

Top Republican lobbyist turns state's evidence in Washington corruption scandal

Patrick Martin
5 January 2006

Republican lobbyist Jack Abramoff pled guilty Tuesday to charges of fraud, tax evasion and conspiracy to bribe public officials, setting the stage for a wide-ranging exposure of corporate corruption and influence-peddling in Washington. Abramoff signed a plea agreement with federal prosecutors in which he promised to testify against the congressmen, congressional aides and executive branch officials who received his cash and favors.

In return for this cooperation, the Justice Department has agreed to request a sentence of between nine and eleven years in prison for Abramoff, and will allow him to serve concurrently the seven-year term he is expected to receive after he pleads guilty to separate fraud charges concerning his purchase of a Florida company that operated casino gaming boats.

The fallout from Abramoff's plea bargain is expected to be far-ranging. Various estimates in the media put the number of congressmen, congressional aides and Bush administration officials who could be implicated in the vast web of bribery and fraud surrounding Abramoff at between eight and several dozen.

Regardless of the exact number of indictments, convictions or resignations produced by the Abramoff affair, its basic significance is what it reveals about the essence of official American politics, in which corporate lobbyists buy and sell congressmen and government officials, and the entire political system functions to enrich the wealthiest one percent of the American population.

Abramoff is only the most egregious of the corporate influence-peddlers who now number more than 20,000 in Washington. Under terms of his plea agreement, the former Republican operative will disgorge \$25 million in funds swindled from clients, mainly Indian tribes whose interests he claimed to represent before Congress and the Department of the Interior—especially in the struggle for lucrative casino gambling licenses. He will also pay \$1.7 million in back taxes to the Internal Revenue Service.

According to a report by the Center for Responsive Politics, which tracks campaign contributions, Abramoff has directed more than \$4.4 million over the past six years to various candidates and campaign committees. While Abramoff and his various shell companies contributed exclusively to Republicans, much of the money provided by clients like the Indian tribes went to Democrats and Republicans in nearly equal amounts.

The Indian tribes were defrauded on a colossal scale, as Abramoff collected large fees from them while directing their business to the public relations firm run by his crony, Michael

Scanlon. The latter was formerly the spokesman for the congressional office of Tom DeLay, who, until recently, was the Republican majority leader in the House of Representatives. Scanlon was Abramoff's secret partner, kicking back to Abramoff about half of all the billings he received from the tribes.

One Louisiana tribe paid Scanlon-controlled companies over \$30 million between 2001 and 2004, of which \$11.5 million was kicked back to Abramoff. A Mississippi tribe paid Scanlon \$14,765,000 over the same period, with Abramoff receiving \$6,364,000 of that sum under the table.

Abramoff manipulated his Indian clients by secretly encouraging opposition to their casino gambling projects, using his contacts on the Christian right, and then inducing the tribes to pay him for advice and assistance in overcoming that opposition. On several occasions, when Indian tribes were in conflict over casino licenses in the same state, Abramoff succeeded in pitting one client against another and collecting from both.

Much of Abramoff's lobbying involved hiring congressional staffers from the offices of influential Republican congressmen, who could use their connections to obtain political favors. He relied especially on former aides to DeLay, who was the House majority whip at the time that Abramoff began to profit from their relationship.

In addition to his secret partner Scanlon, Abramoff worked with Edwin Buckham, a former DeLay chief of staff who set up the Alexander Strategy Group, a consulting firm, and with Tony Rudy, DeLay's deputy chief of staff, who went to work at Buckham's firm. Alexander Strategy Group also hired DeLay's wife Christine, paying her \$115,000 over a three-year period for performing a "special project" that consisted of contacting members of Congress to find out their favorite charity—so that potential contributors would know how best to please a legislator they wanted to influence.

In the week before his guilty plea, more information was made public about the sordid financial operations of Abramoff's empire. The *Washington Post* published a lengthy exposé of the US Family Network, a right-wing advocacy group set up with money from Abramoff clients for the purpose of lobbying Congressman DeLay. While the group was purportedly formed to promote Christian morality and "family values," according to the *Post* the money came from Russian energy industry moguls who wanted DeLay's support for an IMF bailout of the Russian economy.

Textile companies in the Mariana Islands in the western Pacific

also gave money to the US Family Network, for which they “solicited and received DeLay’s public commitment to block legislation that would boost their labor costs,” the *Post* reported.

