

# McCain Bill Deepens Organized Crime's Lock on Government

by Jeffrey Steinberg

*New Yorker* magazine's resident John McCain propagandist Elizabeth Drew recently wrote *Citizen McCain* (duly deposited on the *New York Times* nonfiction bestseller list), lauding the Arizona mobbed-up legislator and his Campaign Finance Reform Bill as the best things to hit Washington since Teddy Roosevelt (see review in *EIR*, June 21). But, if the truth be told, the so-called McCain-Feingold Act is the biggest boost to organized crime's control over the Federal government, since McCain bankroller Charles Keating was hauled off to Federal prison in the 1990s, leaving far more than five members of the House and Senate with gaping holes in their wallets and offshore bank accounts.

While cutting off all "soft money" contributions—except from Indian tribes with huge gambling revenues, which dot the landscapes of McCain's Arizona and pol-pal Joe Lieberman's Connecticut—the Campaign Finance Reform Bill made no dent in the power or contributions of political action committees (PACs). PAC power, particularly AIPAC (American Israel Public Affairs Committee) power was in full display in two recent Southern primaries, when out-of-state Zionist Lobby PAC money and the individual contributions of members of dozens of AIPAC-run PACS defeated two incumbent members of the Congressional Black Caucus, who dared to be critical of Israel's own serial war criminal, Ariel Sharon, the current Prime Minister.

Alabaman Earl Hilliard was defeated in the June 25 Democratic Party primary by Artur Davis, a candidate who was overtly put up and bankrolled by out-of-state Zionist Lobby interests, to the tune of hundreds of thousands of dollars, plus reportedly an ample supply of Election Day pocket cash, with which to buy votes. Davis had been escorted around the floor of the AIPAC convention in Washington, D.C. weeks before the primary vote, like a prize poodle.

On Aug. 20, Rep. Cynthia McKinney (D-Ga.), who had enraged the Zionist Lobby and some Republicans by her refusal to accept the "official version" of the events of Sept. 11, 2001, and had demanded a thorough and transparent investigation, was defeated by a political neophyte, Denise Majette, an African-American judge, who received over a million dollars in campaign dole, almost exclusively from out-of-state Zionist Lobby PAC rats.

In a *New York Times* interview, published Aug. 22, Morris

Amitay, the former longtime executive director of AIPAC, flaunted the Zionist Lobby's PAC attack on Hilliard and McKinney: "This shows that there is a price to pay for taking a position that is out of step with the view of most Americans." Of course, Amitay was lying through his teeth about the issues that sank McKinney. In fact, most Americans shared McKinney's and Hilliard's disgust at the Nazi-like atrocities committed against the Palestinian people by the Israeli Defense Forces, since Sharon took power.

What worked against McKinney and Hilliard was the pure, corrupt power of money: AIPAC-run PAC money, and the personal cash of the legions of AIPAC lemmings, who blindly put their money where AIPAC's mouth is.

After November 2002, when the McCain-Feingold Act goes into effect, the power of the PACs, especially the AIPAC nexus of tightly intertwined PACs, which trace all of their seed funding to the Michael Milken-Charles Keating swindlers loot of the 1980s and early '90s junk-bond and savings and loan scams, will be even more powerful.

Under the guise of "campaign reform," Bull-Mooser McCain delivered a big payback to his financial angels in organized crime.

## Washington Post Spills the Beans

The con-job behind McCain's "campaign finance reform" has now become so transparent that the *Washington Post*, on Aug. 18, 2002, finally decided to spill the beans.

Under the headline, "PAC Attack II: Why Some Groups Are Learning To Love Campaign Finance Reform," Thomas B. Edsall and Juliet Eilperin wrote, "Instead of reducing the power wielded by special interest groups in American elections, the McCain-Feingold reform bill is magnifying that power and making PACs, the *bêtes noires* of Common Cause and other good government groups, key players in campaign financing once again."

The authors continued, "Now, the McCain-Feingold ban on the use of soft money by the national parties has abruptly made 'hard money'—smaller contributions of up to a maximum of \$2,000 by an individual—crucial to the survival of politicians. That favors PACs and business groups, which can act as 'bundlers' of individual contributions by gathering like-minded people from around the country to give the maximum

amount permitted to many different campaigns. Well-connected lobbyists and trade associations with large Rolodexes will be among the best equipped to capitalize on the new law, which places a premium on the ability to raise tens, if not hundreds, of \$1,000 to \$2,000 donations.”

