

Senator Conrad Hits DeLay in Indian Affairs Hearings on Abramoff Looting

by Anton Chaitkin

The Senate Indian Affairs Committee stunned a public hearing by revealing that recent newspaper coverage had inaccurately *understated* what the committee identified as over \$66 million in payments and millions more in political donations, extracted from six Indian tribes by casino lobbyist Jack Abramoff and his secret junior partner Michael Scanlon. The partners shared millions of this loot with former Christian Coalition executive director Ralph Reed, Abramoff's protégé and currently Southeast USA director of the Bush-Cheney election campaign, who has used the Christian Coalition to carry out the Abramoff/Scanlon schemes.

Tension in the Sept. 29 hearings was high, as the stakes are high.

The role of Abramoff, Scanlon, and Reed, in creating House Majority Leader Tom DeLay's Congress-dominating machine, overshadowed the hearings. North Dakota Democrat Sen. Kent Conrad repeatedly brought out the fact that the looters had made their access to DeLay their selling point for getting lobbying contracts with the casino-owning tribes.

Arizona Republican John McCain, who himself has been attacked for pushing these hearings, intervened, in an effort to take the spotlight off DeLay and the Republicans. McCain Grover Norquist, whose Americans for Tax Reform got \$25,000 from the Abramoff Indian loot, has accused McCain of pushing the hearings to get back at Bush partisans for opposing McCain for the 2000 Republican Presidential nomination, and McCain may have been covering himself within the Republican Party as the election approaches.

In the Senators' opening remarks, the perpetrators' leaked e-mails were read and displayed for the hearing, as were Abramoff's references to the tribal leaders whom he was ripping off, as "monkeys" and other racist epithets.

Senator Conrad began in the preliminary statements to highlight the schemes in DeLay's Texas, by Abramoff, Scanlon, and Reed. McCain asked Conrad to move along, not to dwell on this side of things.

Committee Chairman Sen. Ben Nighthorse Campbell (R-Colo.)—himself a chief of the Northern Cheyenne tribe—announced that Mike Scanlon is dodging subpoenas and resisting the committee's request to appear before them. Senator Campbell emphasized that either Scanlon would come volun-

tarily or would be escorted in by Federal marshals.

Jack Abramoff appeared and invoked his Constitutional right not to testify.

Senator Campbell, in his unanswered questions to Abramoff, said that Jewish people had long been the victims of such bigotry as Abramoff showed in his contemptuous e-mails about his clients, so Campbell was surprised to hear this coming from Abramoff. Abramoff presents himself as an Orthodox Jew, and is Tom DeLay's intermediary with the Israeli political forces around Prime Minister Ariel Sharon and his Likud party.

Senator Conrad hit Abramoff with questions centering on his schemes with Ralph Reed and the Christian Coalition. Senator McCain twice asked Conrad to stop asking these questions, since Abramoff was not answering, suggesting that it was "badgering" the witness.

Testimony on the looting, and the manipulation of tribal elections to install Abramoff-controlled tribal leaders, was heard from Richard Milanovich, chairman, Agua Caliente Band of Cahuilla Indians, from Palm Springs, California, and Bernie Sprague, Sub-Chief of Saginaw Chippewa Indian Tribe of Michigan.

The witnesses said the tribes had contributed to political candidates about whom they knew nothing, because Abramoff recommended them. Senator Conrad asked, through several particular questions, to whom did Abramoff say he was going to give you access? And the repeated response was, "Tom DeLay." The Chippewa representative agreed that they had contributed to Abramoff's front, the Capital Athletic Foundation, after Abramoff told them it would "impress Tom DeLay."

McCain responded, during his questioning, by asking, didn't contributions go to both sides of the aisle, Democrats, as well as Republicans? Answer, yes. And this wasn't just about one person, was it? Answer, that's correct. While McCain was making this intervention, a particular communication from Abramoff to one of the tribes was being displayed on a screen for the Senators and hearing's audience, dated Nov. 1, 2002, which stated boldly, "Mr. DeLay assists in raising money for a youth activity organization called Capital Athletic Foundation. . . . They are respectfully requesting a



Senate Indian Affairs Committee hearings into a \$66 million ripoff of Indian tribes by casino lobbyist Jack Abramoff, his secret junior partner Mike Scanlon, and Abramoff protégé Ralph Reed, former head of the Christian Coalition, repeatedly focussed on the fact that the looters had made their access to House Majority Leader Tom DeLay a selling point, in getting lobbying contracts with the casino-owning tribes.

contribution of \$25,000.” No other individual name was displayed on the screen.

