

Exiting Job, Clinton Accepts Immunity Deal: Admits Testimony Was ...

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Exiting Job, Clinton Accepts Immunity Deal

Admits Testimony Was False — Long Legal Fight Ends

By NEIL A. LEWIS

WASHINGTON, Jan 19 — In a stunning end to the long melodrama and pitched legal battles over President Clinton's relationship with a White House intern, Mr Clinton today agreed to a settlement in which he will avoid the possibility of indictment in exchange for admitting that he gave false testimony under oath and agreeing to surrender his law license for five years.

On the last full day of his presidency, Mr Clinton completed the agreement with Robert W. Ray, the independent counsel who had been investigating whether to charge Mr Clinton after he leaves office with crimes like perjury, obstruction of justice and making false statements because of his sworn testimony about his relationship with the intern, Monica Lewinsky.

The agreement ended any criminal liability for President Clinton in the collective matters known as Whitewater and ended the wide-ranging, \$60 million independent counsel investigation that plagued Mr Clinton and his wife, Hillary Rodham Clinton, for much of their time in the White House.

For the first time, the president explicitly admitted that "certain of my responses to questions about Ms Lewinsky were false," when he gave a deposition in January 1998 in the Paula Jones sexual misconduct case [Text, Page A20]

Mr. Clinton also agreed to pay a fine of \$25,000 to the Arkansas Bar Association, which had been considering whether to have him disbarred, and also promised not to seek reimbursement of any legal fees from a federal court — something he would be entitled to do under the independent counsel law as someone investigated but not indicted.

His two-page statement, written after weeks of negotiations between Mr. Ray's office and Mr. Clinton's lawyers, was read aloud by Jake Siewert, Mr. Clinton's press secretary, in the White House briefing room.

The president was described by several associates as relieved to be out of legal jeopardy, but unhappy that his last day in office was marked by another explosion of news related to the Lewinsky scandal.

Though the president had said in recent interviews that he did not fear indictment and welcomed a chance to clear his name in court, one of his lawyers, David E. Kendall, said today that Mr. Clinton was glad to have "closure" in the Lewinsky case, which spurred his impeachment by the House of Representatives and eventual acquittal in a Senate trial.

For his part, Mr. Ray was said to be eager to reach a settlement with Mr. Clinton before President-elect George W. Bush took office, according to lawyers familiar with the negotiations. Mr. Ray, they said, did not want to leave the new president to deal with a problem relating to Mr. Clinton, especially the thorny issue of whether to pardon him.

During the negotiations with Mr. Clinton's team, the lawyers said, Mr. Ray recalled how former President Nixon's legal problems preoccupied President Gerald Ford after Mr. Nixon's resignation in 1974 and how Mr.

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Leaving His Post, Clinton Accepts Immunity Deal and Admits Testimony Was False

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Ford's decision to grant a pardon severely damaged his presidency. Mr. Ray had expressed concern about the Ford precedent even before Mr. Bush was elected.

Mr. Ray may also have been hesitant to bring an indictment against a popular former president and uncertain of his chances of winning a conviction before a jury.

Mr. Bush had spoken publicly of the need to put the matter of the Clinton investigation behind the nation, even as he said he did not think it appropriate to consider a pardon unless Mr. Clinton were indicted.

There was no contact between Mr. Bush or his aides and the prosecutor's office, transition officials and others said. But Mr. Bush's statement at a news conference on Jan. 8 that "I think it's time to get all this business behind us," was noted by both sides as an implicit approval of the negotiations.

"I think it's time for the president to finish his term and let him move on and become an active participant in the American system," Mr. Bush added at the time.

Andrew H. Card Jr., Mr. Bush's designated chief of staff, was told of the negotiations Thursday night.

At the heart of the investigations by Mr. Ray and the Arkansas bar committee were statements Mr. Clinton gave in a sworn deposition on Jan. 17, 1998, in a sexual misconduct lawsuit brought by Paula Jones, a one-time Arkansas state employee.