### The (Jewish) Mother of All PACs

In 1992, Lyndon LaRouche commissioned a book-length profile of the links between the Meyer Lansky-founded National Crime Syndicate and the Anti-Defamation League of B’nai Brith. The book, *The Ugly Truth About the ADL*, became an underground bestseller, with over 250,000 copies placed in circulation in the first year of its release. Within days of the release of the book, in January 1993, a scandal erupted in San Francisco, where the ADL was caught in a criminal espionage operation, targeted against civil rights, labor, Arab-American, and political activists—including several West Coast political associates of LaRouche. The ADL dirty tricks operations included attacks on a number of elected public officials, including former Congressman Pete McCloskey (R-Calif.), a leading spokesman for the rights of Arab-Americans and for Palestinians living under Israeli occupation. McCloskey filed a lawsuit against the ADL, and after nearly a decade of litigation, won a substantial out-of-court settlement for his clients, all victims of the ADL spy games.

*The Ugly Truth About the ADL* revealed the role of the ADL, the Milken swindlers cabal, and AIPAC, in the creation of scores of political action committees, which were, in fact, one single entity, operating in violation of the Federal elections laws that placed a \$5,000 ceiling on PAC contributions to an individual candidate. While some of the factual data may now be out of date, *The Ugly Truth* . . . provided a road map to the ADL-AIPAC illegal PAC operations that is as accurate today as it was a decade ago, when the book was published.

Given the role of Senator McCain in the blackmail operations against President George W. Bush, and given McCain’s pivotal role in deepening the hooks that organized crime will have, after November 2002, into the Washington political arena, we reprint below, the text of the ninth chapter of *The Ugly Truth About the ADL*.

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### The Best Government Dope Money Can Buy

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In 1974, Richard Nixon went down for the count as the result of the botched Watergate break-in at the Democratic National Committee’s headquarters in Washington, D.C. during the 1972 Presidential campaign. As reporters, Congressional committees and special prosecutors pored over the details of the Watergate scandal, evidence of a pattern of bribery



*Rep. Cynthia McKinney (D-Ga.) was defeated in her re-election bid on Aug. 20, by a million-dollar mobilization in the Democratic primary by out-of-state Zionist Lobby PACs. The power of these PACs has grown enormously, thanks to John McCain’s Finance Reform Bill.*

and coverups emerged that ended up contributing to Nixon’s resignation even more than the break-in itself.

Since the fall of Nixon, the American political lexicon has been blessed with such Watergate offspring as “Debategate,” “Cartergate,” “Irangate,” “Bushgate,” and “Iraqgate.” Political corruption scandals have become as American as apple pie.

Yet despite this growing addiction to political sleaze, the vast majority of Americans are totally oblivious to the fact that on any given day, the ADL and its fellow hooligans in what is euphemistically dubbed the “Zionist lobby” (the “Dope lobby” is a far more appropriate description) commit crimes against the American electorate that make Watergate seem tame by comparison. Blackmail, extortion, and bribery are such routine tactics of the Zionist lobby that its primary target-victims, the United States Senate and House of Representatives, have been turned into political mush, incapable of governing under the best of circumstances, and completely paralyzed in the face of the current political and economic crises.

While the media had led the charge against Congressional incumbents, appealing to a justified “throw the bums out” sentiment building among the majority of voters, the sad reality is that unless the power of the Zionist lobby is cut down to size, any newly elected Congress will be like lambs walking to the slaughter, and nothing will change.

Officially, both the ADL and its leading collaborator in



*An organizer in Seattle distributes EIR's dossier on Senators John McCain and Joseph Lieberman, exposing their ties to organized crime and the "Clash of Civilizations" drive for war against the Arab and Muslim world.*

this corrupting of the Congress, the American-Israel Public Affairs Committee (AIPAC), are forbidden from engaging in political campaigning due to their tax-exempt status. Both groups have managed to systematically break the electoral and tax laws with impunity—largely due to the fact that they have placed fellow travelers in key posts in the Executive Branch regulatory agencies that are supposed to monitor the activities of groups benefiting from the tax exemptions: the Federal Election Commission (FEC) and the Internal Revenue Service (IRS).

