

THE CASE FOR MORPHINE  
TONY BLAIR: ANOTHER CLINTON?

# WHAT'S AT THE FBI?

- The fiasco at the crime lab
- The controversy over Director Freeh
- The impact on the



# UNDER THE MICROSCOPE

Once the most esteemed federal agency, the FBI comes under attack for sloppy work

By NANCY GIBBS

IT WAS THE IDEA OF A GUY NAMED BONAPARTE TO INVENT THE FBI IN 1908 (Charles Joseph, the Emperor's descendant who served as Teddy Roosevelt's Attorney General), and once initial suspicions were allayed that it would turn into some big, secretive, czarist police force, it did precisely that. The bureau quickly built its empire of white men in white shirts, chasing anarchists and Bolsheviks in the '20s, gangsters and bootleggers in the '30s, fascists in the '40s, communists in the '50s and civil-rights leaders and antiwar protesters in the '60s. The enemies, always changing, are changing still, and the agency that confronts them now faces problems that would bedevil any FBI director trying to drag the agency into the modern age—which helps explain why Louis Freeh is having a very bad spring break.

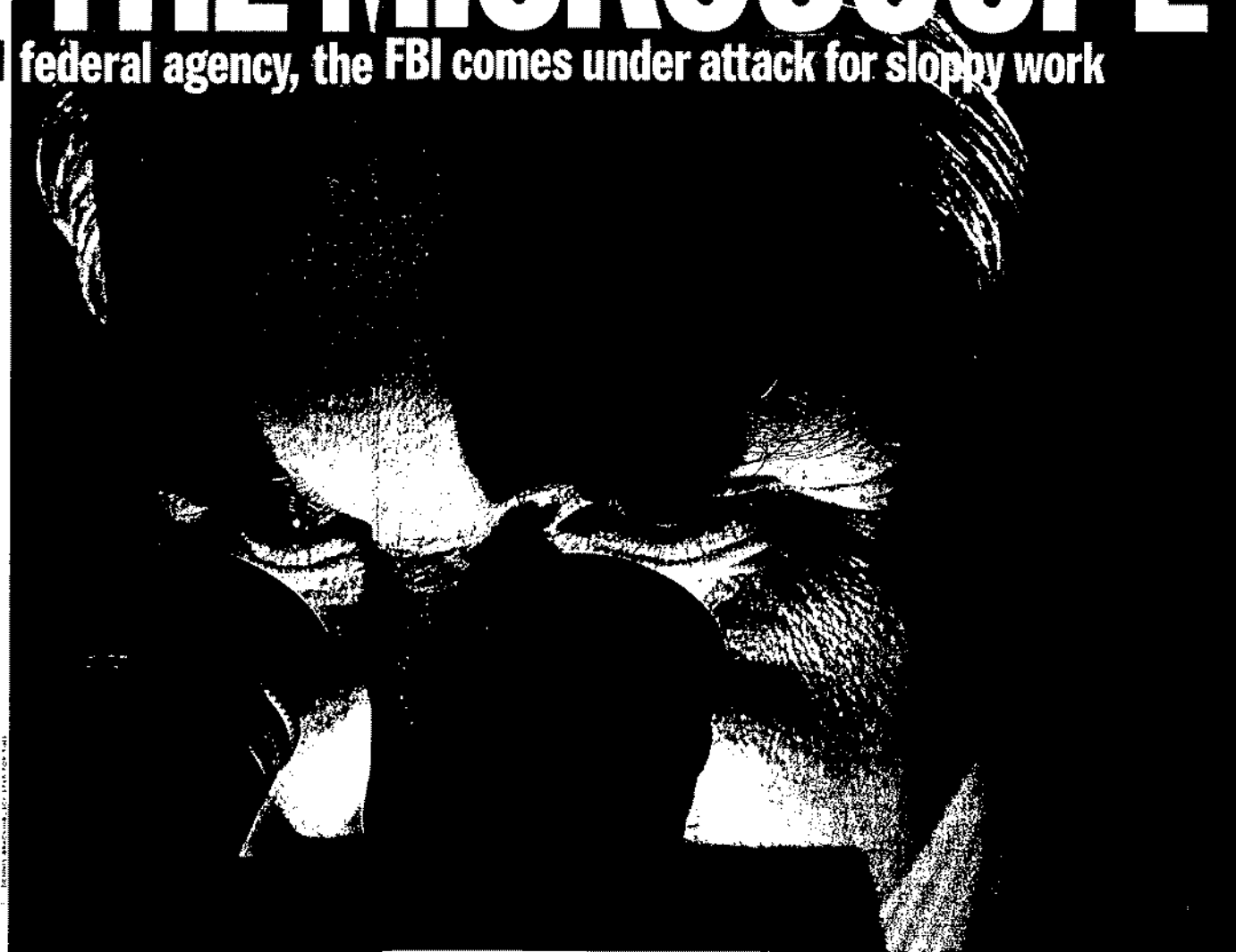
For the better part of a generation, both political parties have thrown money and launches at the FBI for one reason: to stop crime. Under Clinton, while agency after agency saw its budget dwindle, the FBI's jumped 25%, to \$2.9 billion. Congress paid for 3,000 new employees, new computers, new field offices. Law and order Republicans were there first, but Clinton and the Democrats joined in until there was simply no constituency that didn't see the FBI as the all-purpose answer to voters who routinely listed crime among their top concerns. For a nation whose greatest enemy is suddenly within, the FBI has become the Pentagon of the post-cold-war world.

