

Abramoff Indictment Makes Bush Regime a Fat Target

by Anton Chaitkin

Following a Federal indictment by the Florida U.S. Attorney on Aug. 11, the FBI arrested and jailed lobbyist Jack Abramoff, the financial godfather for House Majority Leader Tom DeLay (R-Tex.). Now released on bail, Abramoff will face trial for fraud and conspiracy in the takeover and looting of the Florida-based SunCruz gambling casino cruise-ship line. SunCruz's former owner Gus Boulis was murdered in a mob-style killing on Feb. 6, 2001.

Abramoff has been an architect of the power cartel behind DeLay, feeding the Congressman money siphoned from the multi-billion-dollar empire of Indian gambling casinos and Pacific island sweatshops under Abramoff's sway.

Abramoff and his two behind-the-scenes career partners, Grover Norquist and Ralph Reed, organized the rise of "DeLay, Inc.," by coercing corporations and their lobbyists (the "K Street Project") and whipping up religious fanatics (the Christian Coalition) for the money and muscle that bought DeLay his dictatorship over Congress.

These same arrangements are at the heart of the political system sustaining the Bush-Cheney Administration. With multiple criminal and Congressional investigations now pursuing DeLay, Dick Cheney, Karl Rove, and their cohorts, Abramoff's fall opens a new window on the criminal underpinnings of the entire Bush regime.

Jack, Grover, and Ralph

Tom DeLay moved up fast in the Republican leadership in the 1990s, funded by Enron and other donors through Political Action Committees (PACs), with Abramoff as DeLay's leading fixer and solicitor. The climb to power depended on

Abramoff's personal ties to Grover Norquist and Ralph Reed, dating back to the trio's joint leadership of the College Republicans on behalf of radical-right financiers.

DeLay got plugged into money and influence among corporate representatives in what was known as the "K Street (home of Washington lobbyists) Project," run by political manager Grover Norquist.

Grover and Jack demanded that lobbyists work exclusively with the GOP and hire only Republicans into the lobbying firms, if they were to have access to DeLay and Congress. This became the apparatus of the Bush-Cheney Administration after 2000. Every Wednesday, Norquist presides over meetings of financiers' agents (Mont Pelerin Society/Heritage Foundation), lobbyists, herders of religious fundamentalists, and Bush/Cheney representatives.

Abramoff's first big client was the government of the U.S. Pacific territory, the Northern Mariana Islands. He got \$9 million for himself and donations for DeLay's PACs by pushing virtual slave labor in the Marianas' unregulated garment sweatshops. Norquist promoted these Asian-Pacific cheap-labor schemes, while DeLay forced legislation through Congress permitting labor-crushing conditions in the islands.

Abramoff made tens of millions as America's biggest lobbyist for Indian gambling casinos, funding DeLay's PACs. DeLay exulted: "Although American Indians were for many years identified almost exclusively as part of the Democrat coalition, that view has changed. People recognize that Jack Abramoff has been an important part of this transition." (DeLay to the *Wall Street Journal*, July 2000, quoted in Stephen Pizzo, "Tom DeLay's Axis of Influence," AlterNet, May 14, 2002.) DeLay put through a bill in June 2000, giving land to Abramoff's Choctaw tribe in connection with casino gambling.

Federal prosecutors and Senate investigators are now



Jack Abramoff

probing Abramoff's reported bilking of tens of millions of dollars from his Indian clients. The scams were aided by laundering of tribal monies through donations to Norquist's Americans for Tax Reform. (Norquist was also the paid strategist for the Internet gambling industry, working with Abramoff and DeLay to profit from and protect Internet casinos.)

Abramoff and Norquist passed along to Ralph Reed monies drained from tribal treasuries. Reed was the founding executive director of Pat Robertson's Christian Coalition—the hard-core support apparatus behind DeLay, and formulator of much of his rhetoric. The tribes paid Abramoff and his junior partner, former DeLay aide Michael Scanlon, for their influence in curtailing gambling enterprises by rival tribes. Reed took millions of this casino loot and paid his Christian Coalition networks to campaign against competing casinos.

Abramoff even took millions from the Tigua Indians to reopen their Texas casino after he and Reed had secretly schemed to shut it down.