A pathetic character who was formerly legislative director for the Saginaw Chippewas, who helped arrange for Abramoff to get in with the tribe, testified that he got his picture taken with President Bush and with Bush adviser Karl Rove, because the tribe had made multiple contributions to the “Republican Eagles” campaign channel.

‘Cesspool of Greed’

CBS News commented on the Sept. 29 hearings, later that day, that “Abramoff and Scanlon were renowned for their ties to DeLay; DeLay is renowned for trying to make paying clients use friendly, Republican lobbyists. Today, Sen. Byron Dorgan [D-N.D.] told the committee Abramoff and Scanlon lurked in a cesspool of greed. A Washington grand jury, the FBI, and a task force of five different Federal agencies are looking into the cesspool.”

EIR asked Senator Conrad after the hearing, if the committee was looking into whether funds Abramoff took from the Indians went into the Tom DeLay campaign fundraising machine, which is under criminal investigation in Texas. Senator Conrad responded, that this should be looked into, and he would look into it, whether or not the (Republican-controlled) committee did so.

In the course of the hearings, a blow-up display was presented of another of Jack Abramoff’s e-mails, dated March 15, 2002, of which the subject was “Personal Financial Statement.” The message asked the recipient to “remove the SunCruz item from it.”

The reference is to the SunCruz casino ship line based in Florida, which was taken over by Abramoff, Scanlon, a mafia-connected man named Adam Kidan, and another partner in

2000-2001. In 2000, Rep. Robert Ney (R-Ohio), is quoted in the *Congressional Record*, speaking against SunCruz’s former owner, Gus Boulis, and endorsing Kidan, Abramoff’s partner in the takeover. After Boulis complained that Abramoff and his partners had not actually paid him for the government-pressured purchase of his casino boats, Boulis was shot to death gangland-style, and the murder has never been solved. Mike Scanlon told reporters at the time, it was ridiculous to accuse Abramoff of the murder, and that Abramoff was cooperating with police.

In the Sept. 29 hearings, Senator Conrad brought up the fact that a tribe had made a contribution to the Abramoff-run Capital Athletic Foundation, and that the foundation had paid for a \$120,000-plus golfing junket to Scotland, which included Representative Ney, Jack Abramoff, and Ralph Reed.

‘Abramoff’s Indian Takings and the Texas TRMPAC Prosecution’

In preparation for the hearing, the Lyndon LaRouche Political Action Committee submitted the following memorandum to the Senators:

Two major scandals have erupted in the past weeks, centered around the Republican Party fundraising apparatus headed by House Majority Leader Tom DeLay. There have now been criminal indictments against top DeLay aides in Texas. And there are new revelations about suspected criminal activity—alleged looting of Indian tribes by two of DeLay’s leading associates, longtime lobbying manager Jack Abramoff and former DeLay Chief of Staff Michael Scanlon, for their personal gain and for political contributions. The question that now confronts investigators is to determine how the two prongs of the DeLay scandal may converge on an even larger criminal enterprise.

Questions for Investigators

In light of the following facts:

1) Federal criminal investigators are probing the pattern of transactions in which lobbyist Jack Abramoff and his partner Michael Scanlon took over \$45 million from Indian tribes for lobbying and public relations fees on behalf of casino gambling, with alleged misuse of tribal funds, illegal campaign contributions and tax code violations. The *Washington Post* reported Sept. 28, 2004, that the “tribes also had donated \$2.9 million to Federal candidates since 2001.”

2) Senate investigators are conducting a parallel investigation of these alleged wide-scale abuses by Abramoff and Scanlon.

