

Standing up to a right-wing witch hunt

Nancy Russell
13 August 2004

The Woman Who Wouldn't Talk: Why I Refused to Testify Against the Clintons & What I Learned in Jail, by Susan McDougal with Pat Harris. Carroll & Graf Publishers, New York. 2003. Paperback Edition 2004.

Susan McDougal's book *The Woman Who Wouldn't Talk* is an autobiography, concentrating on the author's persecution by Whitewater Special Prosecutor Kenneth Starr. This account reveals the price paid by one individual as a result of the right wing's drive to impeach Bill Clinton, while shedding light on the far-reaching erosion of democratic rights in the US.

The book details the relentless demands by Starr's office that McDougal provide incriminating testimony against the Clintons, first to avoid prosecution, then to lessen charges, and then finally to gain her freedom. McDougal refused to cooperate and as a result served a virtually unprecedented 18 months in prison for civil contempt. During this time, she was a victim of "diesel therapy," repeated transfers around the country to seven different jails. Eventually, she would be locked 23 hours a day in a Plexiglas-enclosed soundproof cell, predictably causing a near mental breakdown.

McDougal's life story tells a great deal about the tenacity and courage of a rather ordinary American to speak the truth, defy authority and defend democratic rights, at great personal cost. Contrariwise, the brutal and dictatorial tendencies so apparent in the current administration were previewed in the methods used against her. The events in *The Woman Who Wouldn't Talk* were a part of the nascent coup d'état of the Clinton impeachment, a political conspiracy consummated in the stolen election of 2000 and Bush's installation as president.

Susan Henley was raised in Arkansas, one of seven siblings, the daughter of a Belgian mother and a US Army sergeant, who was a life-long Republican. The family was poor, active in the First Baptist Church and quite patriotic.

While attending Ouachita, a Southern Baptist college, 20-year old Susan fell for the flamboyant Jim McDougal, a recovering alcoholic 14 years her senior.

Jim McDougal had first met Bill Clinton when both were aides to Senator William Fulbright. McDougal became heavily involved in Arkansas Democratic Party circles while running a successful land development business. This involved buying up tracts, subdividing them and selling the smaller lots for retirement homes or country getaways. Once married, the McDougals soon became business partners. Their real estate schemes were largely successful, many wildly so. The one exception was a tract of land overlooking the Buffalo River in northwest Arkansas that would become nationally famous.

"This was a virgin forest, a place of almost other-worldly beauty," recalls Susan McDougal, describing the trip the couple took to survey the new opportunity. "We stood silently on a bluff, surrounded by towering trees and looking down at the rushing river as the waster cashed into spray on rocks. I turned to Jim and said, 'We should call this Whitewater.'" The McDougals offered Bill and Hillary Clinton a partnership in the land deal, and not long after, Clinton was elected to his first term as governor.

To further his real estate business, Jim McDougal bought a savings and loan, which he renamed Madison Guaranty. He evolved a financing

system to complement his tract sales. He would offer low down payments and long-term financing to each of the subdivided properties. "By the summer of 1984, Madison Guaranty was the hottest financial institution in Little Rock," according to the author. Shortly thereafter, she realized that Jim's frenzied business dealings and visions of grandeur were evidence of manic depression. By 1986, the S&L became one of the many similar institutions caught between rising interest rates and frenzied deregulation—it faced insolvency and federal investigation.

Meanwhile, the Whitewater deal never took off. McDougal writes that, for the politically focused Clintons, the property "was never more than a blip on their radar screens. Although we weren't aware of it, Hillary had apparently done quite well in the cattle futures market, so they weren't under any great financial pressure."

Things for the McDougals went from bad to worse. While they were under investigation at Madison Guaranty, their marriage fell apart. Jim approached Susan on yet another real estate deal that he said would cover their divorce settlement. Financing for the deal was arranged with a former municipal judge, David Hale who specialized in federal loans to small businesses. To take advantage of a program designed to aid women and minorities, Susan was to sign the loan, an action that would figure centrally in the ordeal that was to come.

On January 12, 1994, President Clinton requested the appointment of a special prosecutor to investigate the Whitewater land deal. Everyone connected to the failed Arkansas scheme immediately became big news. The media began camping out in front of Susan McDougal's home.

McDougal's book is a personal account that provides little in the way of a political analysis of these events. But the *World Socialist Web Site* explained at the time, "These [Whitewater] allegations were sensationalized in the media in direct response to Clinton's unveiling of his proposed health care reform plan. In the space of four weeks, beginning in late November 1993, such pressure was placed upon the administration that Clinton caved in and agreed to the appointment of an independent counsel, Robert Fiske, to investigate Whitewater."