In the deposition given before Judge Susan Webber Wright of Federal District Court in Little Rock, Mr. Clinton denied that he had ever been alone with Ms. Lewinsky in the Oval Office and said that he had not engaged in sexual relations with her.

"I have had occasion frequently to reflect on the Jones case," Mr. Clinton's statement said. "In this consent order I acknowledge having knowingly violated Judge Wright's discovery orders in my deposition in that case.

"I tried to walk a line between acting lawfully and testifying falsely but I now recognize that I did not fully accomplish this goal and that certain of my responses to questions about Ms. Lewinsky were false."

In Pulaski County Court in Arkansas, where Mr. Clinton was facing a trial after he left office on charges by a bar committee over his fitness to practice law, a judge today approved the resolution of a five-year suspension of his law license.

In his statement, Mr. Ray said, "The country has reached the end of the tortuous path it traveled for the last three years," a reference to the part of the independent counsel's investigation involving Ms. Lewinsky which formed the basis of the impeachment proceedings against Mr. Clinton that began in November 1998 and ended with his acquittal by the Senate in February 1999.

"It is my hope that the result announced today will help restore faith and trust in federal law enforcement efforts in investigations of high-ranking officials," Mr. Ray said.

According to lawyers and officials familiar with the negotiations who provided an account of the events, the complicated arrangement to end the longest presidential investigation in history began to take shape just before Christmas. During the week between Christmas and New Year's Day, the Clinton legal team and Mr. Ray's team began meeting at each other's offices.

As the negotiations began in earnest in the last several days, Mr. Clinton did not know whether he

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Stephen Crowley/The New York Times

President Clinton at the end of his farewell speech on Thursday; yesterday his lawyer David E. Kendall, left, announced a settlement ending the independent counsel's investigation of the president.

Associated Press

would be indicted. Mr. Ray had said he would make that decision a few weeks after the new president was inaugurated.

Mr. Ray had, in fact, not yet decided what to do but the threat of that possibility seemed to concentrate Mr. Clinton's thinking that he would like to avoid that risk and accept some terms.

Another factor creating a bit of deadline pressure was that the bar committee in Arkansas — brought into the negotiations recently in order to fashion an overall settlement — said that its acceptance of a five-year suspension would expire at the end of business today.

Mr. Ray and Mr. Kendall had frequent exchanges as adversaries in the case over many months. In a telephone conversation before

Christmas between the two, the issue of a settlement was gently broached. But lawyers said that the idea of ending the case was on the minds of both parties.

"By then, both had a mostly clear view of what it would entail," said one lawyer. "Neither party was a supplicant in this."

From the start of negotiations, Mr. Ray's office insisted on two conditions. Mr. Clinton would have to make a public statement admitting more than he previously had, and he would have to accept some sort of sanction.

Both sides agreed that a suspension of his law license would suffice as sanction, and Mr. Clinton had months earlier signalled his willingness to accept a suspension to settle the Arkansas case.

The agreement on the five-year suspension ended the disbarment proceedings that Mr. Clinton had faced in his home state.

But the negotiations over the precise nature of the public statement Mr. Clinton would make went back and forth for weeks, with disagreements over individual words sometimes occupying days.

In the end, the focus of negotiations was on two sentences. The first was Mr. Clinton's statement that in the consent order he recognized that he had knowingly violated Judge Wright's discovery orders by giving misleading answers about his relationship with Ms. Lewinsky.

Prosecutors, though, wanted Mr. Clinton to say something more, and that resulted in the next sentence in which he said that "certain of my

responses about Ms. Lewinsky were false."

Previously, Mr. Clinton said that while he could understand how those statements could have been misleading to others, they were not false.

The settlement was not only a welcome development for Messrs. Ray, Clinton and Bush but for Ms. Lewinsky as well.