### **Spreading Narco-Dollars**

A glimpse at how the Zionist lobby has used the power of the narco-dollar to corrupt and control the Congress is contained in a lawsuit filed in Federal court in Washington, D.C. on Aug. 10, 1992. The suit, filed by a group of retired U.S. diplomats against the FEC, charges that the agency failed to impose sanctions against AIPAC for functioning as an unregistered political action committee. Even though the General Counsel at the FEC agreed that AIPAC had violated the law, the Commissioners decided in July 1992 not to take any action against the group.

According to the court papers, AIPAC secretly controls at least 27 different political action committees (PACs) (other investigators place the figure at 59), and uses them to funnel enormous amounts of money to candidates for Congress who support AIPAC's political agenda. Under the FEC statutes, strict limits are imposed on how much money can be given to an individual candidate by a single PAC. The purpose of the regulation is to curb the power of special interest groups in the financing of candidates. By running dozens of PACs, AIPAC, according to the suit, illegally circumvents the law.

The case of the Joint Action Committee for Political Affairs (JACPAC), one of the 27 PACs named in the suit, underscores the tight relationship among AIPAC, the ADL, and the political committees. JACPAC lists among its directors the wives of Thomas Dine and Stuart Eizenstat. Since 1980, Dine has been the executive director of AIPAC. Eizenstat, formerly domestic policy adviser to President Jimmy Carter, is the head of the National Jewish Democratic Council (NJDC), an ADL-dominated organization dedicated to winning control over the Democratic Party and placing as many of its members as possible on the staffs of Congressmen, governors, and mayors.

And where does all of the money come from to buy up the hundreds of Congressional seats currently owned by ADL-AIPAC?

A brief look at the Roundtable PAC, one of the 27 outfits cited in the lawsuit as AIPAC-owned, answers that question. Roundtable PAC was founded in 1981 by a group of leading ADL and AIPAC officials and contributors, led by Malcolm Hohlein, the head of the Jewish Community Relations Council of New York. From day one, it was housed in the Manhattan offices of a tax shelter firm called Integrated Resources. Integrated was a thinly veiled money conduit for Michael Milken and his crew of junk bond peddlers and dope money washers at Drexel Burnham. In fact, Drexel CEO Stephen Weinroth, the liaison between Milken and Ivan Boesky in their insider trading scams, was a director of Integrated. All of Milken's prime "investors" socked their money into Integrated as a tax dodge. All of them also poured contributions into the Roundtable PAC.

Among the biggest donors to Roundtable: Ivan Boesky, Robert Davidow (Milken's personal aide at the Beverly Hills office of Drexel), and the sons and daughters of Meshulam Riklis, Laurence Tisch, Saul Steinberg, and Paul Milstein (of Carl Lindner's United Brands).

When the Roundtable PAC holds its meetings, guests of honor include, respectively, New York and Minnesota Attorneys General Robert Abrams and "Skip" Humphrey, and N.Y. Sen. Daniel Patrick Moynihan. All are regular recipients of AIPAC PAC dollars. In return for such generosity, Senator Moynihan in 1986 shepherded a tax code revision through the U.S. Congress that gave Integrated Resources an added \$43 million in tax breaks. With friends like Moynihan in key posts in the U.S. Senate, Integrated could afford to be generous—at least for a while.

The relationship between Milken and Integrated was so tight that within three months of Milken's indictment in March 1989 for insider trading, Integrated defaulted on \$1 billion in short-term loans. It seems that without the running pipeline of hot money from Milken's bottomless Caribbean cash pool, Integrated was lost.

The AIPAC-ADL-run political action committees, in short, represent the combined financial clout of the Lansky dope syndicate! Any similarity between ADL-AIPAC and the

genuine national interests of the state of Israel or the Jewish people is purely coincidental.

All told, 211 candidates for the U.S. House and Senate from 48 states received money from the ADL-AIPAC PACs between Jan. 1, 1991 and March 31, 1992. Of the 211 recipients, 187 were incumbents. The total amount given in that 15-month period was well over \$2 million, making ADL-AIPAC the second largest source of institutional money to candidates for Federal office, second only to the combined donations of all of the labor union PACs. By October 1992, that figure had soared past the \$3 million mark.

The ADL-AIPAC PACs don't funnel the majority of their money into Jewish candidates, or even into candidates running for office in states where there are large Jewish populations. More typical of the kinds of officeholders and candidates who receive AIPAC payoffs is Richard C. Shelby, a first-term Democratic U.S. Senator from Alabama who has recently gained notoriety for pushing a death penalty bill for the District of Columbia. Shelby received \$67,800 from the AIPAC PACs in the 15 months beginning in January 1991, with a career total of \$133,825.

