

Top New York state Democrat indicted for corruption

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In a major scandal that exposes the thoroughgoing rot and hypocrisy of capitalist politics, Sheldon Silver, Democrat and long-time Speaker of the New York State Assembly, was indicted last Thursday on charges of corruption. A federal magistrate issued orders to freeze more than \$3.8 million in various bank accounts controlled by Silver, whose legislative salary was \$121,000 a year.

As assembly speaker for the past 20 years, Silver wielded tremendous power, along with the governor and the state senate majority leader, as part of the notorious “three men in a room” who made key decisions on state government policy.

In a news conference after Silver’s arrest, US Attorney Preet Bharara stated that the indictment exposes “an overabundance of greed, cronyism and self-dealing.” Silver “illegally monetized his public position,” Bharara said. The investigations are ongoing, meaning that more indictments may be announced in the future.

The indictment against Silver accuses him of receiving a total of \$4 million in bribes and kickbacks from two law firms, which he reported as legal fees. In one case, Silver allegedly steered a half-million dollar grant to a doctor who had been sending victims of asbestos-related illnesses to a law firm with which Silver was associated, generating millions in fees to the firm. In the other, he is said to have received \$650,000 from a firm representing real estate interests in order to influence relevant legislation.

Silver has been linked to other recent scandals, including one involving New York’s Metropolitan Council on Jewish Poverty, in which more than \$9 million was stolen from the charity by its CEO, a close friend of Silver’s, whose wife is the Speaker’s chief of staff. In other scandals, involving charges of sexual

harassment and official corruption, Silver was accused of using his power and influence to protect members of the Assembly from prosecution.

New York politicians have a long-standing reputation for corruption, with occasional legal entanglements when their activities became especially egregious (see: “Arrests of New York politicians reveal systemic corruption”). Research by Citizens Union found that 28 New York lawmakers have left office because of criminal or ethical issues since 2000. Over the past six years, six New York legislative leaders have faced prosecution, including Republican Joseph Bruno, the former Senate Majority Leader.

The state government in Albany has long been a watchword for political corruption, summed up in the slogan “pay to play,” as business interests ante up for legislators who steer state contracts to them. It has long been an open secret that Silver and other legislators appeared to have incomes much higher than could be accounted for in official disclosures, but nothing was done about it.

Claiming to take up a fight against political corruption among legislators, Democratic Governor Andrew Cuomo established the “Moreland Commission” in 2013, a supposedly independent body to carry out investigations. After an initial show of support and cooperation, the legislature quickly moved to mount legal opposition to the inquiry.

A year later, Cuomo abruptly dissolved the commission without credible explanation. At the time, it was suggested that the investigation was getting too close to Cuomo allies or other powerful figures, perhaps even to Cuomo himself. A subpoena from the commission to Silver was pending, but had been stalled by legal action, when Cuomo acted. The US attorney’s office then took over the commission’s records and

proceeded with the investigations, leading to Silver's indictment.

Bharara is reportedly looking into whether Cuomo attempted to influence the commission. The governor spent \$100,000 on a criminal defense attorney to represent him on this issue.

Cuomo has suggested, in an interview with the editorial board of the *Daily News*, that his disbanding of the Moreland Commission may have been, in part, a way of circumventing the legislature's legal maneuvers against the investigation, thus allowing the federal prosecutor to move forward with the Silver investigation.

Silver has been associated with certain union bureaucracies, including the teachers union, that are currently at odds with Cuomo over the division of the loot in Albany.

Whatever the exact nature of the backstabbing maneuvers, Silver seems to have been done in politically, although he may well escape any legal consequences for his actions. This was the case for Bruno, the former state senate leader, whose corruption conviction was reversed, following a 2010 state supreme court ruling based on the contention that, in effect, influence peddling is standard practice for politicians.

US Attorney Bharara is clearly conscious of boundaries that must not be crossed. He is quoted in the *Daily News* saying, "We are not looking to criminalize ordinary politics. Nor are we demanding that elected officials be virtuous or vice-free."

In other words, the normal practices of class rule, including the routine buying and selling of political patronage, are acceptable. Only when such activities become so egregious as to discredit the entire political system must examples be made.

Political corruption is not the result of a few, or even many, "bad apples," as loathsome as such individuals may be. Rather, it is an intrinsic part of the system of power and privilege of the capitalist class.



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