

'Dirty Dick' Morris assets helped wreck Peres reelection

by Mark Sonnenblick

Political consultants allied to Dick Morris, President William Clinton's chief political strategist, and a cousin and protégé of the late Roy Cohn, helped defeat Shimon Peres in the May 29 Israeli elections, thus helping to scuttle President Clinton's historic collaboration with the late Yitzhak Rabin, Yasser Arafat, and Peres, to forge a lasting Middle East peace.

According to Israeli sources, American pollster Doug Schoen, of the New York political consulting firm Schoen and Penn, travelled on several occasions to Israel and provided campaign advice to Prime Minister Peres. Both U.S. and Israeli sources say that the Schoen role in the Peres election campaign was "very negative." And, although Schoen reportedly did not remain in Israel for the entire duration of the prime minister's losing campaign against Likud Party rival Benjamin Netanyahu, he created problems within the Peres camp by peddling the idea that Peres should run a "below the belt" smear campaign against Netanyahu, and blunt the policy differences between Labor and Likud.

The May 29 election was a near tie, in which Peres lost by less than 1% of the vote (30,000 votes). The Labor Party continues to charge that Netanyahu's campaign committed widespread vote fraud.

The role of Schoen in the defeat of Peres should serve as an important lesson to President Clinton: that he should dump "Dirty Dick" Morris from his campaign apparatus immediately. It should also serve as proof to anyone who doubted *EIR's* long-standing warnings, that the Anti-Defamation League of B'nai B'rith (ADL) is an avowed enemy of Middle East peace.

Schoen, a longtime pollster for the ADL and other sordid interests, was brought into the White House last year by Dick Morris as Clinton's chief pollster.

Political polling and campaign dirty tricks have, in recent years, become a major U.S. export (along with pornographic rock-videos and other "intellectual property"), bringing in millions of dollars annually. Around the world, slick TV sound-bytes and sophisticated psychological manipulation have replaced policy debate as the means by which candidates run for office.

Since 1975-76, when Lyndon LaRouche was collaborating with leaders of the Israeli Labor Party on plans for peace

through regional economic development, the Israeli people's yearning for a secure peace has been repeatedly frustrated by the same scenario and the same actors. Each time Henry Kissinger's geopolitical faction saw a danger that they would lose their ability to manipulate the world through Israeli-Arab enmity, a well-timed atrocity against innocent Israeli civilians would be perpetrated by "the Palestinians." The same crew of New York-based political spin-masters would be on hand to skillfully arouse fears of a new Holocaust; and the peace faction would go down to defeat.

Sabotaging Mideast peace

In 1977, the one-time Irgun terrorist Menachem Begin drove the Labor Party out of power, in what was considered an upset victory, thanks to the bombing of a school bus. Begin's political strategist was David Garth, "the *éminence grise* of New York politics," in the words of the late Roy Cohn's leading publicist, William Safire.

By the 1981 elections, the Israeli people were back in the mood for an end to permanent war mobilization, and January opinion polls showed Begin as "a sure loser" to Shimon Peres and the Labor Party. Garth again helped Begin to victory, by building a cult of personality around Begin with slick TV ads showing him as a gentle family man. In contrast, Peres's Labor Party ran a lackluster campaign, advised by the American David Sawyer, who had helped the Meyer Lansky mob in its successful campaign to introduce casino gambling in Atlantic City, and in its failed effort to legalize gambling in Miami Beach. The 1981 election should have alerted Peres and his Labor Party allies to the dangers of an "inside-outside" wrecking operation, courtesy of the "friends of Israel" in the Meyer Lansky and Roy Cohn-led U.S. National Crime Syndicate.

Garth brought in Douglas Schoen to help defeat Peres in 1981. Schoen, after graduating from Harvard Law School and earning a doctorate in philosophy at Oxford, had been an acolyte of Dick Morris in New York City. Schoen followed Morris to take up residence in the Connecticut village of West Redding. In a profile he recently wrote for *Campaigns & Elections*, the trade journal of political consultants, Schoen boasts that he "worked closely with David Garth in the early

years” of his career. Schoen also writes that his best moment in a campaign was “when our client, Israeli Prime Minister Menachem Begin, explained to me why he authorized destruction of the Iraqi nuclear reactor in 1981.” The bombing of Iraq was a turning point in Begin’s re-election drive.

Shortly after Begin’s 1981 re-election, Penn and Schoen Associates, Inc. was commissioned by the ADL to survey U.S. attitudes toward the Middle East. Schoen was hired again by the ADL in 1988 for a comparative survey, after Americans were shaken by Israeli repression of the Palestinian Intifada. This is the Schoen with whom someone saddled Peres in 1996.

