an array of conservative organizations that opposed Clinton policies — found themselves targeted by tax audits.

It started in May 1993, with a full court press against Travel Office chief Billy Dale. A nonpolitical White House worker who had served every president going back to John F. Kennedy, Dale and his six co-workers were summarily dismissed on Mrs. Clinton's orders because, as she told her personnel chief David Watkins, “We need those slots for our people.” In an effort to justify Dale's dismissal, the Clinton White House hit him with everything but the kitchen sink: a federal indictment on embezzlement charges, the illegal requisition of his FBI file, and, in a move that would soon become familiar, an IRS tax audit. Dale was acquitted in less than ninety minutes on the embezzlement case by a Washington, D.C., jury, but not before the bogus Clinton probes had cost him \$500,000.

## Hillary's Fingerprints

As noted by conservative columnist Ann Coulter, the Dale IRS audit was ripe with evidence of a political vendetta. A White House report detailing its own

Travelgate probers discovered a memo stating that IRS Commissioner Margaret Milner Richardson was personally “*on top of*” the Dale audit. Richardson was an old chum from Hillary's days at Yale Law School.

version of the scandal inadvertently revealed that Associate White House Counsel William Kennedy threatened FBI probers that he would summon the IRS if they didn't immediately launch an investigation of Dale.<sup>3</sup> But Hillary's own fingerprints were revealed when Travelgate probers discovered a memo stating that IRS Commissioner Margaret Milner Richardson was personally “on top of” the Dale audit.<sup>4</sup> Richardson was an old chum from Hillary's days at Yale Law School and would later become a contributor and serve on the Clintons' 1992 transition team, a fact that IRS agents probing Dale were made “aware” of.<sup>5</sup>

A slew of audits against Clinton administration opponents followed Dale's audit. Because the IRS doesn't make public its audit information, and targets are frequently reluctant to go public, the full range of the Clinton IRS blitzkrieg remains unknown.

But just months after the second Clinton term commenced, *Investor's Business Daily* noted, "The IRS has hit some 20 conservative groups and several of Clinton's critics with audits, audit warnings or delays in granting nonprofit status."<sup>6</sup>

Other targets of IRS scrutiny included:

- Hillary-care critic Kent Masterson Brown
- IRS critic Shelly Davis
- Patricia Mendoza, who confronted Bill Clinton after the 1996 terrorist attack on the Khobar Towers Air Force barracks
- Nationally syndicated radio host Chuck Harder<sup>7</sup>
- Elizabeth Ward Gracen, a former Miss America who was audited after admitting a long-denied sexual relationship with Clinton
- Fox News Channel's Bill O'Reilly, an outspoken Clinton critic
- Sexual harassment accuser Paula Jones, who received her audit notification a few months after she beat Mr. Clinton in the Supreme Court
- *The National Review* and *The American Spectator*, two conservative publications hostile to the Clintons
- Conservative groups including the Christian Coalition, Citizens for a Sound Economy, Oliver North's Freedom Alliance, the Heritage Foundation, the National Rifle Association, the Western Journalism Center, the National Center for Public Policy Research, Fortress America and Citizens Against Government Waste<sup>8</sup>

1. *Washington Post*, 15 Feb. 1995

2. Author's interview with Barbara Olson, January 1999.

3. Ann Coulter, *Washington Times*, 8 June 2000.

4. *Washington Times*, 8 June 2000.

5. Ann Coulter, *High Crimes and Misdemeanors* (Washington, D.C., Regnery, 1998) p. 132.

6. *Investor's Business Daily*, 2 October 1997.

7. Joyce Milton, *The First Partner: Hillary Rodham Clinton* (New York: William Morrow, 2000) pp 324-327.

8. *Washington Times*, 8 June 2000.

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