

CAMPAIGN 2008

The Rudy Bomb—Defused

by Anton Chaitkin

When *EIR* set out to probe the background and official performance of Republican Presidential “front-runner” Rudolph Giuliani, a picture presented itself, taken easily from public sources—a picture startlingly at odds with the mass media’s absurdly heroic portrait.

Missing from the media portrait were: the Giuliani Family as Mafia; his unrelieved gangster-like assault on the poor as Mayor of New York City; his corruption-ruined communications system at the World Trade Center on 9/11; the obscenity of his milking that disaster: all this is waiting to be discovered by any casual inquirer, waiting to explode his candidacy. So the obvious question follows: What is the thinking of the powers who are sponsoring him?

The answer may involve Rudy’s successor as Mayor of New York: Michael Bloomberg.

Lyndon LaRouche put it this way:

“The build-up of former New York Mayor Giuliani as a ‘hot prospect’ for the man to beat Hillary Clinton in the coming U.S. Presidential election, was a crafted set-up, designed ... for the present New York Mayor to emerge, as if ‘miraculously,’ as Senator Hillary Clinton’s really intended Republican challenger.

“All of the relevant Republican king-makers had known fully in advance of the scandal which would bring Mafia creation Giuliani down, using the case-in-preparation against Bernard Kerik to spring the trap being set against Giuliani. To make Mayor Michael Bloomberg a serious contender, Giuliani had to be brought down, but only after ... Giuliani’s brief trip to euphoria had cleared the deck.... [Bloomberg would be] a ‘man on a white horse’ ... ‘People’s Choice’ ... a politically saleable product under the presently shattered reputations of both the Republican Party, and a Pelosi-discredited Democratic pack.

“Giuliani must be built up to the degree that his sudden,

disastrous fall into a political ‘Black Sox’ scandal, would wreck [and] ... discredit both Giuliani and all his leading current rivals for the Republican nomination. That is exactly what has been done, as (obviously) pre-scripted.

“The standard, expert method for bringing a dictator, such as Mussolini or Hitler, to power by popular acceptance of a duped electorate, is to stun that electorate with a shocking scandal against the leading, existing party systems....”

We intend to help make such an outcome impossible, by reporting, “prematurely,” what would have inevitably come before the general public.

Those Who Made Rudy

Early on in his crime career, Harold Giuliani, Rudy’s father, was sent to Sing Sing prison for armed robbery. As reported by Wayne Barrett in his 2000 investigative biography, *Rudy!*, Harold Giuliani and an accomplice held up a milk deliverer in Manhattan on April 2, 1934. The indictment charged that Harold pressed his pistol up against the milkman’s abdomen to get his money.

Barrett reports that the victim changed his story a week later, saying it was Giuliani’s accomplice (never identified) who had held the gun. Prosecutor Louis Capozzoli told the judge, the “milkman ... was visited at about four o’clock that morning by several people who threatened him. Then he said he thought this fellow [Giuliani] ought to get a break.”

So the charge was reduced to third degree armed robbery, and Rudy’s father was sentenced to only two to five years. Harold served one year and four months, was paroled, and married Helen D’Avanzo. Rudy, their only child, was born in 1944.

By Barrett’s account, Harold Giuliani went to work in 1948 for Helen’s brother Leo D’Avanzo, as an enforcer for Leo’s loan-sharking, numbers, and other betting operations.



Department of State

The Republican king-makers knew, well in advance, that the Kerik scandal would bring down Mafia creation Giuliani. Shown, Mayor Rudy giving a briefing, on the first anniversary of 9/11, with Fire Commissioner Tom Von Essen (center) and Police Commissioner Bernard Kerik (right).

Harold broke legs and beat people with a bat, collecting large sums. The family crime business was based in Leo's Brooklyn bar, employing more than a dozen numbers runners.

In 1962, Harold and his brother-in-law Leo, and Leo's son Lewis, drove to the headquarters of rival mobster Mickey Scans where there was a shootout. They were then punished by the Mafia overlords because their rival was a "made" man.

Harold's nephew and crime cohort Lewis D'Avanzo (Rudy's first cousin) forged documents and apparently carried out murders, in a giant car-theft scheme under the Luchese crime ring. In 1977, D'Avanzo was shot to death by the FBI, when he tried to run his car over an arresting agent.