The Enron Corporation funded the startup of DeLay's array of PACs. In the late 1990s, Enron hired Reed to push its energy-deregulation agenda through the political process. Reed took in about \$300,000, until Enron blew up and took the state of California into financial ruin with it. At the same time, the Karl Rove-directed Presidential campaign of George W. Bush hired Reed as a tactician and dirty trickster. By the 2004 election, Reed chaired the Bush-Cheney campaign in the southeastern U.S.A., and, with Rove, coordinated the Bush strategy for mobilizing religious mobs and demoralizing minority voters.

Interior and Offshore

The SunCruz takeover that led to Abramoff's arrest was only one of the ventures related to gambling enterprises in the complex of lobbying swindles run by the "DeLay, Inc." partners and their Administration accomplices.

The Interior Department has regulatory authority over American Indian tribes, with great potential for corrupt rewards and penalties in matters such as tribal casinos. Gale Norton, appointed as Bush's Interior Secretary in 2001, chaired the Council of Republicans for Environmental Advocacy (CREA), a corporate lobbying/influence front group set up in 1998 by Grover Norquist. CREA has reportedly received some \$250,000 in contributions from Abramoff's Indian tribes.

Abramoff also made Congressional arrangements such as with Sen. Conrad Burns (R-Mont.), who became chairman of the Senate Subcommittee on Appropriations for the Interior Department.

In late January 2001, a few days after George W. Bush's first inauguration, Abramoff flew Burns's chief of staff Will Brooke to Florida for a gambling jaunt on Jack's just-acquired SunCruz line.

At the time of Abramoff's Florida trip with staff members for Burns and DeLay, former SunCruz owner Gus Boulis was strongly protesting having been shortchanged \$23 million by

Abramoff and his partner Adam Kidan. On Feb. 6, 2001, Boulis was gunned down in the street. Was there a connection?

Federal Election Commission records show that 16 days later, on Feb. 22, Abramoff and Kidan each gave \$5,000 contributions to Senator Burns's "Friends of the Big Sky" PAC. Some \$136,000 from Abramoff and his associates went to sponsor Burns's political machine in 2001-02.

Shawn Vasell, another Abramoff junior partner in the looting of Indians, went to work for Burns's staff in 2002, and then rejoined Abramoff.

Chairing the Interior Appropriation Subcommittee, Senator Burns rammed through a \$3 million grant for the casino-owning Saginaw Chipewas, Abramoff's clients, from Federal education funds earmarked for poor tribes.

In the sensation of Abramoff's Aug. 11 arrest, Democratic Party ads hit Conrad Burns as an Abramoff stooge. Vice President Cheney rushed out to Montana to speak on Aug. 15 at a Burns fundraiser, praising the Senator as a loyal supporter of the Bush-Cheney agenda.

Abramoff and Kidan have now been indicted on Federal fraud charges. To get \$60 million in loans for acquiring SunCruz, they allegedly forged documents and lied to the Foothill Capital firm and another lender. On Sept. 18, 2000, while closing the deal, Foothill Capital's vice president, Greg C. Walker, was treated to a seat in Abramoff's personal box at the Washington Redskins' stadium, where Walker was introduced to Tom DeLay, then the House Majority Whip.

Jack and Karl

The dubious 2004 elections, which returned Bush and Cheney to office, were conducted under provisions of the Help America Vote Act (HAVA), which had been shepherded through the Cheney-DeLay-controlled Congress. It is noteworthy that the author of the HAVA election law, Ohio Republican Congressman Bob Ney, is implicated with Abramoff and his partners.

When Abramoff sought to pressure Gus Boulis to relinquish ownership of SunCruz, Ney took to the floor of Congress to denounce Boulis as unfit to run his Florida company. After Abramoff took possession of SunCruz (and a \$500,000 salary), but hadn't paid Boulis what he was owed, Ney spoke in Congress, praising Jack's partner Adam Kidan, now running SunCruz. Ney described him as a man of integrity, though Kidan was bankrupt, had been disbarred as an attorney, and was paying over \$100,000 in SunCruz funds to Anthony Moscatiello, a man identified by law enforcement as an associate in the Gambino crime family and the bookkeeper of the gang's boss, John Gotti.