This means, like the well-protected Pentagon of 20 years ago, virtually no congressional oversight. Any lawmaker who raised concerns risked being flayed as soft on crime. But without accountability, several things happen, all of them bad. Money gets wasted. Officials get sloppy.



## DRAGGING THE AGENCY INTO THE MODERN AGE

Director Louis Freeh has been trying to change the agency's culture, but his critics charge him with obsessive secrecy, bullheadedness and micromanagement. His relations with the Clinton White House are also poor



Innocent people go to jail. And cases that should be won are lost. The specifics have become a martyrs' lament: Waco. Ruby Ridge. Filegate. Richard Jewell. By last Saturday, the embattled Freeh was ready to break his trademark silence in an interview with *TIME*. "They very regularly report the bumpy landings at National Airport. You rarely hear about the safe landings," he argues. "We do many, many good things every day. Children are saved, explosive devices are defused, pedophiles are arrested, gangs are taken off the streets. I'm not saying we shouldn't be criticized for the mistakes we make, but I do know that the successes of the men and women of the FBI are taking place every day."

Such a season of blame is taking its toll on an agency ill equipped to handle it. The 25,000 or so employees who wrestle with heavy caseloads, bad technology, long hours and growing threats to their safety, who find purpose in the bureau motto of "Fidelity, Bravery, Integrity," can handle

just about anything—anything but walking down the street and having a pal from the local police department slide up in his cruiser and ask mocking questions about all the cases the FBI has screwed up and all the headlines it's made and "Hey, what's the deal with this Whitehurst guy?"

This Whitehurst guy is Frederic Whitehurst, the FBI chemist who originally blew the whistle on the FBI lab in 1989 and helped launch an inquiry that finally resulted last week in a blistering report from the Justice Department's inspector general. Michael Bromwich released a 600-page door-stop charging that some FBI forensic operations had been sloppy and biased. But even before the verdict was reached, Whitehurst's treatment as a whistle-blower raised questions about the FBI's ability to manage dissent. At first, lab managers dismissed his complaints about colleagues' work as prickly perfectionism. They suspended him for a week after he notified defense lawyers of lab errors in a case. It was not until 1994

that Whitehurst's claims were taken seriously enough to reach the inspector general's office. Freeh has promised to address the lab problem by hiring a distinguished scientist from academia to run the lab, seeking accreditation from an outside professional society and investing \$30 million in a new facility. "We're embarrassed by it," acknowledged Bill Esposito, the bureau's new deputy director. The accusations could compromise the prosecution of some major cases, including the Oklahoma City bombing, and reopen hundreds more (see following stories).