Harold's son, Rudy, who became a lawyer and prosecutor, was nominated in January 1981 as Associate Attorney General for the Reagan Administration. His father, Harold, died in April, as Rudy's confirmation was pending before the U.S. Senate. In its standard interview, the FBI asked him if anything in his background might cause embarrassment if revealed. Rudy said no.

In 1982-83, Rudy applied to become U.S. Attorney for the Southern District of New York. Organized crime lawyer Roy Cohn placed his law partner Tom Bolan on the screening panel created by Cohn's friend, Sen. Alfonse D'Amato, for whom Bolan had been a longtime advisor. D'Amato then sponsored Rudy's candidacy, and Rudy was installed in June 1983 as

U.S. Attorney. That same month, Mario Gigante—a client of Roy Cohn and brother of mob boss "Chin" Gigante—was sentenced to prison for loan-sharking. A year later, D'Amato phoned Rudy to suggest that the government should go easy on Gigante. Judge Charles Stewart approved, without comment, a two-year reduction in Mario Gigante's prison term. Vincent "the Fish" Cafaro, on orders from mob boss Chin Gigante, thereupon delivered a \$175,000 cash payment to Cohn's office, according to Barrett's *Rudy!*.

In 1985, D'Amato again contacted Giuliani, this time, to ask him to drop pending charges against Paul Castellano, alleged chief of the Mafia's "National Commission." Castellano was granted bail, only to be assassinated, according to Barrett's account.

...And Those Rudy Made

The lessons of his father's Mafia jungle experience echoed in the savage character of Giuliani's mayoralty campaign, with its police riot, and in his subsequent war against the city's poor and homeless.

Bernie Kerik saw this from the inside,

and described it in his autobiography, *The Lost Son*.

Bernard Kerik, Giuliani's former bodyguard, whom Rudy raised to Police Commissioner and pushed unsuccessfully for U.S. Homeland Security czar, was indicted Nov. 8, 2007, on charges of tax fraud, obstruction of justice, and lying to officials who were checking his background.

In *The Lost Son*, Kerik looked back, and related his amazement, in 1994, that Mayor Giuliani was appointing him as a high official. Giuliani led Kerik to a dimly lit room where the Mayor's top aides were assembled.

Peter Powers, Rudy's first deputy mayor, kissed Kerik on the cheek. Powers had been Rudy's friend from their boyhood days, Papa Harold's leg-breaking era. Kerik wrote, "Next was Randy Mastro, the mayor's chief of staff. He did the same. In this dark sitting room, one by one, the mayor's closest staff members came forward and kissed me. . . . I know the mayor is as big a fan of *The Godfather* as I am, and I wonder if he noticed how much becoming part of his team resembled becoming part of a Mafia family. I was being made. I was now a part of the Giuliani family, getting the endorsement of the other family members, the other capos. We all sat up drinking wine until two-thirty in the morning, celebrating. . . ."

Kerik is charged with accepting \$255,000 worth of construction work on his home from the mob-connected Interstate Industrial Corporation that sought to do business with the city; and then lobbying for the company with officials who

were charged with licensing the company and awarding it the city's waste-disposal business. Interstate employed Kerik's brother, and the company had bought a garbage transfer station from Mafia soldier Edward Garafola, the stock-fraud partner of Interstate employee Larry Ray, who had paid for Bernie Kerik's wedding.

According to mobster testimony at a Gambino crime family trial, Interstate regularly paid off organized crime outfits for protection of the firm's non-union pay rates for its workers. Along the way, the mob-linked Interstate hired former Giuliani deputy mayor, Randy Mastro, to alert them if they were getting involved with the Mafia—as had been Mastro's official assignment inside the Giuliani administration!

Giuliani made Kerik Police Commissioner in 2000. After the 2001 attacks, Kerik took over an apartment donated for recovery workers at Ground Zero, using it for trysts with girlfriends. One of them was Judith Regan, whose publishing company produced Kerik's autobiography.

Kerik later became a partner in Giuliani's consulting and lobbying firm, Giuliani Partners, along with others from Kerik's induction into Giuliani's inner circle, such as Anthony Carbonetti, whose family had been closest to Rudy's father, enforcer Harold Giuliani. The media credits Carbonetti with knowing everything there is to know about Rudy; he is now general manager of Rudy Giuliani's Presidential campaign.