In his own autobiography, Clinton writes: "It was the worst presidential decision I ever made, wrong on the facts, wrong on the law, wrong on the politics, wrong for the Presidency and the Constitution." His lame explanation: "Perhaps I did it because I was completely exhausted and grieving over Mother [her recent death] ..."

The decision, in fact, was consistent with the wholesale accommodation by Clinton and the Democratic Party to the extreme right's conservative agenda. The appointment of the special prosecutor gave the right precisely the ammunition it needed to further the destabilization of the administration.

However, by August 1994, says Susan, "it looked as though the Whitewater investigation would die the quiet death it deserved," when Fiske was suddenly replaced by Kenneth Starr. "I thought it was strange to remove Fiske - especially since he'd begun announcing his findings just a month before—but I was ready to give Starr the benefit of the doubt. But from that point, the Whitewater investigation spun out of control," she writes.

McDougal was unaware of the depth of the conspiracy. Fiske had been

removed by a three-judge panel headed by the right-winger David Sentelle, which was in turn operating on behalf of a group of Republican extremists including Jesse Helms. Having ruled the death of White House deputy counsel Vincent Foster a suicide and cleared Bill Clinton of charges relating to contacts between the White House and the Treasury Department, Fiske left nothing on which to press for impeachment except Whitewater.... And he had to be removed in order to make sure that stuck.

In March 1995, the Office of the Independent Counsel “invited” Susan to Little Rock to answer questions. Susan describes herself as having “looked forward” to testifying, feeling she could “clear up” false charges surrounding Whitewater.

The first meeting with the OIC, however, disabused her of this notion. Steve Lerman, lead lawyer for the OIC, “placed his hand atop a foot-high pile of documents that had been placed in the middle of the table. ‘This stack of papers,’ he said, ‘represents potential evidence of several crimes Susan McDougal committed while at Madison Guaranty.’”

When Susan’s lawyer asked to see the paperwork, it was shoved aside. The OIC lawyer was not interested in charging McDougal, but in procuring testimony on Whitewater. In return, the investigators offered not only full immunity, but implied that they could make a lawsuit brought against McDougal by a former employer—Nancy Mehta, wife of the conductor Zubin Mehta—go away and preclude any other “potential criminal action.”

McDougal responded: “I’ll tell you everything I know about Bill and Hillary’s role from beginning to end.” But, when she added that she knew of no wrongdoing by either of them, “the smiles disappeared.” The immunity and all interest in testimony were withdrawn. This was only the beginning of Susan’s conflicts with the OIC.

Several months later, she was criminally indicted — along with Jim McDougal and Jim Guy Tucker, at that time the sitting governor of Arkansas — in connection with the David Hale loan. Although already divorced, Susan refused to separate her case from Jim’s out of personal loyalty. It was a disastrous legal decision.

The Whitewater trial began in March 1996. Susan describes the ruthless methods of the prosecution: “The OIC had a cadre of lawyers from all over the country. They were experts at ‘papering’ the defense, filing numerous motions that the defense must spend time and money answering. Whenever we filed a motion, the OIC answered within a day with three of their own.”

What emerged during the trial was that David Hale had made a series of loans—some to Jim Guy Tucker, some to Jim McDougal, many to dummy corporations of his own—in order to defraud the federal government. He personally stole millions from the enterprises. However, recognizing that he was facing long-term jail time, Hale falsely stated that the \$300,000 loan signed by Susan was actually for Bill Clinton’s election expenses. When the US attorneys found this too implausible, Hale went to the right-wing press, *The Washington Times*, the *American Spectator* and later the *New York Post*, where the allegations were published.

As the *World Socialist Web Site* pointed out: “The same month saw the publication of the first major attack on Clinton’s sexual proclivities, the so-called “Troopergate” story in the *American Spectator*, an ultra-conservative magazine financed in part by Richard Mellon Scaife, the heir to the banking and aluminum fortune, who has bankrolled much of the right-wing onslaught against the White House. This article in turn brought forward Paula Jones, who announced her lawsuit against the president at a press conference in March 1994 held at the Conservative Political Action Conference, an assembly of extreme-right-wing activists.” (See: <http://www.wsws.org/news/1998/apr1998/scan-a14.shtml>)

With Kenneth Starr now in charge of the Office of Independent Counsel, McDougal writes, “overnight Hale went from being an indicted scam artist to being the government’s pampered star witness,” given a free place to live, transportation and spending money, eventually totaling over

\$50,000. Starr arranged for Theodore Olson, the right-wing Republican lawyer, to represent Hale free of charge. The funds for these payoffs to Hale were funneled through the “Arkansas Project” of Richard Mellon Scaife.

