

Dozens arrested in New Jersey corruption probe

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A two-year federal investigation of local corruption concluded last week with the arrest of 44 individuals in the state of New Jersey. The charges filed on July 23 are the largest in a virtually continuous series of similar scandals that have snared well over 100 local politicians in the past decade in this populous state in the Northeast.

Both Republican and Democratic politicians have been indicted over the years, although the latest arrests netted overwhelmingly Democrats, including the mayors of three New Jersey cities, Hoboken, Ridgefield and Secaucus, all only a stone's throw from the island of Manhattan on the other side of the Hudson River. The mayor of Hoboken, Peter Cammarano, was sworn in only three weeks ago, after winning office as a "reform" candidate. Others charged included the president of the Jersey City Council, two state assemblymen, and assorted other local officials.

In a somewhat unusual twist, among those arrested were five rabbis from the Syrian Jewish community, based largely in Brooklyn as well as in the seaside town of Deal, New Jersey. The rabbis were charged with money laundering, while most of the other defendants will face charges of bribery and influence peddling.

The rabbis include 87-year-old Saul J. Kassin, who leads the largest Sephardic synagogue in the US, Shaare Zion in Brooklyn. Kassin essentially succeeded his late father, who died in 1994, as the leading figure in the national Sephardic community. The arrest of Kassin and his fellow clerics has badly shaken the Sephardic community of some 75,000.

Connecting both sets of cases is the federal informant who played the crucial role in the sting operations that ensnared those arrested. He is Solomon Dwek, a well-connected real estate developer in the Syrian Jewish

community who was arrested for bank fraud in 2006, and soon began cooperating with the authorities in an effort to obtain more favorable consideration of his own case.

It was Dwek who approached the rabbis and others to ask for help in laundering money to hide his assets. He also posed as a developer with real estate projects who needed support from local and state officials. Dozens were happy to oblige him for relatively small sums, usually \$10,000 but sometimes less. The various transactions were caught on tape. In one conversation Dwek says he is neither a Democrat nor a Republican, but rather with the "green" party. "Green is cash," he says, making it clear he was not describing environmental activism.

Lawyers for some of the defendants criticized the authorities for entrapment tactics, and it certainly appears that none of the specific crimes with which they are charged would have taken place if not for the stings involving Dwek. Dwek's motive was obvious, and the government will probably make no effort to deny it. At the same time, a spokesman for the US Attorney in New Jersey expressed confidence that the charges would hold up. "Every time it has been raised in similar circumstances, those individuals have ultimately pleaded guilty or have been convicted—in every single instance," he said. Criticism of entrapment tactics has rarely swayed juries when they are confronted with obviously crooked politicians who have been caught on tape accepting bribes and conspiring to hide their actions.

Another significant factor in the latest series of arrests is the candidacy of Christopher Christie for Governor of New Jersey in the election due this November. New Jersey is one of only two states slated to elect governors in 2009. Christie served for seven years as

the US Attorney in New Jersey, having been appointed by George W. Bush in 2001 and resigning last December as he made plans to run for governor. Thus it was Christie who initiated and presided over the probe that has now netted dozens of Democratic politicians.

It certainly appears that the former federal prosecutor was one of those who eagerly pursued Democrats, unlike those prosecutors who were removed under then-Attorney General Alberto Gonzales for resisting politically motivated investigations. The scandal over the firings of those officials helped lead to the resignation of Gonzales in the last year of the Bush administration.

While Christie has sought from the outset to follow in the footsteps of Rudolph Giuliani, another prominent federal prosecutor who later sought political office, the Democratic politicians gave him plenty of ammunition. Among those brought down by corruption charges in recent years have been Sharpe James, the former mayor of Newark, the state's largest city, and Wayne Barrett, a state senator from Camden and a leading power broker in the state legislature.

The latest arrests are exceedingly well timed for Christie's campaign against Democrat Jon Corzine, who is running for reelection. Corzine, a multimillionaire former chairman of Goldman Sachs, who in the past has called himself a liberal and who spent a sizable chunk of his personal fortune to win office four years ago, is now on the defensive and running far behind in the pre-election polling. The stench of corruption will further weaken Corzine, but the deepening crisis of foreclosures and unemployment is an even bigger factor in the problems facing most incumbent politicians in 2009.

The facts speak for themselves, and they demonstrate that both big business parties are up to their necks in corruption scandals. The Bush administration had its Abramoffs and countless other examples, while the Democrats in New Jersey and elsewhere are just as involved in official misconduct, as demonstrated most recently by former Illinois Governor Rod Blagojevich and many others. Perhaps the most noteworthy aspect of the latest scandals is how cheaply these big business politicians can be bought.

While corruption of this sort has always been endemic to capitalist politics, the current wave of scandals in north Jersey is undoubtedly bound up with

all of the other grotesque excesses of the speculative boom, including the far more lucrative criminality and corruption on the other side of the river, on Wall Street. In the meantime, before the stings could be brought to fruition, the boom had collapsed.



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