Police, Firefighters, and the War on the Poor

According to Giuliani's ruthlessly self-cultivated public image, he saved New York from crime, and masterfully guided the city through the Sept. 11, 2001 terror attack. Those who know say otherwise.

Having lost a 1989 mayoral election to David Dinkins, Giuliani pulled out all the stops, to make sure he would win the next mayoral election. In September 1992, Rudy went into a volatile rally of mostly white policemen, who were protesting against the African-American mayor's efforts to curb alleged police brutality. Rudy repeatedly screamed that Dinkins' actions were "bullshit," inciting a riot, with cops blocking the Brooklyn Bridge and beating up journalists. Giuliani got enough white votes for his election as mayor in 1993, and severed the black-white collaboration that all previous mayors had sought to maintain.

Mayor Giuliani brought in William Bratton as Police Commissioner; Bratton implemented a crackdown on "quality of life" offenses such as subway fare-beating, graffiti, and panhandling. The homeless were incarcerated, or concentrated in camps, while funds for affordable housing were cut. The FBI reported a drop in serious crime during the 1990s all over the country, but Giuliani boasted that he alone had crushed crime in New York by his tough policing. The media celebrated Bratton as the victor over crime, and Rudy fired him.

Bratton was interviewed on screen for a 2005 documentary film, *Giuliani Time*, and suggested that Rudy did not do much more than promote race conflict by encouraging police

to attack black people. The cases of Abner Louima, savagely beaten and sodomized in a police station, and Amadou Diallo, who was fired on 41 times as he stood unarmed inside his apartment building, are among the more well-known cases of hundreds typifying "Giuliani Time" in New York. Former Mayor Ed Koch also appears in the film, equating Giuliani to the sadistic Roman Emperor Caligula, and to murderous dictator Augusto Pinochet.

Rudy boasts that he cut half a million people off New York's welfare rolls. His policies of policing the poor, and erasing them economically, followed the line he received when he put himself, as mayor, under the direction of the Manhattan Institute, the think tank set up in 1977 by Briton Antony Fisher, an extension of the globalist bankers' Mont Pelerin Society which created Margaret Thatcher's program.

The Manhattan Institute's Myron Magnet appears in *Giuliani Time*, claiming that the destitute were better off without their previous subsidies for food and housing; they have probably gotten jobs in the underground economy, and are on their way to riches, and there are no seriously poor people in America. But the children driven out of school by hunger, and the men doing forced labor ("workfare") in place of salaried employees, testify eloquently, on camera, against the Institute's madness.

Giuliani became a lame duck after two terms, falling apart in 2001. He announced he had cancer, was having an affair, and was leaving his wife. He faced mass demonstrations against his brutality, and police protests on his wages-austerity.

Then his calm demeanor in the terror attacks made him a media sensation. He was reborn politically as "terrorism expert," urging the country to wider wars and the unrestrained use of torture.

Yet the International Association of Firefighters issued a video ("Rudy Giuliani—Urban Legend") condemning Rudy for the deaths of the 121 firefighters in the Trade Center North Tower. Not a single police officer died in that collapse, but the firemen had defective radios and never heard the orders to evacuate. Rudy snarled that the fire unionists were partisan Democrats, and testified to the 9/11 Commission that the firemen disobeyed the evacuation order and "stood their ground."

But it was Uniformed Firefighters Association president Tom Von Essen who had led that city union to support Giuliani's 1993 mayoral bid; his members were the poll watchers and phone bank workers who elected Rudy mayor. In 1996, Rudy had made Tom Von Essen Fire Commissioner, and he turned against his own men. On Rudy's behalf, he stifled dissent, so that cries of alarm were not heard. Firemen say of those days, that "if you raised your hand he cut it off, if you spoke up, he cut your tongue out."

When the Trade Center was bombed in 1993, the firefighters' radios did not function inside the tower, as a 1994 report to Giuliani documented. Seven years later, the radios



Edward Reed

Waiting in the wings, to step in as the Republican “man on the white horse” Presidential candidate, is billionaire New York Mayor Michael Bloomberg (right), who like his friend, California Gov. Arnold Schwarzenegger (left), is “above the parties,” and ready to impose Mussolini-style fascism.

had not been replaced. Early in 2001, the Fire Department acquired new Motorola radios on a no-bid contract, radios that had never been field-tested. They were withdrawn from use a week later after a fire-trapped fireman’s mayday call went unheard.

