

# The Abramoff affair: Corruption scandal threatens Republican control of US Congress

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Michael Scanlon, a Republican political operative, publicist and former press spokesman for House Majority Leader Tom DeLay, pled guilty November 21 to conspiring with lobbyist Jack Abramoff to bribe a Republican congressman and cheat several American Indian tribes out of tens of millions of dollars.

Scanlon's guilty plea—and even more his agreement to cooperate fully with federal prosecutors and testify against former colleagues—has sent a chill through Republican ranks and raised the prospect of numerous indictments, convictions and jail terms for congressmen and congressional staffers as well as Bush administration officials involved in the rampant corruption of official Washington.

By the end of last week, there were press reports that at least four Republican legislators and 17 staffers and former staffers were the targets of the Justice Department investigation into the Abramoff affair. The *Wall Street Journal* named DeLay, Congressman Robert Ney of Ohio, Congressman John Doolittle of California, and Senator Conrad Burns of Montana as targets, as well as several former Bush administration officials. The *Washington Post* reported that prosecutors had informed Congressman Ney that he was the subject of a bribery investigation and added that the wives of DeLay and Doolittle had also been linked to Abramoff's influence-peddling schemes.

The Abramoff affair could have much wider implications. A reporter for *BusinessWeek*, on a television interview program, said that his Justice Department sources had told him that as many as 60 congressmen could be implicated in the bribery scandal—far more than enough to threaten control over the House of Representatives, where the Republican majority is 231-202, with one independent.

The Associated Press named eight more congressmen and senators who received contributions engineered by Abramoff in return for political favors, four Republicans and four Democrats. The Republicans were congressmen Charles Taylor of North Carolina, J. D. Hayworth of Arizona, Todd Tiahrt of Kansas and Dave Camp of Michigan. The Democrats included three senators, Carl Levin and Debbie Stabenow of Michigan and Byron Dorgan of North Dakota (the senior Democrat on the committee now investigating the Abramoff affair), and Congressman Dale Kildee of Michigan.

Previous press accounts have noted that House Speaker Dennis Hastert of Illinois, a Republican, and the leading Democrat in the Senate, Minority Leader Harry Reid, received substantial campaign contributions from groups directed by Abramoff, most of them Indian tribes seeking congressional favors for their casino gambling operations.

While some of these contributions went to leading Democrats, particularly members of the Indian Affairs committees of both houses,

the bulk of the cash went to the Republicans—both because they had the deciding role, as the majority party in both houses, and because Abramoff built his lobbying empire on his longstanding ties to top Republican figures like DeLay, chief Bush political aide Karl Rove, anti-tax lobbyist Grover Norquist and Ralph Reed, former head of the Christian Coalition.

When Abramoff was president of the National College Republicans in the mid-1980s, his two top deputies were Norquist and Reed. All three went on to prominent positions in far-right politics. Abramoff turned to lobbying for the Nicaraguan contras and anti-communist terrorist groups in southern Africa, and then, especially after the Republican takeover of Congress in 1994, to lobbying for commercial and business interests.

With the installation of the Bush administration, the well-connected Republican lobbyist could virtually name his price for influence-peddling, and he rapidly became a multi-millionaire wheeler-dealer, representing, among other companies, Tyco International and Unisys Corp.

The essential mechanism of Abramoff's operations, as detailed in press accounts and Senate hearings over the past 18 months, was to plunder the extensive lobbying funds provided by Indian tribes with lucrative gambling operations. Abramoff directed much of these funds to Scanlon, who left DeLay's office in 2000 to set up a publicity firm in Washington to cash in on his high-level Republican connections. Scanlon then kicked back half the profits secretly to Abramoff.

From 2001 to 2004, according to documents filed in federal court in Washington DC, Abramoff and Scanlon together raked in some \$82 million in payments from the Indian tribes. Scanlon himself billed four Indian tribes \$53 million during this period, while kicking back \$19 million under the table to Abramoff.

The 35-year-old Scanlon, who was still paying off college loans from his congressional staff salary in 1999, became a millionaire overnight, buying several million dollars in beachfront property in Delaware shortly after going into business for himself. Five years later, even after agreeing to \$19 million in restitution to the tribes, according to one press account, he still retains significant personal wealth.

Abramoff manipulated the Native American tribes, using his influence with Christian fundamentalist groups opposed to gambling in order to extract what amounted to political protection money. In the most notorious case, Abramoff mobilized the Christian fundamentalists to spike the bid of a smaller Indian tribe to establish a casino that would have undercut the profits of his clients, the Louisiana band of Coushatta Indians.

The Coushattas hired Abramoff and Scanlon to shut down a casino

run by the Jena band, another Louisiana tribe, at Livingston, Texas, on the Texas-Louisiana border. At Abramoff's direction, the Coushattas funneled money to various Republican political action committees and conservative groups, including two campaign committees run by DeLay, ARMPAC and TRMPAC.

