

Corruption scandal threatens to implicate DC mayor

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In recent days, residents of the nation's capital have viewed the rapidly unfolding details of a massive campaign fraud that potentially runs all the way up to the Democratic mayor of the District of Columbia, Vincent Gray.

The allegations cover the period of the 2010 mayoral elections, when Gray was challenging the incumbent, Democrat Adrian Fenty. What has been uncovered in the past few days is a virtual nexus of private and political interests operating behind the scenes in Washington DC local politics.

Several of Gray's aides have been implicated in what has been referred to as a "shadow campaign," funneling as much as \$653,000 in secret donations by DC private contractor and influence peddler Jeffrey E. Thompson. Reportedly up to a third of Gray's 2010 funding came from these undisclosed sources.

"This \$650,000 is enough money to buy a local election, and it appears it bought the mayor's office for Vincent Gray," said Bill Lightfoot, Fenty's 2010 campaign chair, speaking on the use of the illegal cash in the local race in comments quoted in the *Washington Post*.

The illegal cash had been used to purchase material to support Gray's electoral effort in southeast DC, an impoverished area and the source of much of Gray's 2010 support.

Details came to light when Gray's public relations spokesperson Jeanne Clarke Harris pled guilty for conspiring to break federal and local campaign laws. Harris allegedly served as the go-between for Gray and Thompson, disguising the infusions of cash as her own income, which she would then funnel through various means to Gray as well as other local politicians. Later, Harris was said to have reimbursed Thompson for a portion of his funds.

Harris' and Thompson's offices were first raided in March, dating from an investigation by federal authorities into Gray's campaign spending last year. There was reportedly another person involved in the disbursement of the funds, although Harris refused to name them in court.

The exposure of such illegality has also given credibility to other accusations that have been raised against the mayor.

In addition to this most recent charge is the guilty plea by two former Gray aides, accused of bankrolling minor candidate Sulaimon Brown in 2010. Brown was allegedly given funding to remain in the race, for express purpose of publicly attacking Fenty. Brown was later hired as a member of Gray's staff once the election was over, only to be fired shortly thereafter.

The allegations come just one month after head DC Councilman Kwame Brown was forced to resign after being found guilty of banking fraud, in which the councilman had used city funds to pad his own personal expenses. Another former council member, Harry Thomas Jr., is currently serving three years in prison for embezzling \$350,000 worth of city funds.

Gray for his part has denied any prior knowledge of the fraud, refusing to step down in the face of calls for his resignation. "I got into this for the right reasons," Gray stated, later emphasizing that he could "look at himself in the mirror every morning and respect what he sees."

However, the *Post* revealed that Gray had been aware of the illegal funding as early as January of this year. Gray had reportedly met with Harris in order to discuss "the 2010 campaign and the investigations into it."

According to several aides, Gray had ordered Harris "to submit records of any expenditures" to his staff, so that "if asked for, they might be provided to Gray's

legitimate campaign for reporting.”

Integral to this is the role of multimillionaire “self-made” businessman Jeffrey Thompson. Thompson, who was forced to resign from his private health care firm, DC Chartered Health Plan, in the wake of the recent scandal, holds the city’s largest government contract, estimated at \$322 million yearly.

The firm itself, since being acquired by Thompson in 2000, was subjected to light regulation, despite being responsible for a substantial portion of low-income residents’ medical treatments. The DC inspector general reportedly accused the firm of keeping “poor documentation” and said it “was not managing its responsibilities well.”

In 2008, the firm was prosecuted for forming business links to other Thompson-owned firms, allowing the firm to conceal various expenses, for which Thompson was later reimbursed. Thompson has declined to speak to the press about the recent allegations.

Thompson is of particular interest not just for his political ties, but for the social type he has come to represent. Credited by the *Post* as possessing “one of the nation’s largest minority-owned accounting firms,” he is a prime example of the intersecting interests of big-money politics, governmental corruption and identity politics.

In the 1990s, Thompson allegedly purchased a building which was used as the headquarters for the National Council of Negro Women in downtown Washington DC. Commenting on this, Thompson stated that it was “important ... to us as a people to have a home on Pennsylvania Avenue.” Thompson was also reportedly a heavy supporter of the Obama campaign in 2008.

Undoubtedly, many new details will come to light in the coming weeks about Gray’s campaign. Federal authorities are particularly worried that further revelations might implicate the DC political apparatus beyond the Gray camp.



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