Next week the

## THE GANG THAT COULDN'T EXAMINE STRAIGHT

By ELAINE SHANNON WASHINGTON

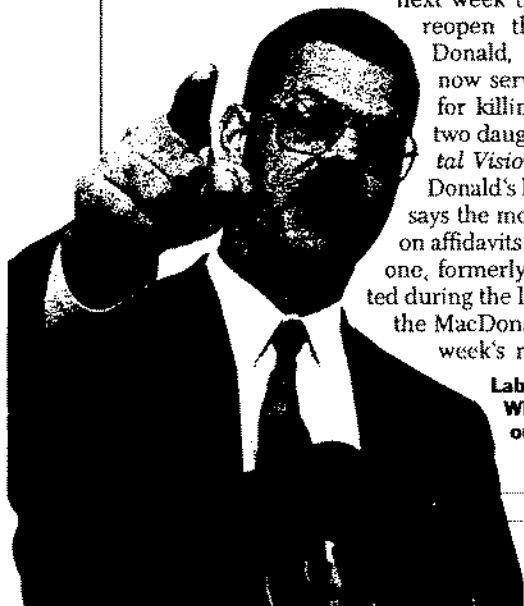
**T**HE JUSTICE DEPARTMENT REPORT ON THE FBI LAB DELVES deeply into fewer than two dozen cases and examines just three of the FBI's 35 specialized units, but its repercussions are enormous. By questioning the lab's credibility, the 500-page study has undermined thousands of cases that have coursed through the agency—the lab does as many as 600,000 examinations a year—especially those handled by the 10 lab workers faulted in the study. "We're going to get hundreds, if not thousands, of motions that are going to encompass every part of the lab, from latent-fingerprint comparisons to tire-tread analysis," says a ranking FBI agent.

A great deal of resources will have to be expended simply responding to defense motions, meritorious or not. Already next week there will be a motion to reopen the case of Jeffrey MacDonald, the Green Beret doctor now serving a life term in prison for killing his pregnant wife and two daughters in the infamous *Fatal Vision* murders in 1970. MacDonald's lawyer, Harvey Silvergate, says the motion will be based in part on affidavits of FBI agent Michael Malone, formerly a lab examiner, submitted during the lawyer's attempt to reopen the MacDonald case. According to last week's report, Malone exhibited

"inexcusable" behavior in the corruption hearing filed against former judge Alcee Hastings when Malone testified to having performed a tensile-strength test that was not only beyond his expertise but was also carried out by another member of the lab. In the MacDonald case, Malone, who specialized in hair and fiber evidence, had asserted that filaments found in a hairbrush at the murder scene came not from a blond wig worn by an intruder, as MacDonald claimed, but more likely from a doll owned by one of the murdered little girls.

The Oklahoma City bombing case is the biggest of those cited by last week's report (see following story). It strongly criticizes explosives experts involved in the bombing investigation, particularly David Williams, who, according to the study, "reached conclusions that incriminated the defendants without a scientific basis," and Roger Martz, the chief of the chemistry-toxicology unit, who

**Lab scientist Frederic Whitehurst blew the whistle on nearly a score of cases**





of Hearts for his penchant for lopping heads first and asking questions later. All such decisions emanate from Freeh and his inner circle of nonagents, who hunker in the seventh-floor suite that agents have nicknamed "The Bunker." Members of Congress love Freeh's almost self-hating approach to the agency—frequently admitting what it has done wrong—but experts believe that by too readily accepting blame, Freeh has opened the door for more of it.

Freeh's sense of rectitude is also what has complicated his relationship with Clinton's White House and, in some cases, undermined his effectiveness. When Freeh took the job, he made only one demand of the President: Don't interfere with how I do it. So independent was Freeh that he refused to attend the Rose Garden photo-op signing of the crime bill. The bureau has regularly released good crime statistics without telling the White House in advance, depriving Clinton of a chance to crow. By mid-1994, relations between Freeh and the White House had become "icy," according to a senior official. When Freeh headed off to Jordan and Saudi Arabia to pursue counterterrorism investigations, Clinton's foreign policy aides bristled at his interference on their turf without prior consultation. In February, Freeh refused to provide a report about Chinese influence peddling for Madeleine Albright before her trip to China. White House officials were stunned. Who was Freeh working for?

But at times he, or his bureau, has been less independent than he pretended, which has got him into trouble with Republicans on the Hill as well. First there were charges that the FBI went along with White House requests to investigate employees of its travel office. Then there was the matter of the 900 or so private FBI files on former Republican staff members that turned up in the White House. Critics say any number of FBI officials could have blocked the request for their transfer and didn't. Instead Freeh declared that he felt "victimized" by the White House's actions. "Freeh has a tremendous talent for self-preservation," says a senior White House official. "He figured the waters were rising and decided to get himself to dry land." The bureau also slipped the White House an advance copy of former agent Gary Aldrich's salacious memoir of his tenure at the Clinton White House. "The hallmark of the FBI has been that it's free of politics," says Kentucky Representative Hal Rogers. "With Filegate and other possibilities of political interference, the bubble has burst."