On Sept. 11, 2001, the same radios that failed in 1993 were in use again at the World Trade Center. Fire chiefs gave the order to evacuate 56 minutes before the North Tower collapsed, then gave another evacuation order, after the South Tower fell, 29 minutes before the North Tower went down. Both orders were unheard. Fire Department radios could not connect to the Police Department radios, and Giuliani never set up a common command post for the two forces after his original center—foolishly located inside the Trade Center itself—went dark. The 121 firemen died, disconnected from leadership.

After leaving the mayor’s office, Rudy created Giuliani Partners, bringing in Tom Von Essen. Among their first and most lucrative clients was Nextel, with equipment from a single vendor: Motorola. Giuliani lobbied the government to follow the Nextel/Motorola plan for overcoming Nextel’s tendency to block all other wireless signals. New York city councilman Eric Gioia announced on Nov. 1, 2007, that he was launching an investigation of the entire radio scam of the Giuliani administration, while the cozy relationship with Motorola continued even after the 9/11 catastrophe.

The Set-Up Is Put in Place

Public promotion of New York Mayor Michael Bloomberg as a Presidential candidate began with a meeting Aug. 2, 2006, in the home of hedge fund plutocrat Michael Steinhardt. Billionaire Bloomberg, a political changeling, who went from being a lifelong Democrat, to a Republican (for the mayoral election in 2001), to an independent (in June

2007), obviously seemed like the perfect candidate.

Like Giuliani, the son of a Sing Sing convict (whose father sponsored his first financial speculations with Meyer Lansky mob loot), Steinhardt decided to activate his connections for Bloomberg. With financier Felix Rohatyn, Steinhardt was the de facto founder of the right-wing Democratic Leadership Council (DLC). At a dinner meeting Aug. 2, Steinhardt-Rohatyn pet, DLC chief executive Al From, explained for Bloomberg and his staff the logistical considerations for a Presidential race begun as a “dark horse,” after the main contenders would have been deflated.

This established the billionaire Mayor Bloomberg as a replacement for Steinhardt and Rohatyn’s former DLC project for wrecking the Democrats, a “Bull Moose” third party ticket of John McCain and Joe Lieberman. Following the meeting, Steinhardt ardently pushed the Bloomberg ploy around Wall Street. The *New York Times* reported Aug. 4 that “Mr. Bloomberg’s plans” were “making converts among monied New Yorkers....”

On Aug. 8, six days after the initial strategy session, Senator Lieberman lost the Connecticut Democratic primary to anti-war candidate Ned Lamont. Lieberman began running as an independent against the Democrats, on a straight Dick Cheney permanent-war and dictatorship platform. On Aug. 9, Bloomberg announced his support for Lieberman. Between that time and the November election, Bloomberg ran fundraising efforts for Lieberman and dispatched top staff members and political aides from New York, who directed Lieberman’s get-out-the-vote, polling, and media-consulting operations. Lieberman said that, “no one in public life has done more for me in this campaign than Mike,” and his reelection helped Democrat Rohatyn and his Republican financier cohort George Shultz make Congressional Democrats cower before Bush and Cheney.

Michael Bloomberg and Felix Rohatyn together spoke before the financiers’ Manhattan Institute Nov. 1, 2007. Bloomberg thanked the Institute for giving the policing and welfare reform programs to Rudy Giuliani, programs which Bloomberg says he is continuing.

Bloomberg’s homage to the Institute may be an answer to the trillion dollar question asked by columnist Richard Cohen Nov. 13 in the *Washington Post*.

Lauding Bloomberg as a savior, Cohen wrote “what animates ... the hope of a Bloomberg candidacy is the utter failure of the current political establishment to deal with ... the immense problems facing us... [The] crisis on Wall Street ... cannot even be gauged.... Not even the financial institutions ... knew what was happening or know ... what is now happening.” Then the question: “Just who will be stuck owning worthless paper based on worthless mortgages secured by nearly worthless houses is still unknown.”

In sum, it would seem to be unlikely that Giuliani could deliver what the financier oligarchs hope their colleague Bloomberg can give them.