

# The dirty backyard of the dope lobby's Rep. Stephen Solarz

by David Hammer



Among all the voices from the State Department, Congress, and intelligence community raised against the Philippine government of President Ferdinand Marcos, by far the most strident is that of Rep. Stephen Solarz (D-N.Y.). Solarz's current set of hearings, on the alleged "hidden wealth" of President and Mrs. Marcos in New York real estate, has been denounced by his own congressional colleagues as a "witch-hunt" against the Philippine President.

In a TV interview Jan. 12, Solarz stated his purpose: If it could be proven that Marcos had siphoned off U.S. aid into his own coffer for real estate speculation in the United States, then "maybe the American people will think twice about sending aid to the Philippines." This has been Solarz's drum beat: Cut military aid to the Philippines.

Solarz's liberal record of disavowal of U.S. allies, his advocacy of drug decriminalization, and his commitment to the Carter administration's Global 2000 blueprint for the genocide of half the population of the developing sector, track him as an agent of the Eastern Establishment led by Nazi-booster Averell Harriman, which long ago made its deal to sell out the United States to the Soviet Union. Coming out of New York City in the late 1960s, Solarz was packaged as one of those "reform Democrats" who shoved their way into office by crying "foul corruption" at the nation's political machines.

Solarz had started out as a student radical at Brandeis and Columbia universities in the anti-Vietnam war activities organized by Ford Foundation President McGeorge Bundy. In his graduate work at Columbia, he was soon passed on to Zbigniew Brzezinski, professor of Russian studies. In 1966, he managed, and lost, one of the "first peace campaigns in the country," a congressional race against Brooklyn Democratic congressman, Bertram Podell. Two years later, however, he was boosted by his influential friends into the New York State Assembly, as part of the "reform Democratic" movement in New York.

In 1974, the "reform Democrats," led by such gay-rights activists as Ed Koch (now New York mayor), watergated Podell. Solarz became congressman for the 13th congressional district seat.

## A most curious district

The 13th congressional district, redrawn to fit Solarz, is the secret to his operations against the Philippines. An official election guidebook describes the district as "an egregious

example of gerrymandering. It stretches from the northernmost part of Brooklyn, the industrial area of Greenpoint, along most of the Brooklyn waterfront, to the southernmost, the beaches of Coney Island and Brighton Beach. It is seldom more than a mile wide and sometimes only a couple of blocks. Yet it is a district which makes a good deal of demographic sense . . . one of the few majority-Jewish districts in the nation."

If Solarz were the anti-corruption crusader he pretends to be, he would begin by investigating the businesses of some of his district's most prominent citizens. The 13th district is the home base of two overlapping ethnic mafias. The first is "Aleppo-in-Flatbush," home of the transplanted Syrian Jewish Ottoman trading families. Out of 2,000 adult males in this community, 150 of them are multimillionaires, making their money in textiles and dirty finance. Here are the financial godfathers of Solarz and his own personal political action committee.

The other is "Little Odessa-by-the-Sea," or Brighton Beach. Here is found the greatest concentration of Jewish emigrés from the Soviet Union since 1971, and also according to the Los Angeles and New York police reports, one of the fastest growing narcotics mafias in the U.S.A.

The first substantial report on the Little Odessa mafia was published in 1982 by the Organized Crime Division of the Los Angeles Police Department (LAPD). Entitled "Soviet Emigré Mafia," the report detailed how investigations of the terrorist danger to the 1984 Olympics in Los Angeles, had led police onto the track of a widespread criminal ring composed of Russian Jewish emigrés, active in Los Angeles. The headquarters of the operation was Solarz's Brighton Beach.

"Many knowledgeable people are of the opinion," the report said, "that the Soviets are selecting dangerous criminals and sending them to the United States as refugees via the Jewish Immigration Quota." LAPD Chief Darryl Gates added: "The Soviets realize they can aggravate our already serious crime problem. Intelligence agents and spies are infiltrating in the same way."