Her lawyer, Plato Cacheris, said that he talked to her after the agreement was announced and that she said she felt "greatly relieved that this is finally over, and that she won't have to testify yet again in another proceeding," a reference to the Arkansas disbarment trial that is now unnecessary.

"I felt I had the sword of Damocles hanging over my head," Mr. Cacheris quoted her as saying.

A Long Legal Saga Comes to a Close

Some major developments in the independent counsel investigations of President Bill Clinton, which had cost about \$62 million as of last March

1994

JAN. 20 Attorney General Janet Reno names Robert B. Fiske Jr. as special prosecutor to investigate the personal and political finances of the Clintons in the 1980's.

MAY 6 Lawyers for Paula Corbin Jones file a sexual-harassment suit in Federal court in Little Rock, Ark.

AUG. 5 A three-judge federal appeals panel replaces Mr. Fiske with Kenneth W. Starr as independent counsel.

1995

AUG. 17 The Clintons' former business partners, Jim and Susan McDougal, and Gov. Jim Guy Tucker of Arkansas

Source: Associated Press

are indicted on fraud and conspiracy charges.

1996

JANUARY The Whitewater investigation is expanded to include billing records that turn up two years after they were subpoenaed.

MAY 28 The McDougals and Governor Tucker are convicted.

1997

MAY 27 The Supreme Court rules that Mrs. Jones may pursue her lawsuit against Mr. Clinton while he is in office.

1998

JAN. 16 A court panel gives Mr. Starr

authority to investigate Mr. Clinton's relationship with Monica S. Lewinsky, a former White House intern.

JAN. 17 Mr. Clinton testifies in Mrs. Jones's lawsuit and denies a sexual relationship with Ms. Lewinsky.

JAN. 21 News accounts first appear of an alleged affair between President Clinton and Ms. Lewinsky. Mr. Clinton publicly denies the accusations.

APRIL 1 A federal district judge throws out Mrs. Jones's lawsuit.

APRIL 30 Webster L. Hubbell, who pleaded guilty in 1994 to defrauding the Arkansas law firm where he worked with Mrs. Clinton, is charged with tax evasion.

AUG. 17 Mr. Clinton testifies before the grand jury. In a televised speech, he

acknowledges, "I did have a relationship with Ms. Lewinsky that was not appropriate."

SEPT. 9 Mr. Starr, the independent counsel, tells the House that he has found "substantial and credible information" that may constitute grounds for impeachment.

NOV. 13 Mr. Clinton agrees to pay Mrs. Jones \$850,000 to drop her sexual harassment lawsuit, with no apology or admission of guilt.

NOV. 13 Mr. Hubbell is indicted for the third time, this time for 15 felony counts of fraud, perjury, and impeding the Whitewater investigation. His second indictment, for tax fraud, was dismissed by a Federal judge.

DEC. 19 The House votes to impeach

Mr. Clinton on two of four articles of impeachment.

1999

FEB. 12 The Senate rejects one article, and splits evenly on the second, acquitting Mr. Clinton.

APRIL 12 Judge Susan Webber Wright, the Little Rock judge who oversaw the Jones case, finds Mr. Clinton in contempt for his "intentionally false" testimony about his relationship with Ms. Lewinsky. She later orders him to pay \$90,000 in penalties.

OCT. 18 Mr. Starr steps aside. The three-judge panel names one of his assistants, Robert W. Ray, to finish the investigation.

2000

MARCH 19 Mr. Ray says in a television interview that filing criminal charges against President Clinton in the Lewinsky case is still an option.

MAY 22 An Arkansas Supreme Court disciplinary committee recommends that Mr. Clinton be disbarred.

SEPT. 20 Mr. Ray says there is not enough evidence to charge the Clintons with any Whitewater crimes.

2001

JAN. 19 President Clinton agrees to a settlement in which he will avoid the possibility of indictment in exchange for admitting that he gave false testimony under oath and agreeing to surrender his law license for five years.