The complaint that the FBI can be politically manipulated is as old as the agency itself, of course. What is new and alarming, however, is the accumulation of problems

that reflect a combination of arrogance and negligence. Besides the crime lab's problems, the most damaging are:

**ALDRICH AMES** CIA officers point out angrily that while the bureau has done well catching spies, it has a poor record of detecting them in the first place. In the Ames case, it was the CIA that eventually identified Ames as the mole and turned him over to the FBI to build the case for his arrest. Ames began his career as a mole lit-



## SUCCESS STORIES

**Nailing Mob boss John Gotti in 1992 was an old-fashioned achievement. And in June 1996, the bureau brought the 81-day Freemen standoff in Montana to a peaceful end**



## MISSES

**The arrest of Richard Jewell for the Atlanta bombing was a painful blunder. The FBI also botched the 1992 standoff at Ruby Ridge with white separatist Randy Weaver**



## FUMBLE

**Aldrich Ames may have led to the most serious breach of U.S. security ever. Last week an internal report criticized the FBI's less-than-aggressive pursuit of the mole**

erally under the watch of the FBI. In April 1985 he began visiting the Soviet embassy in Washington to pass secrets. FBI cameras that are constantly trained on the Russian embassy from a nearby building recorded Ames' visits. Though he initially filed the paperwork explaining his forays, he eventually stopped doing so and kept going back. But the bureau never thought to wonder why.

**RICHARD JEWELL** FBI agents in Atlanta were under tremendous pressure from headquarters to make progress in solving the Olympic Park bombing. So they came up with a scheme to trick Jewell into being interviewed by saying it was part of a training tape. Freeh was monitoring the investigation closely and called to insist that the agents inform Jewell of his Miranda rights. At that point Jewell smelled something funny, stopped talking and asked to see his lawyer. When the case against him collapsed, veterans blasted Freeh for botching their scheme to trick him into talking. Never mind that they were trying to trick the wrong guy.

**MANAGEMENT FAILURES** In 1986 the FBI launched an ambitious program to upgrade its computer systems, including computerized fingerprint scanners installed in police cars across the country. If that goal is ever realized, it will be four years late and double the cost projected. The upgrade effort is already such a mess, plagued by contractor and design lapses, that Congress refuses to fund it anymore. But Freeh maintains an ambitious vision: to build a whole new technological infrastructure to track global crime. "We have people with laptop computers in Russia moving money out of Citibank accounts in New York City, and people with laptops in Sweden shutting down our 911 system in northern Florida," he told TIME. "We are very far behind."

**RUBY RIDGE** The year before Freeh arrived, tax resisters in Idaho wound up in a standoff against federal agents. Vicki Weaver and her teenage son were shot to death; her husband Randy Weaver collected \$3 million in a wrongful-death suit and became a martyr in the militants' crusade against encroaching law-enforcement agencies. Six officials connected with the showdown were disciplined for "inadequate performance, improper judgment, neglect of duty," even though investigators found no actual misconduct. That might not have gone down so badly had Freeh not promoted as his No. 2 the supervisor of the whole operation, Larry Potts. Only when Justice Department officials intervened with news that Potts and his headquarters aides were under criminal investigation for their roles did Freeh acknowledge his "blind spot" and suspend his friend.

His defenders are quick to note that Freeh has been far more willing than past

directors to change the agency culture. "We rebuilt our credibility by full cooperation with the investigations, admitting our mistakes, and more importantly making sure we have structures in place that will prevent those mistakes from recurring," says Freeh. After Waco and Ruby Ridge, he created a new, less paramilitary "crisis-management unit" and completely overhauled the way the bureau handles hostage situations. In the spring of 1996, when the Montana Freemen holed up in their compound near Billings, FBI agents were under far stricter rules of engagement. They could use deadly force only if they or hostages faced "imminent death or serious physical injury." At Billings the FBI also deployed a new unit called the Critical Incident Response Group of behavioral scientists and hostage negotiators. FBI officials insist the CIRG is as skilled in talking as it is in breaking down doors. In the Freemen's

case, they seemed to have proved it when the confrontation ended without bloodshed after 81 days.

