

to law enforcement sources, United Brands ships carried a substantial portion of the cocaine brought into the United States during the 1970s.

● Kaye, Scholer also represents Trizec Corporation Ltd., the Canadian holding company operated by the notorious Bronfman family. During Prohibition, the Bronfmans were part of organized crime running whiskey across the Canadian border into the United States. According to Canadian intelligence, a maze of Bronfman-connected companies was involved in drug smuggling and money laundering into and out of the United States. Edgar Bronfman, the chairman of Seagram's, is a major funder and executive of the ADL.

● Kaye, Scholer has also been chief outside counsel to Sterling National Bancorp and its subsidiaries. According to organized crime experts, Sterling National Bank was founded in 1929 by one of Meyer Lansky's closest syndicate associates and chief money handlers, Frank Erickson. It is the ADL's major bank. From 1934 until his recent retirement, Theodore H. Silbert was a director of Sterling National Bank and its longstanding chairman of the board. Silbert is a member of the ADL's National Commission.

Until he ran into trouble, Peter Fishbein was the managing partner of Kaye, Scholer. Since 1970, he has been a member of the board of the ADL's powerful chapter in Westchester County, New York. His partner Milton Handler received the ADL's Lawyers Division Human Relations Award in 1979.

### Arthur H. Goldberg and Integrated Resources

The firm is also representing Arthur H. Goldberg, a defendant in a shareholders' suit filed against Integrated Resources, a New York-based insurance and investment company that, on June 15, 1989, defaulted on nearly \$1 billion of debt. Goldberg was a founder, director, and officer of Integrated which, since 1978, had been part of Michael Milken's junk-bond industry. Integrated bought and sold junk issues in Milken's daisy chain, invested in leveraged buyouts, and was involved in hostile acquisitions.

The suit alleges that Goldberg was involved in a conspiracy to defraud shareholders by inflating the price of Integrated stock, and using accounting tricks to mask the company's real financial condition. It also alleges that, based on his inside information that Drexel could not roll over Integrated's debt, Goldberg sold 10,000 shares of his own Integrated common stock weeks before Integrated's default, and failed to disclose the sale until well after it collapsed.

Goldberg was also close to Milken. Just two days after Milken was indicted on 98 felony counts ranging from securities fraud and insider trading, to perjury and racketeering, Goldberg signed a full-page advertisement which appeared in major newspapers across the country headlined "Mike Milken, We Believe in You."

The ADL had also believed in Milken. Before his arrest and conviction, Milken presented the ADL with a whopping \$1 million seed grant to start the ADL's World of Difference program.

## From Yalta to the Gulf war

A Public Broadcasting Service (PBS) documentary aired one year after the end of the Gulf war revealed how the Anglo-Americans erected a controlled environment around Israel and the Arab states from the days of Israel's founding to the present.

The documentary "The Secret Files: Washington, Israel, and the Gulf," produced by the *Washington Post* and narrated by editor Ben Bradlee, "reconstructs for the first time on television the original U.S. commitments to Saudi Arabia and Israel that lay behind America's involvement in this recent war." The program draws from newly declassified material to reveal how Presidents Roosevelt, Truman, Eisenhower, and Kennedy "used secret agreements and personal contacts with Saudi Arabia and Israel to shape America's national policy that culminated in the

Gulf War," according to a release from PBS.

For example, the program reveals that President Roosevelt went directly from his meeting in Yalta with Churchill and Stalin to the Middle East to negotiate Saudi Arabia's virtual neutrality on the establishment of a Jewish state in Palestine. In exchange, Roosevelt promised U.S. military support. One of the "secret documents" was a State Department cable to Riyadh immediately after Roosevelt's negotiations promising that if Saudi Arabia was "attacked . . . or under threat of attack," the United States would "take energetic measures to ward off such aggression" through the United Nations.

By the 1970s and '80s—during the years shaped by Henry Kissinger's "shuttle diplomacy"—the U.S. Army Corps of Engineers constructed a number of secret military bases on Saudi soil intended to protect it from attack by Arab states—principally Jordan and Iraq—and also from Israel.

It was under cover of those post-World War II secret agreements and from those secret bases that the U.S. launched its war against Iraq.—*Katherine Notley*