In the same period, drug busts in New York were turning up a clear thread of Russian-Jewish involvement in the drug traffic into New York. By the early 1980s, victims of Russian mafia "rub-outs" were turning up on Brooklyn streets. Brooklyn's FBI district head, James L. Murphy, told the press, "We don't know the full scope of their activities. But we do know they are growing fast and that they have been very

successful. We're talking about staggering amounts of money, in the multi-million dollar range. . . . If you assume the KGB has influence with the criminal element in the U.S.S.R., then it's safe to assume they have influence with criminals here." According to 1982 intelligence reports, the Russian mafia was moving to commandeer entire chunks of the rackets and drug trade in New York City.

### The Aleppan Jews

Among Solarz's major contributors is Stephen Shalom, one of the scions of the Syrian Jewish community in Flatbush. For centuries, a significant portion of the Syrian Jews functioned as retainers for the Venetian oligarchy in the Mediterranean Sea trade. Today, aside from Aleppo, this closely knit mafia is headquartered in three centers: Buenos Aires, Argentina; Flatbush, Brooklyn; and the Philippines.

Using their extended family structures and business fronts, the Aleppan Jewish families based in Solarz's district represent today a powerful faction in world politics and in the drugs/dirty money/real estate combine. One of their number, for example, is Edmund Safra, the former chairman of Shearson/American Express, perhaps the world's largest dirty-money launderer. The Philadelphia Amex branch alone was indicted on 180 counts of drug-money laundering, and Safra's personal fortune, based on both narcotics and gold smuggling, is estimated at over \$300 million.

Safra's name is featured on the outside of the Syrian Sephardic Community Center on Ocean Avenue in Brooklyn. His father ran the Aleppan banking firm of Safra Frères, and sent his son Edmund to the Milan-based Banca Commerciale Italiana for training. BCI is run by protégés of the Venetian economist Gino Luzzatto of the Luzzatto family, the "primus inter pares" of the Jewish Mediterranean retainer families of the Venetian oligarchy.

Another prominent mafioso from the same clans is Isaac Kattan, whose activities came to the attention of federal agencies in the late 1970s. By 1984, Kattan was a featured case in the report of the President's Commission on Organized Crime, "The Cash Connection: Organized Crime, Financial Institutions, and Money Laundering."

Kattan probably "constitutes a prototype of the traditional relationship between Colombian drug traffickers and money exchangers," the report said. "With his links to drug money movement already established, Kattan probably was one of the principals involved in the shift of cocaine money laundering from New York City to Miami in the 1970s. He subsequently functioned virtually as 'Chancellor of the Exchequer' for at least one major cocaine-trafficking organization—a degree of involvement that does not appear to have been duplicated, at least in the United States, since his arrest and the impoundment of his records."

Kattan was arrested along with one of his kinsmen, Victor Tesone Kassin. Kattan claimed that all his money was in Israel Bonds. Co-chairman for the Israel Bonds at the time was Stephen Shalom, the financial godfather and political

sidekick of Stephen Solarz.

In October 1982, *Sephardic World*, publication of the World Sephardic Federation, reported on the opening of the Syrian Sephardic Community Center of Brooklyn: "Chief Rabbi Kassin said that the new Sephardic Center has a holiness like the holiness of Jerusalem. . . . Stephen Shalom, immediate past president, United Jewish Appeal of Greater New York and chairman of the Sephardic Center's Executive Committee, told the audience how the idea for a center was born. . . . Rep. Stephen Solarz of Brooklyn lauded the Sephardic leaders. . . . Also present at this event was honorary board chairman Edmund J. Safra. Part of the Center is the Lilian and Edmund J. Safra Building. Executive Committee Chairman Eddie Cattan officially welcomed the guests."

With Shalom, Solarz has been instrumental in attaining the release of more Jews from Syria, and in 1977, Solarz and Shalom traveled to Damascus to meet with Syrian President Hafez Assad. In 1978, the duo went to Cuba, where they had a nine-hour meeting with Fidel Castro, protector of narcotics kingpin Robert Vesco, now resident in Havana. It was Vesco who set up Isaac Kattan in the drug business in 1962.

