

Taiwan-gate: The scandal that threatens to destroy the Bush White House

By Celeste Harrison Whitlow

Online Journal Contributing Editor

April 1, 2002—In an ever-widening scandal involving a Taiwanese government secret “slush fund,” the purpose of which was to covertly influence other countries’ (including the United States and Japan) politics, leaked Taiwanese government documents name two Bush appointees as receiving money from this “slush fund” for services including convincing Bush to agree to \$4 billion worth of sophisticated arms sales to Taiwan.

Carl Ford, appointed by GW Bush to assistant secretary of defense for intelligence and research, and James Kelly, appointed by GW Bush to assistant secretary of state for East Asia, are the American officials named as being “paid off” to covertly influence U.S. politics. Their efforts included accepting millions from this secret slush-fund, and it appears that this money may have been, at least in part, funneled by contributions made by Carl Ford (while working for a Washington PR firm, Cassidy and Associates) to the GW Bush presidential campaign and the Republican National Committee.

In eye-opening revelations which have shocked Taiwan, and set Washington panicking over the “radioactive” political fall-out from these covert Taiwanese efforts (aided by Bush “administration” officials) to influence American politics:

- The “slush fund” was set up by Taiwan’s ex-president Lee Teng-hui through the Taiwan National Security Bureau. Lee, although no longer president, is still very active in Taiwanese politics.
- It is reported that there were two secret slush funds which contained NT\$3.5 billion.
- The purpose of these two slush funds was to buy political favors overseas, including in the United States and Japan.
- Carl Ford, as a “key player” in Cassidy and Associates, was paid from this secret slush fund, and is said to have played a “pivotal role,” as Bush’s appointed assistant secretary of defense for intelligence and research, in convincing Bush to allow the \$4 billion sale of sophisticated arms to Taiwan. He is said to have been paid “handsomely,” according to leaked Taiwanese government documents.
- Carl Ford, an ex-CIA official and a former prominent defense official in the Reagan/Bush Sr. administrations, was also a lobbyist for General Dynamics (specifically for the sale of

sophisticated arms to Taiwan). General Dynamics stood to greatly benefit from the sale of submarines to Taiwan; the submarines would be built in a General Dynamics' company's shipyards.

- Carl Ford is noted as a Cassidy and Associates' "key player." When Cassidy and Associates was hired by General Dynamics (owner of Bath Iron Works where the destroyers to be sold to Taiwan would be built), Cassidy conceived of and drafted the letter sent by U.S. Senator Trent Lott (Republican) to President Clinton. This letter basically held hostage congressional approval of permanent normal trade relations with China until Clinton approved the weapons sale, to which President Clinton was strongly opposed.
- Carl Ford, as a "key player" in Cassidy and Associates, was directly involved (in addition to the covert money they received from the Taiwanese slush fund) in acknowledged, contracted PR work for Taiwan interests. Again, the one of the specific goals was to influence America to sell Taiwan \$4 billion worth of sophisticated arms.
- Carl Ford, when testifying before Congress and trying to convince it to sell arms to Taiwan, was said to be "from the Heritage Foundation." The Heritage Foundation is a right wing group, funded in part by Richard Mellon Scaife, and led by right wing power-broker Paul Weyrich.
- Carl Ford, a GW Bush appointee to a very influential position, while a "key player" for Cassidy and Associates, had already been involved in another lobbying scandal in Taiwan. This scandal included Cassidy's attempts to cover up the identities of those companies and lobbyists providing public-relations and lobbying services for Taiwan in Taiwan's efforts to get the U.S. government to pass the bill which would allow America to sell sophisticated arms to Taiwan.
- Carl Ford was a "key player" in the Washington PR firm, Cassidy and Associates, which contracted with Taiwanese organizations to represent Taiwan's interests in Washington. Cassidy and Associates also received money from the secret Taiwanese slush fund, the purpose of which was to covertly influence other countries' politics. It is of note, then, that the head of Cassidy and Associates met with Taiwan's then-president Lee Teng-hui (who started the Taiwanese slush fund) where plans were made to lobby then-Texas Governor Bush, because Bush was seen as the most promising presidential candidate. The purpose, again, was to convince GW Bush, if he became president, to allow America to sell sophisticated arms to Taiwan. It is noteworthy that, indeed, GW Bush, once in the Oval Office, was a vocal proponent for allowing America to sell sophisticated arms to Taiwan. The Taiwanese slush-fund's efforts paid off when American policy was changed such that sophisticated arms are now permitted to be sold to Taiwan.
- How important was GW Bush-appointee Carl Ford to Taiwan? Ford was said to be an important Taiwan lobbyist who was allegedly wined and dined to the tune of NT\$400,000 in late 1999 and early 2000 by the Lee Teng-hui Taiwanese administration.