For all the firestorms, Freeh can take comfort in the fact that his agency retains a special cachet: he can thank *The X-Files* and *The Silence of the Lambs* for helping inspire 65,000 people to apply for a few hundred upcoming agent slots (starting salary for an FBI agent: \$42,000). He can also take some solace from the fact that while a cozy office in a big law firm may look pretty appealing to him right now, he can depart in his own time; Clinton is in no position to fire him, given the ongoing investigations into campaign contributions. Does the White House dream of getting rid of him? "On the list of things we chat about over here, it's not on the Top 10," says an official. "And we never get below the Top 10."

Even congressional critics like Grass-

ley say they think Freeh can "rehabilitate" himself and the agency. His colleague in the House, archconservative Republican Bob Barr of Georgia, has already given the FBI a lesson in that. Last year the agency asked for the authority to apply multi-phone roving wiretaps so it could track suspects switching from cell phone to cell phone. But Barr, with heavy backing from both the National Rifle Association and the American Civil Liberties Union, now had ammunition to block the legislation. "My view is that we are not interested in giving the FBI more power until it gets its house in order and proves that it can live in the boundary of existing laws." That's a long way from the days when the FBI drafted the bills it wanted passed and delivered them to the Hill in plain Manila envelopes. —Reported by John F. Dickerson, Tamara M. Edwards, J.F.O. McAllister and Elaine Shannon/Washington

## WHY RENO'S TIN EAR IS NO LONGER A VIRTUE

**J**ANET RENO CAN READ THE LETTER OF THE LAW. THE QUESTION is whether she is missing the larger story. Last week, for the fourth time, the Attorney General decided not to appoint a special prosecutor to look into Democratic campaign fund raising. Relying on the advice of Justice Department lawyers who are conducting their own probe, she pointed to the language of the independent-counsel law. It requires "specific, credible evidence" of a crime by high-ranking federal officials. If the department inquiry turns up a smoking gun, she says, she'll pull the trigger on an investigation. But not before. "The best thing I can do is ignore the politics," she said. "I take everything based on the evidence and the law."

For Republicans her refusal was a signal to go ballistic. Taking time from finalizing his loan with Bob Dole, House Speaker Newt Gingrich said Reno should explain under oath why she opposed a special counsel. Senate Judiciary Committee chairman Orrin Hatch, a sometime Reno supporter, was less bloodthirsty but no less unhappy. "There's overwhelming evidence that there may—that's all you've got to do, show that there may—have been criminal activity," he says. "You can't hide behind career prosecutors."

It is ironic that Reno should be suspected of trying to appease Bill Clinton. Whatever her shortcomings, most of Washington agrees she is nobody's crony. Last year she was deeply out of favor with the White House for appointing special counsels four times to investigate Administration scandals. The Clinton team let her dangle for weeks before deciding to keep her as Attorney General. Now her enemies say she is trying to regain favor. Friends say she's a principled

legal purist. Just about everybody says that, for better or worse, she's blind to appearances. What she fails to see is that public confidence requires an investigation conducted well beyond White House reach.

At work Reno is largely isolated from astute political advice, heading a department where several top jobs, including Assistant Attorney General in charge of criminal investigations, have long been vacant. Especially since the departure several weeks ago of Deputy Attorney General Jamie Gorelick, Reno has had no one who is sensitive to vibrations beyond the conference rooms at Justice. For guidance she relies on twice-weekly meetings with Justice Department lawyers who bristle at suggestions they would not pursue an investigation wherever it leads.

They don't see a crime yet because many of the laws that might have been broken apply to donations given "to influence a federal election." They say the laws have been applied only to contributions for a specific candidate, not to the millions in so-called soft money given for party activities. All the same, most

donors would admit that, no matter what channel their cash flowed through, they gave to elect Clinton or Dole. But Reno could trigger the independent-counsel statute by finding a conflict of interest that prevented her department from investigating the matter. William Barr, Attorney General under George Bush and a past critic of the statute, argues that "the primary issue is whether this is the kind of case that can be handled as business as usual." As most would agree, it has already gone well beyond that. —By Richard Lacayo. Reported by Viveca Novak/Washington

**Should Janet Reno have appointed an independent counsel to investigate campaign fund-raising activities by members of the Clinton Administration?**

**YES 57% NO 33%**

**Did Reno decide not to appoint an independent counsel mostly based on the facts, or mostly to protect Clinton?**

**On the facts 34%**

**To protect Clinton 51%**

From a telephone poll of 1,049 adult Americans taken for TIME/CNN on April 16-17 by Tinkler/Kovich Partners Inc. Sampling error is ±3%. "Not sure" omitted.



CYNTHIA JOHNSON FOR TIME