

the desires and wishes of others."⁷⁰ Although he described that pressure as "intense," and expressed his recognition that there would be "hell to pay" for the failure to act as "those above you desire," he insisted that he "did make the decision."⁷¹ He also said that with respect to the pressure that he felt, he was "not positive that the First Lady knew the pitched pressure that was coming] The pressure I felt, I heard was coming from the First Lady, was conveyed to me primarily through Harry Thomason and Vince Foster."⁷²

B. Mrs. Clinton's Statements Regarding Her Involvement in the Travel Office Firings.

This Office also identified those statements by Mrs. Clinton related to the Travel Office firings that may have been false and may have involved violations of federal criminal law, including provisions relating to false statements (18 U.S.C. § 1001), perjury (18 U.S.C. § 1621), and obstruction of justice (18 U.S.C. § 1503). Those statements included Mrs. Clinton's statements to the General Accounting Office, Congress, and this Office.

1. Mrs. Clinton Testified in a Sworn Deposition Before This Office in June 1995.

In a sworn deposition conducted by this Office on July 22, 1995, Mrs. Clinton testified about the Travel Office firings. When asked who made the decision to fire the Travel Office employees, Mrs. Clinton testified, "Well, the best I know is David Watkins and Mack McLarty, I assume, based on what I have learned since and read in the newspapers."⁷³ When asked if she

⁷⁰ Id. at 109.

⁷¹ Id. at 121-22.

⁷² Id. at 171.

⁷³ Watkins had testified that Thomason had told him that Mrs. Clinton wanted the Travel Office employees fired, but when asked whether Mrs. Clinton was "in a position to direct . . . that people . . . should be fired," Watkins said, "Well, Mrs. Clinton did not work for -- obviously, did not work in the administration, but she had influence." Watkins GJ 2/28/95 at 51-52. David

"ha[d] any role in it," she replied, "No, I did not."⁷⁴ When asked whether she "ha[d] any input with either Mr. McLarty or Mr. Watkins as to that decision," she answered, "I don't believe I did, no."⁷⁵

Mrs. Clinton also described her conversations with Vince Foster, along with her May 14 conversation with Watkins:

Q: Did you have any discussion with Mr. Foster, or a discussion at which Mr. Foster was present, about the White House Travel Office prior to the firing of the employees on May 19, 1993, that you remember?

A: I recall two brief conversations with Vince, but I don't know when they occurred. So, I don't know whether they were before or after your reference to the firings on May 19th. So, I can't place them in time. But I did have two brief conversations with him.

....

Q: Focusing on the first discussion first, would you tell us what was said in that discussion?

Gergen, who arrived at the White House at the end of May after the firings, said he never heard "that she ordered the firings." Gergen GJ 7/1/96 at 12. Watkins said the decision to notify the employees they were going to be fired was made by him on Monday, May 17, that he communicated that decision to McLarty when McLarty came into his office for an update that morning, and that McLarty "concurred and agreed" with Watkins's decision "to proceed." Watkins GJ 2/28/95 at 55-56. McLarty's testimony is consistent with Watkins's. McLarty GJ 7/31/96 at 119, 138-39.

Patsy Thomasson, Watkins's deputy, who consulted with Watkins about his decision the morning of May 17, agreed with Watkins's rendition of events. Thomasson 6/24/96 at 69-74, 203-204. Thomasson said in testimony during 1995 that Watkins arrived back from his weekend away on May 17 having changed his mind about firing the employees, "convinced they need[ed] to go," and that he then "goes off and talks to other people" before "the action took place." Thomasson GJ 7/11/95 at 17, 12-13. Dee Dee Myers testified that Watkins made the firing decision "in consultation with a number of other people, including Mr. Nussbaum, Mr. Foster, people like that," and that "probably Mack McLarty" and the "First Lady" were "probably" "informed about it" and "concurred." Myers GJ 7/23/96 at 85-86.

⁷⁴ H. Clinton Depo. 7/22/95 at 12.

⁷⁵ Id. at 9-12.

A: Well, all I can recall is that I said to him, or he said to me, it's not specific in my memory, something was happening about the Travel Office. And I, you know, I said, what's going on, or something to that effect. And he said, you know, we just have some tough decisions to make and we're moving on them, something to that effect. I can't say that's what he said. I can only give you a general feeling for my vague memory of what he said. The second conversation was when he said that David Watkins was on the phone and handed me the phone.⁷⁶ And David Watkins said he was at his daughter's graduation and that things were being taken care of in the Travel Office. And that was the extent of my conversations that I recall.

Q: Do you remember asking Mr. Foster on the first occasion, or Mr. Watkins on the second occasion, any questions about what was going on?

A: I just don't remember.

.....

Q: Did you ever say to Mr. Foster that we need to get our people in there, with respect to the Travel Office?

A: I don't recall saying that, no.

Q: This is something that I just want to follow-up by asking you, when you say you don't recall, does that mean that you are pretty sure that it didn't happen, or does it just mean that you don't recall whether it happened or not?

