

# George W. Bush, baseball, and the mob

by Our Special Correspondent

Texas gubernatorial candidate George W. Bush, son of former President George Bush, has received a \$100,000 campaign contribution from gambling casino owner Richard Rainwater. Rainwater is Bush's business partner and co-owner with Bush of the Texas Rangers professional baseball team. It now appears that Rainwater and other close associates of the younger Bush are moving to subordinate baseball, and U.S. states and cities, to professional gambling operations.

Indeed, it is quite possible that George W. Bush will soon preside as governor over a state financed in large part by taxes on gambling casinos owned by his business partners. Texas is considering legalizing casino gambling, and candidate Bush has refused to say that he would veto such a measure. Organized crime would be the only winner, if this program were carried out.

## Rainwater's friends

Most of George W. Bush's income comes from his investments in Rainwater enterprises. Richard Rainwater is Bush's partner in the Texas Rangers and three other entities. About 1992, Rainwater and 15 other investors formed a partnership which gained control of the casino company United Gaming of Las Vegas. The Rainwater group got formal approval for this in July 1994 from the Nevada Gaming Control Commission. Rainwater told *Business Week* in January 1994, "People can't get enough of the thrill of betting." Testimony before the Nevada Gaming Commission shows that Rainwater advises United Gaming's management.

On July 29, United Gaming entered a joint venture with the Houston-based Lone Star Casino Corp. to operate a new casino in Mississippi. Lone Star has said that it has options on land to build casinos in Texas, if gambling is legalized there.

Rainwater's lawyer, Gerald Haddock, also represents the Texas Rangers, and has about \$100,000 of his own money invested in the Rainwater casino-owning partnership. Toward the end of the 1993 legislative session, Rainwater lobbied Texas Gov. Ann Richards's staff on behalf of legalizing casinos in the state. Haddock said that the meeting was set up so that Rainwater could share his expertise on the gaming industry with the governor's staff.

## Bringing casinos to Texas

With high hopes that Texas will legalize casino gambling, the gambling "industry" is already moving into position and loading the dice. In early 1994, Charles Hurwitz of Houston, a former partner of fugitive financier Marc Rich, obtained a lease on the city-owned Sam Houston Coliseum, and will renovate it for a casino if gambling becomes legal. And the majority owner of the Houston Rockets basketball team, Les Alexander, says the team is considering building a new arena in connection with a projected downtown casino.

Dallas casino investor Daniel Robinowitz is a partner with Promus/Harrah's Casinos Co., based in Memphis, Tennessee, in an effort to build the world's largest casino in New Orleans. Robinowitz met in early August with Dallas Mayor Steve Bartlett to discuss the possibility of building a downtown Dallas casino. That same week, Dallas City Manager John Ware recommended that since casinos will likely be legalized, the city council should help draft the legislation and ensure that the city gets a good cut of the action.

Robinowitz's partner, Promus/Harrah's, has options for a casino in Kemah, Texas. Promus/Harrah casino division chief Steve Greathouse had resigned in July 1994 to become chief executive officer of Rainwater's United Gaming of Las Vegas.

The Texas Association for Casino Entertainment, the casino owners group, has drafted legislation which allows the state to license up to 26 casinos. A 15% gaming tax would supposedly net Texas about \$500 million per year and local governments about \$120 million per year. The Aug. 8 *Houston Chronicle* reported that casino companies spent \$1-1.8 million lobbying during the 1993 session of the Texas legislature, donating liberally to the election campaigns of state politicians.

## Texas Indians: the South Africa connection

What casino interests are really counting on to break them into Texas, more than lobbying the politicians, is gambling on the Indian reservations.

Attorneys for the El Paso-based Tigua Indians are suing the state in federal court for the right to conduct casino gambling on tribal property, which is now contrary to the Texas Constitution. If the state loses the case, as most observers expect will happen, Texas politicians say that the next step would "inevitably" be to pass the legalization of gambling statewide.

According to a lawyer representing the Tiguas, the tribe consists of 1,400 persons living in the city of El Paso. Now, look behind those 1,400 people to the real sponsors of the program:

Seven Circle, a Swiss-owned company based in Denver, Colorado, manages the Tiguas' Speaking Rock Casino and Entertainment Center, currently a bingo parlor. If gambling is legalized in Texas, Seven Circle will get 40% of the profits from the casino, and will control the cash flow.