This turn of events at first mystified Susan. “Even by the OIC’s own admission, David Hale had committed far more crimes, and more serious crimes, than Jim McDougal, Jim Guy Tucker, Hillary Clinton, Bill Clinton, and myself combined were ever alleged to have committed. Yet he was the one being given the free ride to go after the smaller fish.” Once he had delivered the required incriminating testimony against Susan over the \$300,000 loan, Hale ended up spending less than two years in jail, roughly the same amount of time that she would serve.

After the McDougals were convicted, the OIC began their courtship of Jim McDougal, Susan relates. Jim would visit Susan after every OIC discussion and reiterate, “They just want to help...They never wanted us to suffer, anyway! It was the Clintons they were after.” He told Susan that he had agreed to testify, and the OIC would provide him with the documents he needed to memorize in order to “make it right.” Said Susan, “All along, I was wondering how in the world the OIC could handle a man who was mentally ill and whose stories were clearly more fiction than fact. Now the answer was obvious: they were helping him create the stories, and making sure that he had all the details just right. Once again, I was the idiot! The OIC wasn’t looking for the truth - they wanted to nail the Clintons no matter what.”

As the 1996 elections approached, the OIC began pursuing a different tack. “Jim told me, Ewing [head of the OIC’s Arkansas operation Hickman Ewing - also a fundamentalist preacher] was particularly interested in seamy revelations about Clinton’s sex life,” writes Susan. “If you’ll just say you had sex with Bill Clinton,” Jim told me, “they’ll give you anything you want.”

As her sentencing drew near, the OIC stepped up the pressure. It offered to recommend probation, rather than jail time, help with the Mehta charges, and quash new federal income tax charges that were being drawn up.

When Susan and her lawyer asked what exactly the OIC wanted in return, Jahn said, “She knows who this investigation is about. And she knows what we want.” This was another traumatic step in the political education of Susan McDougal. “As long as I live, I will never forget hearing those words. Tears ran down my face. I couldn’t respond—I was in a state of shock.” While her friends suggested she save herself, McDougal courageously refused. Jim called her on the phone, after hearing the news, screaming, “How can you have turned that down? Do you understand that you are going to jail? They are going to put you in jail!” He ended by telling her he would never speak to her again. They never did.

The OIC pressed in court for the maximum sentence of 17 years. Susan was given two years. After the decision, the OIC handed her a subpoena for the Whitewater grand jury to be held in two weeks.

Shortly afterwards, Susan agreed to an interview with Diane Sawyer, engineered by Chris Vlasto of ABC. After Sawyer interrogated McDougal on topics she had expressly forbidden on her lawyer’s advice, Vlasto revealed his political bias, telling Susan she must cooperate with the OIC and berating her for protecting the president’s alleged dark secret. The interview tapes were edited to portray McDougal in the most damaging fashion.

The experience with Sawyer convinced Susan that she should not cooperate in any way with the OIC. Says Susan, “If ‘neutral’ journalists” could ‘turn a three-hour interview into 10 minutes that depicted me as hiding something sinister, I was afraid of what the experts at the OIC—aggressive, experienced lawyers who were after just one thing—could do to me.”

Lastly, says McDougal, “I despised the OIC and all its hypocrisy...It made my throat choke up with anger to think of aiding them in their witch

hunt in any way.”

On September 9, 1996 she reported to the Faulkner County Jail in Conway, Arkansas. She was transported in waist chains and leg irons by US Marshalls...for contempt of court! She would eventually spend time in seven different facilities, every one of them overcrowded, filthy and brutal. This incarceration was—both in its duration and severity—a violation of the entire spirit of the law on civil contempt.

Susan writes: “The laws state that a judge must release a recalcitrant witness whenever the judge reasonably believes that the witness is not likely to respond to the coercion of being jailed. In most cases, a few weeks or perhaps a few months are generally considered sufficient time to discern this.” Generally the only exceptions to this policy are for Mafia-related cases.