A: I don't recall whether it happened or not. I have no recollection of that.⁷⁷

2. Mrs. Clinton Provided Written Responses to the GAO Through the White House Counsel's Office in April 1994.

As part of its investigation, the GAO submitted written questions to Mrs. Clinton.⁷⁸

Associate Counsel to the President W. Neil Eggleston testified that in a conference with Mrs.

⁷⁶ Lisa Caputo testified that in January 1996, Mrs. Clinton told her that Vince Foster was present when she had her conversation with Watkins. Caputo GJ 8/1/96 at 42.

⁷⁷ H. Clinton Depo. 7/22/95 at 9-12.

⁷⁸ Kingsbury GJ 6/27/96 at 22; Eggleston GJ 7/18/96 at 81.

Clinton, she had “approved” the answers to the GAO questions “word for word.”⁷⁹ He also stated that the answers submitted to the GAO on behalf of Mrs. Clinton were not verbatim recitations of his conversations with her.⁸⁰

On April 6, 1994, Mrs. Clinton's answers were submitted to GAO by Eggleston. The questions are set forth below, followed by Mrs. Clinton's answers:

- Q. How would you describe and to whom would you attribute the origin of the decision to remove the Travel Office employees?
- A. Mrs. Clinton does not know the origin of the decision to remove the White House Travel Office employees. She believes that the decision to terminate the employees would have been made by Mr. Watkins with the approval of Mr. McLarty.
- Q. How would you characterize your role in that decision?
- A. Mrs. Clinton was aware that Mr. Watkins was undertaking a review of the situation in the Travel Office, but she had no role in the decision to terminate the employees.
- Q. Did you ask or direct that any action be taken by anyone in regard to the White House Travel Office?
- A. Mrs. Clinton did not direct that any action be taken by anyone with regard to the Travel Office, other than expressing an interest in receiving information about the review.
- Q. Is Mr. Watkins's characterization of his discussion with you, as recorded by us, accurate? If not, how would you describe the discussion?
- A. Mrs. Clinton does not recall this conversation with the same level of detail as Mr. Watkins. She recalls that on Friday, May 14, she had a very short telephone call with Mr. Watkins. Mr. Watkins stated that Mr. Foster had mentioned that Mrs. Clinton was interested in knowing what was going on with the Travel Office. Mrs. Clinton knew that Mr. Watkins was out of town. Mr. Watkins conveyed to her that even though he was not in Washington, his office was taking appropriate action.

⁷⁹ Eggleston GJ 7/18/96 at 94, 97.

⁸⁰ Id. at 95.

Q. Did you participate in any other discussions with White House staff or Mr. Thomason concerning the White House Travel Office matter during the period leading up to the removal of the Travel Office employees on May 19, 1993? If so, when and how would you describe those discussions?

A. Mrs. Clinton has a general recollection of having conversations with Mr. Foster and Mr. McLarty about the Travel Office situation prior to the termination of the Travel Office employees. She has no specific recollection of any particular conversation with Mr. Thomason on this issue at that time.⁸¹

Mrs. Clinton believes that she spoke with Mr. Foster about the Travel Office before her telephone call with Mr. Watkins. She also believes that she had a very brief conversation with Mr. McLarty sometime before she spoke with Mr. Watkins. In that conversation, she told Mr. McLarty that she had heard about problems in the Travel Office and wanted Mr. McLarty to be aware of it.

Mrs. Clinton does not recall seeing the May 17 memorandum from Mr. Watkins to Mr. McLarty until after the Travel Office employees were terminated.⁸²

3. Mrs. Clinton Submitted a Sworn Statement to the House Committee on Government Reform and Oversight in March 1996.

On March 6, 1996, House Resolution 369 authorized the staff of the House Committee on Government Reform and Oversight ("House Committee"), for purposes of its investigation of the Travel Office matter, to take affidavits and depositions under oath from witnesses.⁸³ On March 21, 1996, Mrs. Clinton provided written responses to questions posed by the House Committee.⁸⁴

⁸¹ GJ 95-2 Exh. 254 (written questions from GAO); Mrs. Clinton's written responses to GAO's written questions 4/6/94, OIC Bates No. AJ-DC-00001520.

⁸² GJ 95-2 Exh. 254; Mrs. Clinton's written responses to GAO's written questions 4/6/94, OIC Bates No. AJ-DC-00001520.

⁸³ H.R. Res. 369, 104th Cong., 11-12 (1996).

⁸⁴ GJ 95-2 Exh. 8.

These written answers were given under oath and signed by Mrs. Clinton.⁸⁵ Mrs. Clinton incorporated the answers that had been previously given to the GAO into her response to Congress.⁸⁶ Mrs. Clinton responded in relevant part to the congressional questions as follows:

[Question No.] 7.

Identify and set forth the information sought in the preliminary statement for all communications that you had at any time with Harry Thomason or any individual acting on his behalf regarding any White House Travel Office matters, the personnel employed in the White House Travel Office, or any proposed or actual activities of Mr. Thomason at the White House, including but not limited to, all aviation matters involving Mr. Thomason, Darnell Martens, and/or TRM Incorporated, or other transportation related issues, and any reviews, civil or criminal investigations. . . .