- Cassidy and Associates received millions from this Taiwanese secret slush fund. Carl Ford, described as a “key player” at Cassidy, in turn donated millions of dollars to the GW Bush presidential campaign and to the Republican National Committee.
- James Kelly came directly from heading the Richard Mellon Scaife-funded Pacific Forum (connected to the military-industry “think-tank” Centre for Strategic and International Studies, or “CSIS”) to being appointed by GW Bush as assistant secretary of state to East Asia. While heading the Pacific Forum, Kelly is said to have “shuffled funds” (money-laundering?) between Taiwan’s slush funds and Japan.
- In addition, Kelly is reported to have accepted donations from Taiwan for CSIS’ Pacific Forum. That’s right: Kelly came directly from being responsible to accepting money from Taiwan interests to being appointed by GW Bush to a key government position in which Kelly would be a chief policy maker for Asia.
- The Taiwan news publications who originally broke the Taiwanese slush-fund story had their offices raided by Taiwanese government officials who called the publications traitors and treasonous. After an outcry arose from the public, the Taiwanese government has backed down and now says that free speech must be protected.
- The three leaked Taiwanese government documents about the secret slush fund are reported to contain:
 - 1) Details about Taiwan’s unofficial “slush-fund” diplomatic maneuvers in the US, including the meeting between the originator of the slush-fund, Taiwan’s ex-president Lee, and the head of Cassidy and Associates, a Washington PR group, with the goal of influencing then-Texas Governor GW Bush in the event that Bush should he become president;
 - 2) A second document identifies Carl W. Ford, now Bush-appointed assistant secretary of state for intelligence and research, as an important figure in Taiwan’s lobbying efforts (covert and registered), the Sing Tao Daily said.
 - 3) The third document records visits by Carl Ford to Taiwan’s NSB in November 1999 and March 2000, Sing Tao said, adding that the NSB spent more than NT\$400,000 entertaining Ford during the visits.
- How bad is it going to be for America, thanks to these two Bush appointees’ covert actions on behalf of the Taiwanese government? These Bush appointees, in the headlines of an important Taipei newspaper, are reported to be “tainted lobbyists.” *Tainted*. Bush-appointed American officials are said to be *tainted*.
- What will be the American political fall-out from these *tainted* Bush-appointed officials? Consider this: The current Taiwanese presidential senior advisor, Yao Chia-wen, who recently came to the Washington for two days of meetings with U.S. think tanks and congressional aides to find out what the fallout will be from this scandal, received in these meetings the message, “Fear what is to come.” Think-tank scholars voiced concern that as new names are made public, those who speak out in favor of Taiwan may be suspected of having “sold out” as potential recipients of some of the NT\$3.5 billion in

money allegedly set aside in two secret slush funds intended to buy political favors overseas. The fears of the Washington congressional aids and think-tank personnel is that if anyone in any way represents Taiwan's agenda, they will become "radioactive" and a Washington pariah.

- How will this impact the U.S.-Taiwan relations? Terribly. It already has. The revelations have damaged Taiwan-American relations, even forcing Taiwan to suspend some programs: "The exposures of such secret payments to key US politicians by the island's National Security Bureau (NSB) in the past week by Hong Kong and Taiwan media has damaged Taiwan's image and hurt its exchanges with the United States, according to government officials and analysts. 'The exposure of these secret funds of the NSB has created a big problem to our diplomatic work,' said Foreign Minister Eugene Chien yesterday. Taiwan's deputy representative to the US, Mr Tsai Ming-hsien, admitted that a number of semi-official and official exchange programmes between Taiwan and the US have been suspended."

Comment: So we see that America is, once again, humiliated by GW Bush's tainted appointees. This time, however, there appears to be the possibility that Bush's appointees, indeed, served as money-launderers for the Republican National Committee and the GW Bush presidential campaign. Certainly, with Bush's tainted appointees, and their reported role as being "pivotal" in Bush's decision to sell \$4 billion worth of sophisticated arms to Taiwan, it should bring into question whether America's best interests were served in this decision, or were the best interests of GW Bush's Taiwanese slush-fund contributors actually that which were being served?

It also brings under new consideration the opposition of the Republican Party and GW Bush to any form of campaign finance reform. If they are, indeed, receiving illegal campaign funds from a Chinese covert slush-fund, they would hardly be likely to ever back accountability for legitimate campaign donations.

In addition, this ugly Taiwan-U.S.-Bush-appointee campaign finance scandal brings up another question which Americans, and Congress, must address: What are the implications of having GW Bush in the Oval Office if he has received such considerable illegal campaign contributions from a covert Taiwanese slush fund? And what does his appointment of two men highly involved in the distribution of the Taiwanese slush-fund monies have to say about the "honor and integrity" he promised to bring to the White House?

Finally, we must consider the conflict-of-interest-laden appointments GW Bush has made, including that of Army Secretary Thomas White, who is now under at least three investigations for his unethical conduct since he was appointed by GW Bush. Who is it that GW Bush is really serving: the American people or his campaign contributors? And can America stand the damage it will incur as GW Bush seeks to fulfill the quid pro quos he owes to his campaign funders (both acknowledged, like Enron, and covert, like the apparent Taiwanese secret slush fund)?

Details, References and Sources:

For details and references to the above reported facts, go to The Players
<<http://www.politicalamazon.com/bush-chinese.html#players>>.

For links to all of the sources referenced in this article and in "The Players," go to Links
<<http://www.politicalamazon.com/bush-chinese.html#links>>.

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