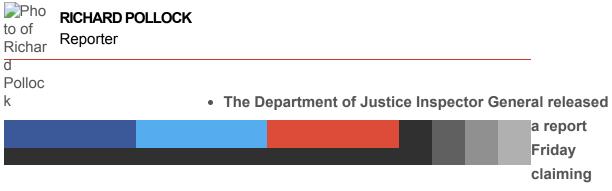
INVESTIGATIVE GROUP

Former U.S. President Bill Clinton salutes the audience after the closing of the Clinton Global Initiative 2016 (CGI) in New York, U.S., September 21, 2016. REUTERS/Shannon Stapleton - S1BEUCQUDHAB

Behind The IG Report — How The Obama Justice Department Tried To Shut Down The FBI's Investigation Into The Clinton Foundation



- "lack of candor" by former FBI deputy Director Andrew McCabe
- The report also details Justice Department's influence to close a multi-state investigation into the Clinton Foundation
- The IG claims McCabe leaked DOJ's pressure to end the Clinton investigation to battle claims he was partial to the Clintons

The Department of Justice Inspector General report on the "lack of candor" by FBI deputy Director Andrew McCabe also documents for the first time the Obama administration's effort to shut down the bureau's investigation of the Clinton Foundation, according to a review of the report by The Daily Caller News Foundation Investigative Group.

The inspector general (IG) confirmed in its longawaited report released Friday that in 2016 the FBI had ongoing field Little Rock, Arkansas and Washington, D.C. The multi-city investigation was launched when agents found "suspicious activity" between a foreign donor and Clinton Foundation activity in the Los Angeles area, as TheDCNF <u>reported</u> in August 2016.

The report, authored by Inspector General Michael E. Horowitz, an Obama appointee, chronicles the Justice Department's effort to to shut down the FBI's investigation on Aug. 12, 2016. The pressure allegedly came in the form of a phone call to McCabe from a Justice Department principal associate deputy attorney general (PADAG) who pressed McCabe on the continuing investigation. The IG did not identify which PADAG made the call.

It was important the pressure for ending the investigation was issued in a phone call and not in a written document, former FBI assistant Director Ronald Hosko told TheDCNF.

"They did it in a phone call, which is maybe a little more difficult to serve up as evidence," he told TheDCNF in an interview. Hosko said that by giving a verbal order, the Justice Department "chose not to document it by design."

"It makes it harder to reconstruct. But that might be part of the goal, right?" he noted.

Hosko served in the bureau for 30 years. His last post was as the

investigation division. Hosko's last post was under former FBI Director James Comey and Attorney General Eric Holder.

Loretta Lynch was attorney general at the time of the August call. She had been caught privately meeting with former President Bill Clinton in June 2016 on her government aircraft on the tarmac in Phoenix. That meeting occurred only days before Comey decided not to pursue criminal charges against former Secretary of State Hillary Clinton for the use of a personal email server that she used to conduct official Department of State business. Lynch later claimed the Phoenix meeting was "innocuous" and a "chance encounter."

McCabe was worried about an Oct. 23, 2016 Wall Street

Journal article, which appeared to have damaged his reputation for impartiality because the journalist, Devlin Barrett, reported McCabe's wife received a campaign donation of nearly a half million dollars from Clinton friend and political ally Terry McAuliffe for her run for a Virginia state seat.

In an alleged attempt to show he wasn't impartial to the Clintons, McCabe leaked information to Barrett a week later that claimed he personally fought the Justice Department's attempt to shut down the FBI's investigation, according to the Inspector General's report. Barrett's article appeared on Oct. 30 and was titled, "FBI in Internal Feud Over Hillary Clinton Probe."

The August phone call between McCabe and the senior Justice Department official was acrimonious, the IG reported. "McCabe acknowledged that the PADAG call was a very memorable event in McCabe's career. It involved a dramatic confrontation between McCabe and the principal Associate Deputy Attorney General, one of the highest ranking officials in the Department. McCabe told the OIG that, despite his long career in the FBI, he had never had a conversation 'like this one' with a high level Department of Justice official before or since August 12, 2016," the IG wrote.

McCabe authorized bureau officials to leak the information about the Aug. 12 call, the IG claims. "Specifically, McCabe stated that he authorized Special Counsel and AD/OPA to provide to Barrett the account of his August 12 call with PADAG because McCabe thought it was the 'best example' to counter the "incredibly damaging" narrative in Barrett's intended story," the report reads.

Rep. Bob Goodlatte, a Republican from Virginia and the chairman of the House Committee on the Judiciary, told Fox News on Sunday that he thought the idea of shutting down the Clinton Foundation could have emanated from the White House and not just the Justice Department.

"Well it may well go higher up. It may even go all into the Obama White House," he told Fox News. The chairman said he was worried "how the Department of Justice and the Federal Bureau of

was going on with Hillary Clinton, with her emails, with the Clinton Foundation, so on, bending over backwards to not prosecute, to not investigate properly, to not continue to investigate is very disturbing."

The IG's report also indirectly criticizes Comey, who cooperated with the Justice Department's plan to remain silent about the bureau's Clinton Foundation investigation

Comey repeatedly refused to confirm to Congress if the bureau was looking into financial crimes or influential peddling by the foundation, which was amassing hundreds of millions of dollars from special interests in the U.S. and abroad, the IG noted.

The IG chronicled Comey's silence about their foundation investigation, recounting, "before the House Oversight and Government Reform Committee on July 7, 2016, FBI Director Comey refused to answer questions about whether the FBI was investigating the Clinton Foundation. Comey stated that he was 'not going to comment on the existence or nonexistence' of the [Clinton Foundation] Investigation."

"Similarly, in testimony before the House Judiciary Committee on September 28, 2016, Comey refused to confirm or deny two different investigations during an FBI oversight hearing. He stated: "our standard is we do not confirm or deny the existence of investigations," the IG's office reported. Hosko said it was "troubling" that the Obama administration was trying to shut down not a single probe, but four FBI investigations. "It's troubling. There were multiple field offices. So you're saying all four field offices got it wrong?" he asked.

FBI agents in the four cities "were collecting information about the Clinton Foundation to see if there was evidence of financial crimes or influence-peddling, according to people familiar with the matter," Barrett reported at the time.

"Some investigators grew frustrated, viewing FBI leadership as uninterested in probing the charity, these people said. Others involved disagreed sharply, defending FBI bosses and saying Mr. McCabe in particular was caught between an increasingly acrimonious fight for control between the Justice Department and FBI agents pursuing the Clinton Foundation case," Barrett also wrote in his Oct. 30 article.

McCabe's decision to leak the information about the FBI's probe of the foundation was not an attempt to be open and transparent, but to salvage his own reputation, according to the IG report.

"Had McCabe's primary concern actually been to reassure the public that the FBI was pursuing the CF Investigation despite the anonymous claims in the article, the way that the FBI and the Department would usually accomplish that goal is through a public

matter," the IG wrote. The IG stated his leak was "directed primarily at enhancing McCabe's reputation at the expense of PADAG."

"McCabe's disclosure was an attempt to make himself look good by making senior department leadership, specifically the Principal Associate Deputy Attorney General, look bad," the IG claimed.

The question is how much additional pressure did the Obama administration apply upon the FBI to end its investigation of the Clinton Foundation. The IG's report is silent on this point.

The IG is expected to shortly release other reports about potential FBI misconduct.