Abramoff and Scanlon used Ralph Reed as their contact with Christian right groups and also contacted John Cornyn, then the Texas attorney general, now a US Senator, seeking legal action to block the Jena casino. Reed organized a group of 50 pastors to meet with Cornyn. He subsequently told Abramoff in an e-mail, "We have also choreographed Cornyn's response. The AG will state that the law is clear... and pledge to take swift action to enforce the law." The ministers were reportedly unaware that their moral outrage at gambling was being used to aid one gambling interest against another.

Even more brazen was the effort of Abramoff and Scanlon to funnel millions of dollars through Reed for a campaign to shut down the El Paso, Texas casino run by the Tigua tribe. After the casino was shut down, Abramoff and Scanlon induced the Tiguas to hire them to wage a campaign to allow the casino's reopening. Although the Tiguas paid out millions, however, this effort failed.

Abramoff and Scanlon discussed their devious operations in language of unvarnished cynicism, as revealed in e-mail exchanges made public by the Senate Indian Affairs Committee. In one memo to Abramoff, Scanlon wrote, referring to the Christian fundamentalists: "The wackos get their information through the Christian right, Christian radio, mail, the internet and telephone trees. Simply put, we want to bring out the wackos to vote against something and make sure the rest of the public lets the whole thing slip past them."

This could serve as a crude but nonetheless telling summary of the entire political strategy of the Bush administration: mobilize the "wackos" while keeping everyone else in the dark.

While there has been substantial media publicity over Abramoff's gulling of the Indian tribes, the Republican lobbyist has been indicted so far only in an unrelated case of business swindling in south Florida, when he and an associate took control of SunCruz, a cruise line that offered gambling tours, using allegedly fraudulent financial information and bad checks.

With Scanlon's testimony, however, an indictment for swindling the Indian tribes could be forthcoming shortly. The most recent *Wall Street Journal* and *Washington Post* accounts reveal that the Justice Department task force looking into the influence-peddling cases has grown to 35-40 people, suggesting that multiple high-level criminal cases could be brought.

Particularly ominous, from the standpoint of targeted congressmen, is the prospect that criminal bribery charges could be brought over campaign contributions, even though the cash did not go directly into the congressmen's pockets, but to finance their reelection efforts. The whole purpose of the elaborate Federal Election Commission ritual has been to legalize the escalating financial subsidies from corporate interests to legislators.

One of Abramoff's favorite tactics was to hire the wives of congressional staffers or of the congressmen themselves, providing what amounted to a direct payoff under the cover of employment. One Abramoff-linked company, Alexander Strategy Group, run by former DeLay staffers Edwin Buckham and Tony Rudy, hired Christine DeLay, the congressman's wife, "to determine the favorite charity of every member of Congress," according to a *Washington Post* account. This not terribly complex job—presumably 435 phone calls would have sufficed—resulted in payments to Christine DeLay of \$3,200 to \$3,400

a month for three years, for a total of \$115,000. The DeLays' family lawyer, Richard Cullen, told the *Post*, "It wasn't like she did this 9 to 5, but it was an ongoing project. This was something that she found to be very interesting, very challenging and very worthwhile."

As the criminal information published by the Justice Department in connection with Scanlon's guilty plea states, the contributions to the congressional campaign funds as well as personal gifts, such as Super Bowl tickets, vacation trips, and expensive restaurant meals, were "in exchange for a series of official acts." These included passing legislation, agreeing to put statements into the Congressional Record, contacting federal officials to influence decisions, meeting with Abramoff's clients, and awarding contracts for improvements in congressional office buildings.

While the Republican lobbyist has so far only been indicted in the Florida case, and has not yet been convicted of any crime, the details flooding out into the media demonstrate the extraordinarily corrupt alliance of Christian fundamentalists, Jewish ultra-Zionists, anti-tax zealots and rabid neo-conservative ideologues in the service of corporate America.

The scandal—the word is unavoidable but inadequate, since it is here describing the rule, not the exception, in today's Washington—reaches into the highest rungs of the Republican Party leadership and the Bush administration. DeLay, forced to step down as House Majority Leader after his indictment on an unrelated political corruption case in Texas, is the first top-level casualty. He once described Abramoff as "one of my closest and dearest friends."

A mid-level White House official, David Safavian, chief procurement officer at the Executive Office and previously chief of staff at the General Services Administration, was indicted last month on charges that he lied to federal investigators about a junket he took with Abramoff, Reed and Congressman Ney to Scotland.

There may well be further White House reverberations. According to documents released November 9, Abramoff sought a \$9 million payment from the West African nation of Gabon to arrange a meeting with President Bush. Abramoff asked for the money to be paid through wire transfers to a company he controlled privately, rather than to the lobbying firm of Greenberg Traurig, where he was then employed. President Omar Bongo met with Bush in the Oval Office 10 months later, but there has as yet been no confirmation that he either made the payment to Abramoff or received the invitation in return. White House officials denied any connection, claiming that the Bongo visit was "part of the president's outreach to the continent of Africa."



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