Sources in Israel report that Schoen was brought into the Peres campaign—despite his past association with the Likud campaign of Begin—at the urging of Zev Furst, an Israeli living in Englewood, New Jersey. Furst is a long-standing partner of David Garth.

Penn and Schoen poll for intelligence operations as much as for candidates. They poll for *Spy* magazine, for the Roy Cohn-linked *National Law Journal*, which features Dick Morris’s father (see *EIR*, July 5), and work for Dope, Inc. In 1988, they helped Colombia clean up its image as a cocaine exporter. As part of a \$2 million public-relations contract with Sawyer/Miller (run by the Sawyer who helped Peres lose in 1981), they surveyed 200 “inside-the-Washington-Beltway” influentials and found hostility towards Colombia disappeared when people were reminded that “a minister of justice, half the Supreme Court, senators, legislators and teachers have given their lives fighting the drug cartel.” A series of ads on this theme took credit, or gave cover for, President Bush’s measures to reverse the Reagan administration’s rigorous customs inspections on imports from Colombia.

At the same time as they were taking the heat off the Medellín Cartel, Penn and Schoen ran an intelligence operation to promote Bush’s 1989 invasion of Panama. In July 1988, after Gen. Manuel Noriega was indicted on charges of being helpful to the Colombian drug cartel, they did a survey in Panama. They determined that nearly two-thirds of Panamanians wanted some form of U.S. intervention “to have a truly democratic system,” and that 81% favored “economic and political union” with the United States—both highly dubious findings. The reported results suggested that only 6% of Panamanians would resist an abrogation of their sovereignty by the United States. “This is the most important information we have received from Panama in months,” said Roger Fontaine, former senior National Security Council staffer on Latin America.

Ad man for the ADL

Schoen and Penn’s work for organized crime was not restricted to the Colombian cartels and the Lansky gambling syndicate. In the 1980s, Schoen and Penn became the pollsters for the ADL.

“Sometime in mid-June,” the *Los Angeles Times* reported on Sept. 9, 1982, “as Israel’s world image shook with the

rumble of Israeli tanks and firepower in Lebanon, the Anti-Defamation League of B’nai B’rith concluded that Israel had a public relations problem in America. Further, the League theorized, American television was at fault. To test the theory, the League commissioned the services of David Garth.”

Garth admitted to the *Washington Post*, “It is not a question of fairness or unfairness of coverage. So far the reporting is accurate. . . . But the perception is the problem. The American Jewish community is very sensitive about it.” After surveying evening news reports, Garth and his partner, Zev Furst, accompanied an ADL representative to try to strong-arm CBS and NBC into not reporting accurately on Israeli atrocities against innocent civilians in Lebanon.

Garth was described in 1994 by Kissinger’s mouthpiece, William Safire, as “the *éminence grise* of New York politics.” He serves as a political fixer for the organized crime forces associated with the ADL. He led every one of former Mayor Ed Koch’s campaigns. Dick Morris and Douglas Schoen worked under him in several Koch campaigns.

Schoen has never hidden his scorn for Democratic constituency politics, which grew under the influence of Franklin Delano Roosevelt. In a Nov. 13, 1986 *New York Times* commentary that he co-authored with his partner Mark J. Penn, Schoen asserted that “In this year’s Senate contest, it was only after Democratic candidates succeeded in demonstrating that they shared the Republicans’ basic positions on fiscal issues that they could turn to the local issues and personality differences that led to such a sweeping victory. . . . Indeed, virtually every successful Democratic Senate candidate made it clear from the start that he opposed wasteful spending on social programs, opposed using tax reform as a way to raise taxes, and supported governmental policies to encourage economic growth and traditional American family values. This approach represents more than just an abandonment of New Deal policies. It marks a virtual co-optation of the rhetoric, ideas, and policies that had swept Ronald Reagan into the White House and a Republican majority into the Senate in 1980.”

In 1988, Garth destroyed Al Gore’s presidential campaign, which he was managing, by having him grovel, on the eve of the crucial New York primary, at the feet of Ed Koch and the Likud’s anti-Palestinian warmongering. Garth later confessed, “I think we really screwed up that thing in 1988 for Gore, and he knew it.” After David Dinkins, a black liberal, ousted Koch from the mayoralty in 1989, Koch and Garth teamed up in 1993 to help Republican Rudolph Giuliani depose Dinkins. They exploited racial conflict in Crown Heights, Brooklyn, to manipulate Jewish Democrats to vote for the Republicans.