A younger member of the Aleppan Shalom clan is Steven Rosskamm Shalom, professor at William Paterson college in New Jersey. Shalom, author of *The U.S. and the Philippines: Neocolonialism in Action*, is associated with the clerical front for the Soviet-backed New People's Army (NPA), the "Task Force Detainees in the Philippines." A self-professed supporter of Kampuchean mass-murderer Pol Pot, Shalom writes: "There are many people, myself included, who have called for an end to the U.S. bases in the Philippines."

Another of Solarz's backers is the "godfather" of the Aleppan Brooklyn community, Sam Cattan, owner of "Candy Cattan Jeans" of W. 34th St. in New York. Cattan is a kingpin in the Syrian Jewish textile trade between New York's garment center and its runaway shops in Manila. This trade is best known for the pornographic jeans business associated with such names as Nakach, Jordache, and Sassoon. These are the same figures, according to Israeli sources, who finance Gen. Ariel Sharon's frequent trips to the United States and have poured money into the Ateret Cohanim Yeshiva in Jerusalem, the centerpiece of the Jewish fundamentalist plot to blow up the Dome of the Rock, the third-holiest shrine of the Muslim world.

Another of the kingpins of the New York-Manila textile trade is Jack Nasser, the owner of the Philippine-American Embroidery Co., and a close friend of Sharon's. Nasser is uncle to Joseph and Ralph Bernstein, the men accused by Solarz to be fronting for the Marcos's alleged New York real estate holdings.

### The Solarz hearings and the Bernstein boys

A series of articles in July 1985 in the *Village Voice* alleged that Marcos was hiding millions in New York real estate, through the Bernsteins. This material, repeated by the *San Jose Mercury News* in August, was the pretext for Solarz

to call his hearings.

The Bernstein brothers, Joseph, 37, and Ralph, 28, came out of nowhere several years ago, and achieved quick notoriety with their \$477 million bid to buy the New York Coliseum. According to newspaper accounts, the bulk of the money of the Bernsteins' firm, which specializes in placing "foreign investments" (i.e., flight capital), comes from their family members and business acquaintances in South America, Canada, and Israel.

Their mother, an Aleppan Jew named Olga Nasser, married one Victor Bernstein, an emigré from Hungary who moved first to Palestine and then to the Philippines. Olga's brother, Jack Nasser, is a leading Philippines textile magnate. After moving to the United States, the brothers worked for Nessim Gaon, head of the World Sephardic Federation. Gaon put on the Bernstein boys into real estate; Ralph married Gaon's daughter.

The Bernstein's first venture was a \$369 million bid for New York's Pan Am building. That same year, uncle Jack Nasser set the family up in a series of interlocked firms centered on the New York Land Co.

Based in Switzerland, Gaon was the subject of a series in the *Wall Street Journal* in 1981, on his shady international business empire. Gaon is a close associate of Solarz's benefactor, Stephen Shalom.

Gaon and Shalom are co-owners of the small Sephardi Tami Party in Israel, also funded by organized-crime figure Samuel Flatto-Sharon, who fled France and bought himself a seat in Israel's Knesset to avoid criminal prosecution. Liliane Shalom, a relation of Steven, convinced her good friend, drug-kingpin Edgar Bronfman, to also throw in a good chunk of money for Tami. Solarz sits on the board of the American Jewish Congress division of Bronfman's World Jewish Congress. Tami's leader, Aharon Abuhatzera, won the key post

## A record of sabotage of U.S. national security

### U.S.-SOVIET RELATIONS:

**October 1980**—Solarz spent two weeks in Moscow, the first congressman to visit there in over a year, following the Soviet invasion of Afghanistan. After long meetings with top Soviet foreign policy figures, Solarz reported upon his return: "Based on my conversations with the Soviets I met, my feeling is that they are very worried. Relations with the United States are the foundation of their foreign policy. Only the United States has the capacity to destroy all that they have achieved. They feel that present potential for an escalation of hostility between us is a great danger for both." This trip was only one of numerous "solo trips" Solarz has taken to Moscow.

**1981**—Congressional Budget Committee member Solarz recommended eliminating the U.S. Space Shuttle program.

**June 1982**—One week before the U.S.-Soviet talks on Strategic Arms Reduction started in Geneva, the House Foreign Affairs Committee passed a resolution for the nuclear freeze, led by Solarz.

