

Mistrial declared in Julie Hiatt Steele case

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Last Friday a US District Judge in Alexandria, Virginia declared a mistrial in the case of Julie Hiatt Steele after the jury was unable to decide on a verdict following more than eight hours of deliberation.

Steele has been the target of a vindictive prosecution by Independent Counsel Kenneth Starr because she refused to corroborate the allegations of her ex-friend Kathleen Willey, a former White House volunteer who claimed President Bill Clinton made unwanted sexual advances towards her in 1993. Starr's office indicted Steele for obstruction of justice and making false statements, charges that could have put Steele, a 52-year-old single mother, behind bars for 35 years and cost her \$1 million in fines.

In 1997 Willey told *Newsweek* magazine reporter Michael Isikoff about alleged advances by Clinton. Steele initially backed up Willey's story, telling the *Newsweek* reporter that Willey had confided in her about the incident shortly after it occurred in 1993. Later Steele recanted, saying that Willey had asked her to lie, and that they never discussed the subject until early in 1997.

Starr's office exerted extraordinary pressure on Steele to change her story. According to Steele's lead attorney, Nancy Luque, independent counsel prosecutor David Barger suggested that Steele could avoid prosecution if she would simply say Willey had told her something about a sexual advance from Clinton. When Steele refused, she, her daughter and brother, as well as her accountant and attorney, were dragged before Starr's grand juries. Steele's telephone, bank, credit and tax records were subpoenaed and friends and neighbors were questioned. So much evidence was gathered that Starr's staff reportedly set up a special room in the independent counsel's office labeled the Steele Discovery Room.

According to testimony at the trial last week, Willey told Starr's grand jury that there may have been legal

problems with Steele's adoption of her Romanian-born son. The independent counsel's investigators then questioned her family about this.

The mistrial was the second blow to Starr's office in less than a month. In April a Little Rock, Arkansas jury acquitted Susan McDougal on charges of obstruction of justice for refusing to testify before a grand jury investigating President Clinton's role in the failed Whitewater development. After the mistrial in the Steele case one juror reportedly said the trial was "Ken Starr's dying gasp."

US District Judge Claude M. Hilton made his ruling after jurors sent him a final note reading: "We are hopelessly deadlocked on all counts. Any further deliberation will not change the outcome." Hilton told the lawyers that the word "not" was underlined. According to one juror deliberations centered on the credibility of witnesses, particularly Willey, who testified for six hours last week.

Steele, a registered Republican with no other involvement in politics, was at best a peripheral figure in the independent counsel's extensive investigation of the president. Starr made it a priority to prosecute Steele, the only person who was indicted as a result of the Monica Lewinsky investigation. In the Alexandria courtroom the independent counsel had six members of his office at the two prosecution tables. Steele, who has lost her job and faces the loss of her home because of Starr's vendetta, has been forced to rely on public donations to mount her defense.

Steele's lawyers discredited Willey under cross-examination. They pointed out that during her deposition in the Paula Jones sexual harassment case she had said "I don't recall" or "I don't remember" on 63 different occasions. But after Starr's investigators granted her immunity from prosecution she suddenly remembered the most minute details of her alleged White House encounter. The defense attorneys also

showed that Willey's recollection of her conversations with Steele were vague and contradictory.

Steele's attorneys demonstrated that Willey had a record of lying, and of using Steele to help her dupe friends and lovers. Although Willey testified that she had sworn to tell Starr's office the truth, she conceded during cross-examination that she had been granted a second immunity from prosecution because she had lied to investigators about a relationship she had with a younger man. Willey also acknowledged that she tried to punish her then-boyfriend by telling him she was pregnant when she wasn't. When initially questioned by Starr's investigators, she denied the story. "I lied to them," she told the courtroom last week. Even more damaging was Willey's admission that she used her husband's suicide note to try to avoid paying \$274,000 he stole from clients.

During cross-examination one of Steele's attorneys, Eric Dubelier, pointed out that the prosecution could have chosen to revoke Ms. Willey's immunity agreement because of constant lying, but instead they simply forgave her.

Steele's attorneys made the decision not to call any defense witnesses, including Julie Hiatt Steele, satisfied that the discrediting of the government's chief witness would sway the jurors to find in Steele's favor. In her closing argument defense attorney Nancy Luque compared Starr's investigation as a "runaway train" that Julie Hiatt Steele "got in the way" of, and said, "It was the independent counsel, Mr. Starr, who betrayed the rule of law." She told the jurors, "They can indict anybody, but only you can convict. Only you can stop this."

Willey's dubious activities were well known by Starr and the news media, but they presented her as a credible witness against the president. Linda Tripp, who befriended Willey when they both worked at the White House, had told Starr's investigators that Willey was not only lying about an unwanted advance from the president but also had been trying to entice him into a sexual relationship. Willey also first denied phoning Steele after a meeting with the *Newsweek* reporter, but when Starr's investigators confronted her with cell-phone records showing she had called Steele, Willey said she did not remember.

Starr and his right-wing backers sought to include Willey's charges in his impeachment referral to the

House of Representatives. According to a recent article in the *Nation* magazine, during the House Judiciary Committee impeachment hearings in November 1998 Republicans requested Starr's files on Willey. Starr's own evidence included "many witnesses" who found Willey's claims to be "highly dubious," but "Starr asked the House to keep the files secret, so the public was never told this. Instead, Starr, aided by the press, helped maintain the impression that--after the Lewinsky referral--Willey might be the next shoe to drop."

The same article, authored by Florence Graves and Jacqueline E. Sharkey, notes that Willey secretly collaborated, through her attorney, with the right-wing attorneys in the Paula Jones lawsuit before making her story public.

Steele's sworn testimony and public statements insisting that Willey had asked her to lie prevented Starr from including the allegations in his impeachment referral. Instead Starr indicted Steele on January 7, 1999, the day Clinton's impeachment trial began in the Senate, sending an unmistakable message to anyone who might not testify the way his office demanded that they too would face indictment, financial ruin and prison.



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