According to the former director of the US Family Network, Christopher Geeslin, Edwin Buckham told him that the Russian businessmen had initially proposed to provide the funding through a delivery of cash which Geeslin would pick up at a Washington-area airport. “Ed told me, ‘This is the way things work in Washington,’” Geeslin told the *Post*. “He said the Russians wanted to give the money first in cash.”

The *Post* article also described DeLay’s first visit to the Choctaw Reservation near Meridian, Mississippi, to see the tribe’s 500-room hotel and 90,000-square-foot casino, as well as its golf course, ostensibly to determine whether it would be suitable for a charitable fundraising event.

The visit, organized by Buckham and Abramoff, took place from July 31 to August 2, 1998, at the height of the right-wing hysteria over Clinton’s sexual relationship with Monica Lewinsky. While there were howls of moral outrage against Clinton on Capitol Hill, the most powerful House Republican—a fundamentalist Christian—was touring a gambling house in the company of lobbyists.

Abramoff was more than just a corrupt influence-peddler. He had close connections to the underworld of extreme right and fascist elements, both within the United States and internationally. In the early 1980s, Abramoff headed Citizens for America, a group founded by drugstore multimillionaire Lewis Lehrman. In that capacity he organized a meeting of anticommunist guerrillas from Laos, Nicaragua, Afghanistan and Angola, under the auspices of Jonas Savimbi, leader of the South African and US-backed UNITA guerrillas. Savimbi was one of the most notorious mass murderers in Africa.

The Republican operative also worked under contract for the South African apartheid regime, which paid \$1.5 million a year to Abramoff’s International Freedom Foundation, a nonprofit group he ran from his own home. During this period, Abramoff also tried to make money as a Hollywood producer, organizing the production of an anticommunist potboiler, *Red Scorpion*, which was shot in South African-occupied Namibia.

Abramoff also obtained a contract from the Pakistani military to lobby the Clinton administration in 1995 over the sale of F-16 fighters. The sale was being held up by concerns over Pakistan’s nuclear program. (The Pakistani military was then the leading sponsor of an Islamic fundamentalist movement in Afghanistan which, under the name “Taliban,” would go on to seize power).

The Abramoff affair could have a major impact on the balance of power in Congress, where the Republicans have narrow majorities in both the House and Senate. At least three Republican congressmen—Robert Ney of Ohio, Tom DeLay of Texas, and John Doolittle of California—are believed to be targets of the federal investigation, along with Senator Conrad Burns of Montana, a Republican, and Democratic senators Byron Dorgan of North Dakota, Max Baucus of Montana, and Harry Reid of Nevada, the minority leader.

According to some press accounts, as many as a dozen sitting congressmen could be implicated in the probe, as well as

numerous congressional aides, the vast majority of them Republicans, some of them former aides turned lobbyists who went to work for Abramoff. The *Washington Post* reported, citing officials familiar with the inquiry, that Abramoff “has agreed to provide information and testimony about half a dozen House and Senate members... He also is to provide evidence about congressional staffers, Interior Department workers and other executive branch officials, and other lobbyists.”

The first response of the Bush administration and the congressional Republican leadership to Abramoff’s guilty plea was a round of announcements that they were returning campaign contributions made by Abramoff or his clients. While intended to provide what the CIA would call “deniability” for some criminal scheme, it does little to disguise the close relationship between the Republican politicians and the lobbyist.

The Bush re-election campaign plans to return \$6,000 raised by Abramoff. Abramoff was a Bush Pioneer, earning that status by soliciting more than \$100,000 in contributions to the re-election campaign. Only the donations from Abramoff, his wife and a client are being returned.

Others returning contributions, or donating them to charity, include Republican congressmen like Ralph Regula of Ohio, Roy Blunt of Missouri, the interim majority leader, Eric Cantor of Virginia, a House whip, Donald Manzullo of Illinois, and Bud Shuster and Melissa Hart of Pennsylvania, as well as DeLay and Speaker Dennis Hastert.

Senate Majority Leader Bill Frist’s political action committee will return \$2,000 from the Saginaw Chippewa Indian Tribe, an Abramoff client. Several Democrats will follow suit, including Senator Richard Durbin and Congressman Lane Evans, both of Illinois.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact