The Abramoff affair: Snapshots from an empire of corruption

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Many episodes in Abramoff's relations with various congressmen have already been given considerable exposure in newspaper accounts and court filings. What follows is a summary of the most revealing:

In what seems to have been a dress rehearsal for the Coushatta Indian shakedown, Abramoff and Tony Rudy, a senior aide to then-House Majority Whip Tom DeLay, induced a prominent Christian fundamentalist to intervene against a bill restricting Internet gambling, without telling him that Abramoff was working on behalf of eLottery, a Connecticut-based e-gambling company.

In the spring and summer of 2000, after the Internet Gambling Prohibition Act had passed the Senate and was moving through the House of Representatives, Abramoff was hired by eLottery to spike it. He arranged for a $25,000 payment from eLottery to a foundation which hired Rudy's wife as a consultant, then himself hired Rudy as a lobbyist after the gambling bill was defeated.

As reported by the *Washington Post* October 16, Abramoff hit on the idea of inducing Christian fundamentalists to oppose the ban on e-gambling on the grounds that it did not go far enough, since the bill had loopholes to protect established horse-racing and jai alai interests. To disguise the source of funds, he had $150,000 funneled from eLottery through Grover Norquist of Americans for Tax Reform, then to a fundamentalist lobby called the Faith and Family Alliance, then to Ralph Reed's Century Strategies company, before it reached the Rev. Louis P. Sheldon of the Traditional Values Coalition. Sheldon, apparently unwitting, came out publicly against the Internet gambling bill, breaking with other fundamentalist groups like the Moral Majority and Focus on the Family.

This money-laundering had an additionally seedy aspect: according to the *Post* account, the director of the Faith and Family Alliance, Robin Vanderwall, a former colleague of Reed's at the Christian Coalition, "was later convicted of soliciting sex with minors via the Internet and is serving a seven-year term in Virginia state prison."

Ultimately, the combined efforts of DeLay inside the House of Representatives and Sheldon's lobbying outside tipped enough Republican votes. The ban on Internet gambling failed to get the two-thirds majority required to clear a procedural hurdle, and the effort was abandoned.

In the course of 2000, Congressman Robert Ney of Ohio twice placed into the Congressional Record remarks on a topic far-removed from his southeast Ohio district, an impoverished area on the border of Appalachia, once a center of coal mining. Ney denounced Gus Boulis, the owner of SunCruz Casinos, which operated a fleet of gambling boats based in south Florida (the boats went out beyond the three-mile limit to evade state gaming laws). And he praised the would-be purchaser of the company, Adam Kidan, whose partner in the business venture was Jack Abramoff.

Kidan and Abramoff had been members of the College Republicans together at Georgetown Law School. Kidan had later developed a close business relationship with Anthony "Big Tony" Moscatiello, linked in the press to the Gambino crime family. That did not stop Congressman Ney from praising Kidan lavishly and hailing the proposed sale of SunCruz by Boulis, which took place in September 2000.

Subsequently, aides to Ney and Tom DeLay were flown to Tampa, Florida on a SunCruz corporate jet to attend the 2001 Super Bowl, courtesy of Abramoff. Ney and his sons were invited but passed up the trip, although Ney went on at least three other junkets with Abramoff, including one to Scotland and another to the Northern Marianas Islands.

Shortly after the Super Bowl, Boulis, the man denounced by Ney from the safety of the House of Representatives—where he enjoyed immunity from libel action—was murdered in south Florida in a mob-style hit. Three men have been arrested and charged with the murder, including Moscatiello, who had been hired to supply "catering and security services" to SunCruz, as well as Anthony "Little Tony" Ferrari and James "Pudgy" Fiorillo.

Kidan and Abramoff awarded themselves $500,000 salaries and other perks from SunCruz, but it later emerged that they had borrowed $60 million to finance the takeover without putting down any of their own money. The two were indicted last summer for allegedly filing false documents showing they had invested $23 million in the purchase.

Michael Scanlon has now agreed to cooperate with the prosecution in the SunCruz fraud case. In his plea agreement, Scanlon admitted that he helped persuade Congressman Ney to

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insert comments into the Congressional Record that were "calculated to pressure the then-owner to sell on terms favorable" to Abramoff and Kidan.

No account of Abramoff's operations would be complete without noting his close ties to right-wing Zionist groups in Israel. These surfaced in at least two incidents detailed in court documents related to the indictment of Michael Scanlon.

In 2002, Congressman Ney, in his capacity as chairman of the House Administration Committee, approved a license for an Israeli telecommunications company to install wireless antennas for the House of Representatives. His decision bypassed the usual bidding process and led to protests from competitors of Foxcom Wireless, the Israeli company. Foxcom subsequently paid Abramoff $280,000 for lobbying and donated $50,000 to a charity controlled by Abramoff.

The House of Representatives had earlier authorized a group of wireless companies to select a company which would install antennas for cellular phones in the Capitol and House office buildings, where service was poor. The companies were to choose the contractor and pay for the work, and they initially chose LGC Wireless of San Jose, California for the $3 million contract.

Foxcom Wireless, then an Israeli start-up, lobbied for the job. (After the job's successful completion, Foxcom moved its offices from Jerusalem to Vienna, Va., in the Washington suburbs, and renamed itself MobileAccess Networks). Ney delayed the award of the contract, sparking a protest from LGC about the "highly politicized selection process." In November 2002, Ney gave Foxcom the contract. He has refused to release documents about the award, on the grounds that the Freedom of Information Act does not apply to Congress.

More sinister is Abramoff's apparent connection to efforts to train ultra-right Zionist settlers in Israel in how to kill Palestinians. The *New York Times* made one cryptic reference to this on November 4, in an article which noted in passing that Abramoff's private charity, the Capital Athletic Foundation, "has come under scrutiny by Senate investigators since the foundation was used to underwrite overseas travel by members of Congress and senior government officials, as well as a Jewish day school that Mr. Abramoff had established and paramilitary training for kibbutz residents in Israel. Mr. Abramoff's e-mail messages describe the training program as a 'sniper school.'"

There is a grim irony in the possibility that contributions from American Indian tribes ultimately made their way to ultra-right settlers on the West Bank, many of them transplanted American Jews who boast of treating the Palestinians in the same way that white settlers in the Old West treated the Native Americans.

One of the principal beneficiaries of cash from Abramoff was the Council of Republican Environmental Activists (CREA), which received hundreds of thousands of dollars in contributions from Indian tribes at Abramoff's direction. The CREA was a peculiar target for the dollars of American Indian tribes, since its main function is to provide suitably "green" rationales for the rape of the American landscape by giant mining, timber and oil companies, frequently to the detriment of the Native American population.

Both Indian affairs and the environment are under the purview of the Department of the Interior, where the highest-ranking executive branch beneficiary of Abramoff's attentions, J. Steven Griles, worked until recently. Griles was deputy secretary of interior, making him number two at the agency to Secretary Gale A. Norton (herself a right-wing activist who co-founded CREA with Grover Norquist). He was frequently lobbied by Abramoff on behalf of his tribal clients.

At a tense hearing November 3 before the Senate Indian Affairs Committee, the former legal counsel to the department, Michael G. Rossetti, sat next to Griles and directly contradicted his claim that he had never intervened in Indian casino matters during his four-year tenure. At one point, Rossetti testified, he demanded to know the reason for Griles' intervention on a particular issue, and asked him "whose water was he carrying."

Documents presented to the committee session included 300 pages of e-mails detailing close relations between Abramoff and Giles, including one in which Abramoff wrote that he had offered Griles a job and, "I expect he will be with us in 90-120 days. This will restrict what he can do for us in the meantime." Griles acknowledged the job offer, which he said he had rejected and then immediately reported to the Interior Department's ethics officer.

CREA's current chief, Italia Federici, also testified—only after initially refusing to appear until US marshals served her with a subpoena. She admitted receiving $250,000 in contributions from Indian tribes, but denied having used her personal relationship with Griles to influence Interior Department actions on behalf of Abramoff's clients. One e-mail released by the committee was a message from Abramoff to Federici about the Louisiana Jena tribe's casino: "Can you make sure Steve knows about this and puts the kibosh on it? Thanks."

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