**January 1983**—Solarz recommended that the United States pull back its nuclear weapons from the eastern borders of West Germany, "so that they would not be in such perilous proximity to the first wave of advancing forces." The proposal was rightly taken in West Germany as U.S.

consideration of abandonment of part or all of West German territory to the Soviet Union.

**Jan. 21, 1985**—In a *New York Times* op-ed, Solarz argued that the United States must "negotiate away or reduce the deployment of our MX and Trident II missiles, which are designed to give us a first-strike capacity against their land-based missiles."

**July 3, 1985**—Solarz met in Moscow with Col.-Gen. Nikolai F. Chervov, the arms control specialist for the Soviet General Staff. Upon his return, he and Sen. Gary Hart (D-Colo.) introduced a resolution calling for no deployment of the U.S. Strategic Defense Initiative, in return for cuts in Soviet offensive missiles.

**1985**—Solarz argued that the United States must not compile a list of countries sponsoring state terrorism, arguing that it is impossible to distinguish between terrorists and legitimate revolutionary groups.

### ASIA:

**1980**—Over the bitter protests of South Korea, Solarz became the first U.S. congressman to visit North Korea in almost 30 years. The visit was timed with the Carter administration's proposal to pull all U.S. troops out of South Korea. After four hours of meetings with North Korean dictator Kim IlSung, Solarz stated, "I rather doubt they will attack the South. . . . I think war is unlikely because they feel over time they can achieve their objectives politically."

**1980**—Following several trips to China, Solarz stressed in a *New York Times* op-ed that the Reagan administration should not sell advanced weaponry to Taiwan, but should make the "China Card" the center of policy toward Asia. Solarz lied that "America's other friends in Asia find that friendly relations between Washington and Peking strengthen their security."

of Minister of Religious Affairs in the Likud government of Menachem Begin, which took office in 1977. Shortly thereafter, Abuhateira was convicted of embezzling and bribetaking.

When questioned, Joseph Bernstein says he cannot understand why Solarz is persecuting them, particularly since "he helped us so much in getting the Jews out of Aleppo." Look once again at the alleged Marcos frontmen, the Bernsteins, on whom hangs the entirety of Solarz's inquisition. The "prosecution" is Stephen Solarz, owned by the Aleppan Steven Shalom and friends. The "defense" is the Bernstein brothers, related by marriage to Steven Shalom's close associate, Nessim Gaon. The vast amount of money the Bernsteins wield, which Solarz claims to be Marcos money, is reported to be that of their business partners and extended family, a family that includes the likes of Isaac Kattan, Victor Kassin, and Edmund Safra.

**1981**—Solarz introduced a measure to curb U.S. aid to "countries which harass or spy on their own citizens living in the United States." The measure was aimed not at Iran or Libya, but at Taiwan.

**1983**—Solarz opposed the sale of F-16s to Thailand.

**May 31, 1984**—Solarz's subcommittee passed calls for a "shift of power" in Taiwan from the ruling Kuomintang Party, to the opposition.

**1985**—Solarz led the fight against a proposal to cut all funds to the U.N. Fund for Population Activities, unless the Fund ceased funding China's murderous population control program.

#### MIDDLE EAST:

Solarz has voted against all U.S. arms sales to moderate Arab allies. While pushing massive aid to Israel, he has demanded "a strong and sweeping austerity program in Israel," noting that unemployment would rise, the standard of living would decrease, but "such consequences are inevitable."

#### AFRICA:

**1985**—Solarz introduced a bill for trade sanctions against South Africa." He visited South Africa, where he met extensively with Winnie Mandela and helped to promote the Soviet-backed African National Congress as the sole representative of the black population.

#### IBERO-AMERICA:

**January 1983**—After meetings with Nicaragua's Sandinista leaders and Cuba's Fidel Castro, Solarz declared that he had "the impression that there is a potential basis for dialogue between the two countries."

**May 1983**—Solarz led the fight to pass a House resolution calling for a full cutoff of aid if the El Salvador government did not start peace talks with rebels within 90 days and "make progress on human rights reforms."

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