Another record-setting recipient of AIPAC largess is Sen. Tom Harkin, the Iowa Democrat who ran an unsuccessful bid for the Democratic Presidential nomination in 1992. Harkin came into the Senate in 1984 by defeating incumbent Roger Jepsen, who in 1981 had cast a decisive vote against AIPAC in a fight over the sale of AWACS surveillance aircraft to Saudi Arabia. In his first Senate bid, Harkin received over \$100,000 from the AIPAC combine. His career total in AIPAC money is a staggering \$366,130!

A total of 29 current incumbent Senators and Congressmen have received over \$100,000 in illegal contributions from the ADL-AIPAC PACs. A dozen have received \$50,000 or more just for their 1992 re-election campaigns.

That "dirty dozen" are: Richard Shelby (D-Ala.), Mel Levine (D-Calif.), Timothy Wirth (D-Colo.), Daniel Inouye (D-Hawaii), Barbara Mikulski (D-Md.), Christopher Bond (R-Mo.), Kent Conrad (D-N.D.), Robert Packwood (R-Ore.), Arlen Specter (R-Pa.), Harris Wofford (D-Pa.), Thomas Daschle (D-S.D.), and Robert Kasten (R-Wisc.).

## Plumbers Unit

Narco-dollars are the key to the ADL's hold over the U.S. Congress, but the League and its AIPAC associates have other trump cards as well. Both groups operate secret, highly illegal spy units that gather blackmail material and carry out dirty tricks against political opponents.

When Richard Nixon got caught running such a "plumbers unit" at the offices of the Committee to Re-Elect the President (CREEP) in 1972, the American people demanded his scalp. It remains to be seen what the reaction will be now that AIPAC has had its first damaging defection—from its own "plumbers unit."

Gregory Slabodkin worked for a number of years in AI-

PAC's Policy Analysis unit. Slabodkin eventually got turned off by some of the dirty deeds he was ordered to carry out by the unit's chief, Michael Lewis, and he quit his job and went public with his story. Not surprisingly, Michael Lewis is the son of Dr. Bernard Lewis, the Oxford-trained Arabist who was the architect of the Carter administration's "Arc of Crisis" policy which abetted Ayatollah Khomeini's Islamic Revolution in Iran and the spread of fundamentalism throughout the region.

Policy Analysis, the super-euphemistic name given to AIPAC's "plumbers," maintains dossiers on thousands of American activists—many of them Jewish! University professors who criticize AIPAC or ADL's activities are placed on a blacklist. Their lectures are monitored by spies, who occasionally stage noisy disruptions. Their homes and cars are vandalized. University alumni linked to ADL and AIPAC threaten to pull financial backing from the schools unless the targetted faculty members are immediately fired or blocked from tenure.

Members of Congress are cast as either friends or targets of the ADL-AIPAC syndicate. If they are on the friendlies list, they may be the recipients of weekly computerized blackmail dossiers on some of their colleagues and other policy shapers, which are called "Activities." The "Activities" dossiers are sent out in plain white envelopes bearing no organizational emblems. Deniability is a priority, and the whole filthy blackmail and extortion program was 100% deniable—until Slabodkin's defection, complete with reams of AIPAC documents.

AIPAC's unit maintains a singularly close link to the ADL's parallel Fact Finding department, which engages in the exact same kind of activity. In fact, shortly after Thomas Dine took over as executive director of AIPAC, he hired Amy Goott as the first full-time staffer of the Policy Analysis unit. Goott had worked for years at the ADL; her shift of address was apparently blessed by her bosses at the League, and she continued for a period of time to work for both agencies, thereby assuring near-total integration at the covert operations level.

One feature of the job that ultimately got under Gregory Slabodkin's skin was the fact that many of his targets were themselves prominent Jewish activists, usually affiliated with left-wing causes in both the United States and Israel. Many were outspoken critics of the Israeli Likud government's brutality toward the Palestinians living in the occupied territories. Many simply favored a peaceful and equitable solution to the Arab-Israeli conflict. Many of these Jewish activists were treated to the same violence and vicious smearing by ADL-AIPAC that was meted out to Palestine Liberation Organization (PLO) officials!

This "McCarthyite" targeting of prominent Jews who simply bucked the ADL or AIPAC on some policy issue or financial deal underscores the fact that the League and AIPAC are anything but a Jewish "defense organization."