Brian McMullan, president of Seven Circle, and his staff managing the Texas Indians' casino, were previously employed running the gambling casinos of the black homelands in South Africa. McMullan was casino consultant (May 1986-November 1986) and director of gaming operations (November 1986-April 1992) for Sun International Co., which is owned by South Africa's "Casino King" Sol Kerzner, the partner of Israeli national Shabtai Kalmanowitch, who was convicted of espionage for the KGB, served a prison sentence, and is now back in business. McMullan was responsible for the company's casino empire in Bophuthatswana, Botswana, Lesotho, Ciskei, Namibia, Swaziland, Transkei, Venda, and the South African Riviera. Roger Shuttleworth, the on-site manager of the Tiguas' casino in Texas, worked under McMullan in South Africa.

The biggest business in the homelands of South Africa is casino gambling, monopolized by Kerzner and McMullan's Sun International. Sun owns 29 hotels and casinos there, including the lavish 1,200-room Sun City complex in Bophuthatswana.

If the Texas Indians "benefit" as the South African blacks did, they will live like dirt, and will be surrounded by organized crime, gun-running, and prostitution. The Tiguas' casino is near the Mexican border, and the management is frank about its expectations of drawing clientele from the owners of the *maquiladora* camps.

### Moving in on Pennsylvania

Bush's baseball partners are also moving in on Pennsylvania. With the Pittsburgh Pirates up for sale, the city of Pittsburgh is negotiating to have an organization representing Bush associates William O. DeWitt, Jr. and Robert Castellini buy the team. The Pittsburgh mayor's office told *EIR* that the bargain for building a new stadium is being discussed in the context of legalizing riverboat gambling in Pennsylvania. A casino could be floated near a new stadium, thus making it worthwhile for those who are to buy the team to keep it in Pittsburgh.

Like Richard Rainwater, DeWitt and Castellini have been co-owners of the Texas Rangers team, together with Managing Partner George W. Bush.

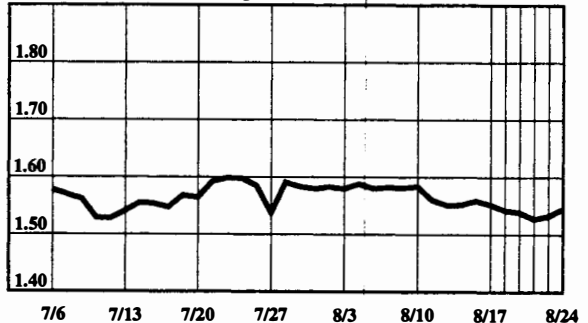
The bill to legalize riverboat gambling is stalled in the Pennsylvania legislature, due to a threatened veto by Gov. Robert Casey. But both Mark Singel and Tom Ridge, the Democratic and Republican gubernatorial candidates, are on record supporting legalized casinos, and Casey's term ends next January.

Pennsylvania's interest in riverboat gambling was spurred considerably by the visit of Britain's Prince Charles in 1988. Charles was the guest of Pittsburgh river cruise line owner John Connelly, who has developed riverboat casinos in Davenport, Iowa and elsewhere. Charles reportedly called for riverboat gambling to replace the steel mills which, in the prince's view, are happily shut down for good.

## Currency Rates

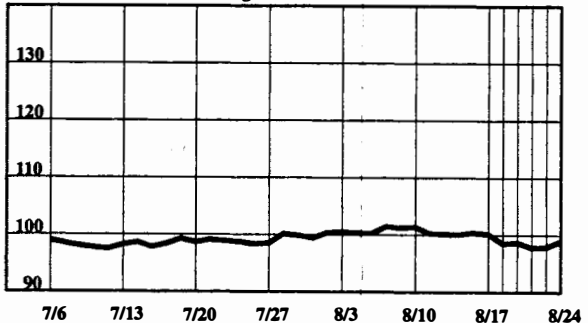
### The dollar in deutschemarks

New York late afternoon fixing



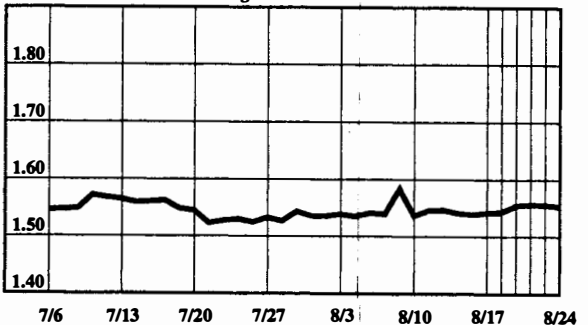
### The dollar in yen

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### The British pound in dollars

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### The dollar in Swiss francs

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