Response to No[.] 7 . . .

At some point during the first part of May 1993, I believe I became aware from Vincent Foster or Harry Thomason of concerns about financial mismanagement in the White House Travel Office. I do not remember precisely what the concerns were, except that they involved allegations of waste, inefficiency, or improper procedures. I had no personal knowledge of or direct involvement with that office, and, indeed, I do not recall even knowing of the existence of the Travel Office until sometime in the first two weeks of May. I have a vague recollection of hearing either the outgoing or incoming president of the White House Correspondents' Association complain about the expense of press travel at the Association dinner on May 1, 1993, but I do not recall how or whether these complaints specifically related to the Travel Office.

. . . . I cannot recall specific conversations with [Mr. Thomason] regarding the White House Travel Office or its personnel, but as indicated above, it is possible that at some point in May 1993, he may have mentioned to me issues of possible financial mismanagement in the Travel Office. I do not recall what, if anything, I may have said to him on this topic. I do not recall saying to him that I was "ready to fire" the Travel Office employees. I do not know how Mr. Thomason may have construed remarks by me.⁸⁷

⁸⁵ Ricketts GJ 6/6/96 at 5-9.

⁸⁶ GJ 95-2 Exh. 8 at 1-4.

⁸⁷ Id. at 5-8.

....

At some point during the week of May 10, 1993, I spoke to Vincent Foster about the Travel Office, and he told me that William Kennedy, who was a lawyer in the White House Counsel's Office, was looking into reports of financial misconduct and that KPMG Peat Marwick would be conducting a review of the Travel Office. I believe I had two conversations with Mr. Foster on this matter, although I may have had more. I do not believe that I asked Mr. Foster why action wasn't being taken to terminate the employees of the White House Travel Office or that I stated to him that these employees should be fired immediately. I do not recall saying to Mr. Foster that I wanted him to "act" with respect to those employees or indicating how I believed he should "act."

....

I also recall a brief conversation with Thomas F. "Mack" McLarty at some point, in which I told him that I had heard about fiscal mismanagement problems in the Travel Office. I expressed my concern that if there were any problems in the Travel Office they should be addressed promptly. I would not have had enough information to know what steps, if any, should be taken, but I believed then and still believe that if there were fiscal mismanagement in any part of the White House, it would be important to take prompt and appropriate corrective action. I may have spoken to Mr. McLarty a second time about the Travel Office, but I have no specific recollection of what was said. I don't recall saying to Mr. McLarty that the Travel Office matter was in the "forefront" of my mind or that "action needed to be taken."

....

During the evening of Friday, May 14, 1993, I remember a brief telephone conversation with David Watkins, Assistant to the President for Management and Administration, who was out of the city. Mr. Foster was present, and he indicated that Mr. Watkins wished to speak to me about the Travel Office matter. Mr. Watkins stated that Mr. Foster had told him that I was interested in knowing what was going on with regard to the Travel Office. He told me that he was having a review conducted, and that, although he was out of town, his office was taking appropriate action. He may have mentioned that KPMG Peat Marwick was conducting some kind of audit or review. I recall that I thanked him for the report and let him know that I was glad he had taken the situation in hand.

I don't believe I had any conversation with Mr. Watkins about the Travel Office before or after this one telephone call. While I don't recall

the specifics details of our conversation, I did not direct that any particular action should be taken, nor did I make particular comments about what should be done (e.g., that I thought the Travel Office people "should be out"). I may have expressed the view that appropriate action should be taken if the circumstances warranted it. I do not recall telling Mr. Watkins I was going to an event with the President. I do not know how Mr. Watkins may have construed my remarks.

....

Although I had no decision-making role with regard to the removal of the Travel Office employees on May 19, 1993, I expressed my concern, as set forth above, that if there were fiscal mismanagement in the Travel Office or in any part of the White House, it should be addressed promptly. I am sure I felt such action could include, if necessary and justified, appropriate personnel actions so that this Administration would not be blamed for condoning any existing fiscal mismanagement problems, even though the Travel Office employees had been hired by previous administrations. I may have expressed to Mr. Foster and Mr. McLarty, and perhaps to Mr. Watkins, an interest in receiving information about whether the review that was being conducted found evidence of financial mismanagement.

It is quite possible that I had conversations with other individuals about the White House Travel Office prior to May 19, 1993, but I do not recall them.⁸⁸

C. David Watkins Prepared a Memorandum Between September and November 1993 Regarding the Causes of the Travel Office Firings.

This Office's investigation of the statements by Mr. Watkins and Mrs. Clinton arose, at least in part, from the discovery of a memorandum prepared by David Watkins that discusses Mrs. Clinton's role in the Travel Office firings. That memorandum was an evolving document that went through several drafts and editorial changes between September and November 1993. The evolution of the Watkins Memorandum is described more fully in Appendix C.

⁸⁸ GJ 95-2 Exh. 8 at 5, 7-13 (emphasis in original). This answer was prefaced by a two-page explanation of how busy Mrs. Clinton was during the relevant time period and the fact that her father passed away in early April 1993. See id. at 6-7.