In the audacious Abramoff/Reed swindle of the Tigua Indians, Ney promised to insert into the HAVA law a clause reopening the Tigua casino. It was a political support deal worked out for Ney between Abramoff and the Indians. Though Ney did get Abramoff-steered contributions, Congress balked, and the Tigua clause was never added to HAVA.

Ney is known as a loyal and close associate of Presidential advisor Karl Rove, part of the Rove team that nailed the show-down state of Ohio in the filthy 2004 elections.

Rove himself has recently come under intense scrutiny, in connection with the felonious leaking of Valerie Plame Wilson's identity as a covert CIA officer (the Cheney team hit back at Plame's husband, Ambassador Joseph Wilson, for discrediting their lies that started the Iraq War.)

Here again, the Abramoff indictment invites deeper inquiries that could help set off a rip-tide, pulling down the regime.

As the Bush-Cheney Administration began in 2001, Jack Abramoff was an official member of the Administration's transition team (for the Interior Department!). Abramoff recommended that Karl Rove should take, as his personal secretary, Susan B. Ralston, who was at the time the personal aide of Jack Abramoff. Ralston got the post as Rove's executive assistant, in charge of screening calls that went to Rove, and thus affecting access to the President.

When the Plame affair went before a Federal grand jury, Ralston was compelled to testify, and had to leave the job with Rove.

Salon online magazine reported that Ralston, while working for Rove, would call Grover Norquist to ask if callers should be put through to Rove; only if Norquist approved, would the call would go through.

So, anyone attempting to reach Karl Rove might have to pass through the Norquist-Abramoff channel.

President Bush has now nominated former White House lawyer Timothy Flanigan as Deputy Attorney General, one of the most powerful officials in the Justice Department. The Cheney team apparently hopes that Flanigan would have oversight and possible control over the Plame prosecution.

But the Flanigan nomination has run into a snag. It has been revealed that when Flanigan was general counsel for the Bermuda-based firm, Tyco International, he hired Abramoff to lobby against legislation that would have barred Federal contracts to companies like Tyco that are based in offshore tax havens. In 2003-04, Flanigan paid \$1.7 million to Abramoff's lobbying firm and another \$1.5 million to an Abramoff front company.

Abramoff reportedly told Flanigan that he would lobby Karl Rove about the matter.

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Is Rumsfeld Plan To Close Bases Crumbling?

by Carl Osgood

As the date for the Defense Base Closure and Realignment Commission's (BRAC) final deliberations comes closer, almost every day sees the emergence of more evidence suggesting that Secretary of Defense Donald Rumsfeld's base closing plan is in trouble. One such signal appeared in the Aug. 14 edition of the *New York Times*, which reported that eight of the nine members of the BRAC Commission were questioning the Pentagon's savings estimate of \$50 billion over 20 years. Most of the commission members interviewed by the *Times* said they agreed with a Government Accountability Office report which concluded that nearly half of the Pentagon's projected cost savings came from cuts in military jobs that would not actually be cut, but rather, relocated to other installations.

"I fail to see at this point how you could arrive at the figures they arrived at," said commission chairman Anthony Principi. "We're going through this effort to save money from excess capacity to modernize forces. If the savings aren't there, and it costs money to do this on top of all the economic upheaval, why are we doing this?"

While members of the commission are expressing more uncertainties, the anger in Congress continues to seethe. Senate Armed Services Committee chairman John Warner (R-Va.) is challenging the commission's apparent willingness to accommodate the state of Florida's attempt to poach the Navy fighter jets stationed at Oceana Naval Air Station in Virginia Beach. As reported previously by *EIR* (see *EIR* Aug. 12), the commission voted on July 19 to consider Oceana for closure, because of encroachment issues that impinge upon the training of Navy fighter pilots stationed at Oceana. That vote immediately brought forth proposals from Florida, Texas, and North Carolina for alternatives to the Oceana base. Only Florida succeeded in getting a hearing, scheduled for Aug. 20, to present its proposal to the commission, to reopen Naval Air Station Cecil Field, near Jacksonville, which was closed by the 1993 BRAC round.

Warner objected to that hearing, warning the commission, in an Aug. 12 letter, that holding such a hearing could put the commission in violation of the BRAC statute. Warner noted that the law states that the commission "may not take into account for any purpose an advance conversion planning undertaken by an affected community with respect to the anticipated closure or realignment of a military installation." Warner views the Florida proposal as "advance conversion