Netanyahu’s ‘Submarine’

Dick Morris has made a career out of playing both sides of fence. While serving as President Clinton’s election “Rasputin,” he has made big bucks running the campaigns of a number of prominent Republicans, from Sen. Jesse Helms

(R-N.C.) to Massachusetts GOP Gov. William Weld. The same rules applied when Morris threw himself into the recent Israeli elections. While Morris unquestionably played a role in foisting Schoen on the failed Peres campaign, he also had a hand in the Likud campaign of Benjamin Netanyahu.

Alan Sipress, a *Philadelphia Inquirer* correspondent, in a May 20, 1996 article, reported that, by the mid-1980s, "Behind the scenes, he [Netanyahu] had already gathered a high-power clique of Israeli and Jewish-American backers—men of political savvy with millions of dollars, an operation so closely guarded that it was known to insiders as 'The Submarine.'" After Rabin and Peres ousted the Likud in 1992, "The Submarine provided him with lavish headquarters in a Tel Aviv suburb and paid for a big-money advertising campaign. . . . To launch Netanyahu's drive three months ago, his backers paid an American consulting firm \$200,000 to conduct public opinion research and help design a slogan. . . . Last week, the mass-circulation newspaper *Yediot Aharonot* reported that Netanyahu's media strategy was being overseen by U.S. election consultant Arthur J. Finkelstein, whose bruising ad campaigns secured victories for clients including conservative Republicans Jesse Helms, Alfonse D'Amato, and George Pataki."

An Ayn Rand libertarian, Finkelstein hung around Roy Cohn's East Side Conservative Club in the 1960s. He entered politics in 1970 by trying to convince drug-legalizer degenerate William F. Buckley, Jr., to run for the U.S. Senate, but, instead, wound up managing Buckley's brother, James, who was elected to the Senate on the Conservative Party line. Nassau County Republican boss Joe Margiotta promptly retained him as pollster and deployed him to elect Al D'Amato to the Senate in 1980.

Finkelstein has earned a reputation as the impresario of campaign sleaze. This often boils down to pure and simple racism, as in 1990, when Finkelstein hired Dick Morris to formulate the race-baiting commercial which re-elected Sen. Jesse Helms. Helms was running well behind former Charlotte Mayor Harvey Gantt, an Afro-American who had earned broad respect among white voters. The Morris-Finkelstein ad showed a white hand crumpling a job rejection notice, with the employer's voice stating, "You were the most qualified, but I had to hire a mi-no-ri-ty." Gantt, who himself opposed affirmative action quotas, lost the race.

According to author Bob Woodward, D'Amato brought Finkelstein to Dole in January 1995. Finkelstein told Dole that to be elected, he would have to shift from "theocratic moralism" to Pete Wilson's populist support of abortion, while bashing immigrants and the poor. D'Amato delivered Dole an ultimatum to let Finkelstein perform political surgery on his brain: "He'd be by your desk . . . and you wouldn't say *anything* unless Arthur tells you what to say." Dole gave Finkelstein a secondary position; but Dole's bad poll numbers are being used to pound him into letting Finkelstein loose to savage Clinton.

Welfare 'reform' bill cracks whip over poor

by Suzanne Rose

Within the space of only four days, the House and Senate voted up legislation to overhaul the nation's welfare system, modelled on the "Personal Responsibility Act" of the Contract with America. The bills, H.R. 3734 and S. 1956, would reduce payments by about \$60 billion to the 8.8 million children and 4 million adults who receive Aid to Families with Dependent Children (AFDC) over a period of six years. Further, the "reform" will force at least half of the adults into "workfare" programs within two years (those who refuse face termination of benefits), and will turn the federally guaranteed payments over to the states to be administered as block grants. There will be a five-year lifetime limit on receiving these benefits.

Welfare to families with dependent children will be ended as an entitlement program, which means that families are not guaranteed assistance if their income falls below a certain level, effectively terminating the federal safety net for the poor. Instead, states will receive a fixed sum and have a great deal of latitude as to how this money is spent and who receives benefits. Since the payments to each state are capped and based on historic participation in the program by state, states will have incentives to kick people off the rolls as need expands.

You might ask, what has changed that we no longer need a federal safety net for the poor? Has poverty or joblessness disappeared? Only in the minds of election strategists in both camps. On the one hand, Dick Morris, chief campaign strategist for President Clinton, hopes to entice the President into capturing "welfare reform" as his campaign issue by signing the Republican-authored bills. The President has come dangerously close to that, by letting it be known that he would sign a bill so long as it didn't include the "poison pill" of block grants for Medicaid. The Gingrichites, anxious to trap the President into endorsing their fascist overhaul of the economy, left those cuts out.

A Dickensian nightmare

Given real unemployment levels of 12-15% (some 17 million Americans, if you include people who have given up looking for work, or who have found temporary work instead of full time), and the steadily increasing poverty, financially strapped states are slashing their budgets. Republican gover-