



Written by [Jack Kenny](#) on May 19, 2015

Clinton's Libya Advisor Was Pushing Business Deals With New Regime

A former White House aide during the presidency of Bill Clinton was advising Secretary of State Hillary Clinton on the regime change in Libya at the same time he was eyeing lucrative business deals with the transitional Libyan government, [the New York Times reported](#). Sidney Blumenthal, 66, described by the *Times* as a “speechwriter, in-house intellectual and press corps whisperer” in the Clinton White House, was an unofficial adviser to Hillary Clinton when the insurgency by Libyan rebels, supported by a months-long U.S. and NATO air war, brought down the regime of Moammar Gadhafi in the summer of 2011.



The *Times* story is based on e-mails obtained by the paper, including those stolen by a Romanian hacker and published online in March by the blog Gawker and ProPublica, a New York-based public interest group.

At the same time he was advising Secretary Clinton on Libya, the *Times* reported, Blumenthal was advising a group of business associates looking to obtain contracts with the successors to the Gadhafi regime for a number of ambitious projects, including the creation of “floating hospitals,” temporary housing for those wounded and displaced in the war, and schools. The projects would have required permits from the U.S. State Department. Difficulties in dealing with the new government led to a collapse of the venture before the partners could apply for the official approval.

The group “involved other Clinton friends, a private military contractor and one former C.I.A. spy seeking to get in on the ground floor of the new Libyan economy,” according to the *Times*. Most of the intelligence on Libya that Blumenthal passed on to Clinton came from that business group, the report said, and much of it was of dubious value and credibility. Yet according to e-mails, Secretary Clinton took Blumenthal’s advice seriously, forwarding his memos to senior diplomatic officials in Libya and Washington and some asking them to respond to Blumenthal’s claims. “Mrs. Clinton continued to pass around his memos even after other senior diplomats concluded that Mr. Blumenthal’s assessments were often unreliable,” the *Times* said.

Blumenthal, who was barred from a State Department job by aides to President Obama, was also an employee of the non-profit Clinton Foundation at the time he was advising Secretary Clinton on Libya. The Foundation has been a subject of controversy because of donations from foreign leaders that some say may have influenced Secretary Clinton’s decisions on dealings with other nations, and because of recent revelations about donations from [media corporations and journalists](#) covering news about the philanthropic foundation and critics of the former secretary’s role in it.

Blumenthal’s role as advisor to Clinton concerning State Department matters has also come to the



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attention of Representative Trey Gowdy, the South Carolina Republican who is leading a congressional investigation into the September 2012 attacks on a U.S. outpost in Benghazi, Libya, that killed four Americans, including the U.S. ambassador to Libya. Gowdy, who is said to be interested in memos from Blumenthal to Clinton about events in Libya both before and after the death of Gadhafi, plans to subpoena Blumenthal for a private transcribed interview, the *Times* said.

Since the United States and its allies helped bring about the overthrow and execution of Gadhafi, Libya has fallen into chaos and has become a haven for jihadists. Clinton's role in denying the additional security that was requested in Libya and the lack of a swift response to the Benghazi attacks have been the basis of continued criticism of the former secretary of state, with much of it directed by Republicans at her presidential candidacy. Her vanished e-mails and the questions about a potential conflict between her duties as secretary of state and the donations to the Clinton Foundation have provided further ammunition for her critics. It may be that, as Republican presidential hopeful Senator Rand Paul of Kentucky has suggested, the former first lady, U.S. senator, and secretary of state will need two campaign planes — one for the candidate and her entourage and another for all her "baggage."

Photo of presidential advisor Sidney Blumenthal (center) during the Clinton impeachment trial in 1999:
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