On the outside, support mounted for Susan. By the time of her second month in jail, thousands had written to support her stand against Kenneth Starr and the OIC. On the inside, however, conditions of incarceration progressively worsened as the government sought to break her spirit. She describes her arrival at Sybil Brand Institute for Women in Los Angeles:

“I was unprepared for the squalor I found here. The floor and walls were covered in grime, the toilet was overflowing, two cigar-size roaches were playing on the floor, and it was so cold I could see my breath. To top it off, the nonstop clamor in the cells and hallways resembled the decibel level at a Beatles concert. The guards seemed incapable of speaking below a roar. They screamed every request, command, and question and, in addition, they physically shoved the women up and down the corridors - a potentially dangerous situation, since handcuffed inmates can’t break their fall if they trip.”

At Sybil Brand, Susan was put on “Murderers Row,” forced to wear a bright red prison gown - the same color gown that was reserved for those charged with child molestation. “Our red gowns alerted the rest of the prisoners ... ensuring that whenever we left the wing. We’d be subjected to as much verbal and physical abuse as possible from both the guards and the other prisoners. Anyone wearing the dreaded red dress was considered the lowest form of life - no mean feat in a place like Sybil Brand.”

Susan was placed on lockdown, restricted to her cell 22-to-24 hours a day. Her “off-time” was spent with other women on lockdown. She was kept in this category for her eight months at Sybil Brand. Even worse than this hellish isolation, she writes, were her court appearances. She explains that at 4:30 in the morning, the guards would shine a flashlight in her cell and yell “McDougal - court!” She’d be put on a bus, which would then make a tour of various men’s jails, picking up male prisoners. “For the duration of the drive to the courthouse [generally a couple of hours or more] the men would yell obscene remarks at me, expose themselves and pretend to masturbate while the bus driver and guards looked the other way.”

Upon arrival at the courthouse, she would be taken to a holding cell. On one occasion, she was chained to a toilet. Suffering from a degenerative back ailment, Susan’s pain from this type of treatment was particularly debilitating. “The pain in my back was so intense from being handcuffed that when they took them off, I couldn’t move my arms from behind me.” After a typical “minute” in the courtroom, the trip back to jail would commence, with a thorough cavity search at its conclusion and no dinner. “On the days I went through the ordeal of being dragged to court, I fully understood why so many women are willing to plead to crimes they did not commit,” she writes.

When Sybil Brand did not have the OIC’s desired effect, McDougal was transferred to the Twin Towers in Los Angeles. This was to be Susan’s worst experience. She was placed in a cell in the middle of four square pods with a thick sheet of Plexiglas from ceiling to floor, so that she could hear nothing outside of her cell. The guards also placed sign on her cell barring anyone from making contact with her. Her one hour a day out of the cell was in a basketball court, alone. After three weeks of this

sensory deprivation, she began to have panic attacks.

Susan’s release from prison was finally secured on medical grounds, due to the rapidly deteriorating condition of her back. Doctors testified that she faced the possibility of permanent paralysis. Predictably the OIC continued to press for more jail time.

Released into her parents’ custody with an ankle bracelet, Susan next had to face the charges in the Mehta suit. After another two-and-a-half-month trial, McDougal was found not guilty on all counts. One juror issued a statement accusing Kenneth Starr of masterminding the case, while a number of others publicly questioned why it had come to trial in the first place, given the weakness of the evidence.

Not even the 18 months for civil contempt were enough for the OIC. It pursued separate counts of obstruction of justice—carrying a prison term of up to seven years—and criminal contempt of court. Four months after the Mehta charges were dismissed, McDougal finally faced her last trial. This legal proceeding would include such “relevant” questions as the government asking Susan’s friend Claudia Riley, “Did Susan McDougal ever tell you that she had sex with Bill Clinton?”

Among the most effective testimony for McDougal came from Julie Hiatt Steele, who was herself facing perjury charges trumped up by the OIC and had been threatened with having her adopted Romanian-born child taken from her after refusing to change her story to accommodate Starr’s witch hunt. The jury was hung on criminal contempt and voted not guilty on obstruction, the more serious charge. After five long years, McDougal was finally free of the OIC.

Neither Bill nor Hillary Clinton ever contacted Susan McDougal after her release, the book points out. Susan now campaigns nationally on behalf of women in prison, seeking to improve their conditions.

At the heart of the drive to impeach Clinton was a frontal attack on judicial norms and Constitutional rights. The frameup and torture of Susan McDougal for her refusal to be a tool in the campaign to destabilize the Clinton administration was a major step in the onslaught against democratic rights and remains a vivid warning.

McDougal’s courageous defiance of the right-wing witchhunt stands in stark contrast to that of the Democratic Party, which aided and abetted this fascistic tendency at every critical turn. *The Woman Who Wouldn’t Talk* tells a story of a remarkable woman that is worthwhile reading.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact