

Garden, the New York Knicks, and interests in a number of Nevada gambling centers.

Korshak's relationship with Gulf & Western dates from his association with **Phil Levine**, a one-time real estate partner of Meyer Lansky in New Jersey. In 1967, Levine took the proceeds from the sale of MGM stock to another key organized crime family, the Bronfmans, and invested \$22 million in Gulf & Western; he later became the president of G&W's real estate subsidiary. One of G&W's other major stockholders is **Carl Lindner**, the Lansky-connected chairman of American Financial Corp.

### Manatt's corrupt clientele

Charlie Manatt's law firm, Manatt, Phelps, Rothenberg and Tunney, numbers Gulf & Western among its more prominent clients. Other clients with similarly sleazy pedigrees include:

- **Lew Wasserman's MCA:** Wasserman, a close buddy of Korshak, reportedly got his start as a doorman for Al Capone.

- **Playboy Enterprises:** Playboy is at the center of the pro-dope lobby. It was the Playboy Foundation which grant-

ed the seed money for the founding of NORML (the National Organization for the Reform of Marijuana Laws).

- **Columbia Pictures:** Columbia's underworld ties are documented in the article on Walter Mondale in this Special Report (see page 25).

Manatt has not been completely successful in avoiding being personally tainted by his unsavory associations. In an article dated May 3, 1978, the *Washington Post* disclosed that Manatt's name had come up in a long and complex FBI corruption investigation into the flow of money from the Howard Hughes interests into the coffers of leading California Democratic Party politicians. As a result, the announcement of his appointment as Democratic national finance chairman was held up three times.

Manatt's name came up early in the investigation because of his long friendship with Brown, which dates from the 1960s. Manatt had been involved with Brown in chartering two Southern California banks, and over the years, Brown had referred between 5 and 10 clients to him for representation in bank charters. As the *Washington Post* pointed out, those referrals represented a lot of money to Manatt, who charges as much as \$25,000 merely for initial consulting services in bank charters.

## Kirkland, the AFL-CIO, and organized crime

No discussion of the "sleaze factor" in the Democratic Party could be complete without including the role of the top echelons of the AFL-CIO, and particularly the Trilateral Commission's Lane Kirkland. Contrary to popular belief, Kirkland is no trade unionist, but a plantation owner from an old Confederate family.

He got his start in the AFL-CIO bureaucracy in the Research Division, under the tutelage of Jay Lovestone, the former protégé of Communist International leader Nikolai Bukharin. As general secretary of the Communist Party U.S.A. during the 1920s, Lovestone presided over an alliance with organized crime in New York's Garment District. According to an account by Benjamin Gitlow, a Lovestone lieutenant,

fight against gangsterism the main issue among the Furrriers, had no qualms about making a deal with the gangsters, accepting their protection and services, including the most nefarious gangster activities. . . ." The broker for the communist-labor merger with the mafia was Arnold Rothstein, the banker for organized crime in the United

States, who also patronized mob figures like Charles "Lucky" Luciano. It was Luciano who recreated the Sicilian mafia after the war under the patronage of Thomas Dewey and the Dulles brothers. Luciano's accountant, Meyer Lansky, later took over the franchise for dope smuggling into the United States.

Known as a Lovestone man, Lane Kirkland has nevertheless swept his front steps clean of street thugs, preferring to associate with the higher-level gangsters, like fellow Trilateral Commissioner David Rockefeller. Like Rockefeller, Kirkland maintains colonial holdings in Latin America, boasting at a 1972 cocktail party that "If things ever get really bad, I can always flee to my plantation in the Virgin Islands."

Kirkland is not the only AFL-CIO boss with a slave-labor plantation. Jonathan Kwitny, in his book *Endless Enemies*, reports that George Meany, Kirkland, and other labor leaders established a semiprivate resort and tobacco plantation in the Dominican Republic in the late 1960s, not far from Gulf & Western's biggest sugar field. Hundreds of peasants were driven off the land to make way for the plantation; some were jailed when caught cutting through the barbed wire fence surrounding the resort to plant crops on what had formerly been their land, and others were rehired below union wage levels—for \$60 a month.