3) Prosecutor Ronald Earle, District Attorney of Travis County, Texas, has filed numerous indictments in his continu-

ally widening probe of persons associated with the Tom DeLay-affiliated Texans for a Republican Majority Political Action Committee (TRMPAC), a spinoff from the national group, Americans for a Republican Majority Political Action Committee (ARMPAC). The charges specify that TRMPAC and related Texas channels used illegal corporate donations to elect candidates to the Texas legislature, in what was reportedly a successful scheme to seize control of the Texas legislature, in order to redistrict the Texas Congressional Districts for U.S. Congress.

These indictments may be accessed electronically at http://alt.coxnewsweb.com/statesman/metro/elxpacs/092104_indictment.pdf

4) The House Ethics Committee is investigating the same matter, with respect to Tom DeLay, alleging the illegal use of corporate funds in a scheme to take control of the Texas legislature in order to redraw U.S. Congressional Districts, to the prejudice of the rights of Rep. Chris Bell.

5) The *Washington Post* reported Sept. 26, 2004, and National Public Radio reported Sept. 27, 2004, that Abramoff and Scanlon worked secretly to obtain from the Texas government the closing down of the Tigua tribe's Speaking Rock casino in El Paso, Texas, having received millions of dollars from Louisiana's Coushatta tribe, 800 miles away, to lobby to block their competition in Texas. Abramoff and Scanlon then shook down the Tigua tribe for several million dollars in lobbying fees and hundreds of thousands in contributions to Republican Party candidate-funding organizations, in return for Abramoff and Scanlon's acting as lobbyists for reopening the casino they had secretly acted to close.

6) Findings by an FBI/IRS/Interior Department task force have induced Ralph Reed, former Christian Coalition executive director, and currently the Southeastern USA chairman for the George W. Bush election campaign, to admit that he got more than \$1 million in payments from lobbyists Abramoff and Scanlon, as Reed's share of their payments from Indian tribes which operate gambling casinos. Reed's assignment, without disclosing that he was paid through Abramoff and Scanlon from the casinos, was to lobby religious activists and others to prevent the opening of certain casinos that would compete with those that were being induced to secretly pay Abramoff to prevent competition. (In the matter of the Tigua tribe, Reed worked in tandem with Abramoff and Scanlon to close the Speaking Rock casino, but no evidence has been presented that he worked with them in the next phase, the extraction of payments to reopen the casino.)

7) Jack Abramoff has served, over many years, as a manager of fundraising and political action committee activities for Rep. Tom DeLay, including the development of the ARMPAC-TRMPAC apparatus. Abramoff (with Scanlon as junior partner and apparent disguiser of payments) has been the main intermediary for Congressman DeLay with the Indian tribes involved in gambling casinos, receiving substantial fees and

securing for DeLay substantial contributions from those tribes, with DeLay acting on behalf of the casinos' interests in legislative initiatives.

The following questions should now be directed to the Federal criminal investigators and the Senate investigators probing Jack Abramoff and Michael Scanlon, to the House Ethics Committee probing Tom DeLay, and to the Texas prosecutorial team probing the Tom DeLay-related political action committees:

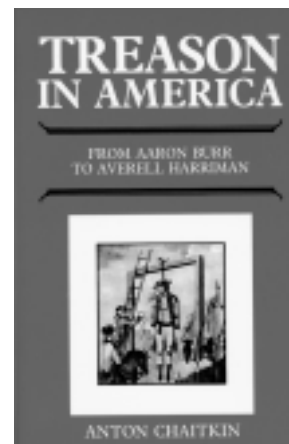
1) Of the \$40-50 millions obtained from Indian tribes by Jack Abramoff and Michael Scanlon, which transactions are the subject of Federal criminal investigation and Senate investigation, did any of these payments go to the political action committees and other channels being investigated for felony prosecution by the Travis County District Attorney and by the House Ethics Committee?

2) Did any of the political contributions, which the Tigua tribe was induced to make through Jack Abramoff and Michael Scanlon's reported double-dealing, go to the political action committees and other channels being investigated by the Travis County prosecutors and by the House Ethics Committee? (It is reported that a substantial portion of those Tigua contributions went to state-level Republican campaigns, in roughly the period under investigation in the TRMPAC matter.)

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