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## Essay; Whitewater Cover-Up

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In the history of modern political scandal, the cover-up is always worse than the crime.

That's the way it was in the Nixon White House about a stupid break-in at Watergate. That's how it is with Bush Justice's non-prosecution of Iraqgate, which Reno Justice should be ready to turn over for prosecution as soon as House and Senate conferees adjust the recently passed Independent Counsel Act. And that's how it will be when the Whitewatergate Federal-level cover-up of state-level wrongdoing is exposed in the years to come.

Take the most recent abuses of Federal power to smother an inquiry.

1. The F.D.I.C. Fix. Press reports forced the Federal Deposit Insurance Corporation to report on whether the Rose Law Firm (Hillary Clinton, Webster Hubbell, Vincent Foster & Co.) had disclosed its previous representation of the Madison S.&L. in its pitch to the F.D.I.C. for bailout business. Vince Foster's lengthy pitch letter, quoted in this space, evaded the legal requirement to disclose.

F.D.I.C. whitewashers noted that Mr. Hubbell, now de facto Attorney General, claimed to have "very generally," and never in writing, advised an F.D.I.C. attorney of "a small amount of work." That Government attorney directly disputed Hubbell's

story; so did his supervisor. Even the Rose partner working on the account differs from the Hubbell version. Yet the Clinton F.D.I.C. chose to believe the profoundly conflicted Hubbell.

2. The Resolution Trust-Treasury-White House Cover-Up. Though "Keating Five" chairman Don Rieggle blocks a needed Senate Banking inquiry, Senator Al D'Amato used a routine R.T.C. hearing to extract embarrassing news from Roger Altman, acting chief of the agency dealing with failed S.&L.'s.

Mr. Altman, apparently ready to cut corners to get Lloyd Bentsen's Treasury job, went to the White House to give advance information on the R.T.C.'s plans in Whitewatergate to the counsel, Bernard Nussbaum; Hillary's staff chief, Margaret Williams, and Harold Ickes Jr. (whose father resigned with the famous blast at Truman: "I am against government by crony").

The apple-polishing agency head was ordered to find out from R.T.C. counsel if his agency had to provide the same inside stuff on procedures to others. Dutifully, Altman went back and did, and the timing edge he had given the White House team was evident in the sly answer: "in due course." Pity those dopey outside parties at interest.

Having been forced by Senator D'Amato's questioning to spill the beans on currying White House favor, Altman belatedly recused himself from the case, pleading only "bad judgment." To this moment, nobody from the non-independent counsel's force has asked any of the meeting's participants what was said, or warned anybody not to destroy notes always taken at such meetings.

3. The Stonewalling Speaker. On a matter that cries out for Congressional oversight, why have there been no hearings in the House?

Because at a secret 8 A.M. meeting (apologies to Evans & Novak) of Democratic satraps and staff members on Feb. 2 in Speaker Tom Foley's offices, George "The Enforcer" Kundanis laid down the law: no Whitewater hearings anywhere under any circumstances. Erstwhile anti-corruption tigers like Henry Gonzalez, John Dingell and Jack Brooks have since cravenly obeyed party orders.

But that put the Small Business Committee chairman, John LaFalce, a New York Democrat, in a bind; he had already requested papers from the Small Business Administration, which readily unloaded a newsworthy pile about the McDougals' loans unknown to the non-independent counsel. Mr. LaFalce had sent the hot

documents to the General Accounting Office for analysis and is now frantically trying to get that agency of Congress not to give him a report.

As cover-ups go, Whitewatergate rates a B -- less clumsy than Watergate but not as effective as Iraqgate, for which James Baker and William Barr deserve an A for befogging Janet's junior Javert at Justice, John Hogan.

Clinton's major contribution to the art of containing scandal is the negotiated subpoena, whereby damaging data are directed under a single rug. Smart maneuver; might take the Democrats past the '94 elections.

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