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WALL STREET, JEWISH / ISRAELI ETHICS, AND THEWORLD OF FUND RAISING

* Jewish dictate holds that the Jewish collective community is morally superior to all others and that, throughout history, they are victims of innocence. The next two chapters represent merely the beginning of an inquiry into this enforced myth, a myth represented everywhere in American popular culture as fact.

Among the economic fields in which Jews today are especially visible is investment banking -- "Wall Street," including interconnected networks of lawyers and other legal and economic manipulators stretching deeply into Hollywood and the mass media. Since the 1800s the "Old Crowd" of German-Jewish banking families (the Seligmans, Lehmans, Goldmans, Sachs, Warburgs, Schiffs, Loebs, et al) had predominated the field; a "New Crowd" of Jews has in recent decades taken their place. After World War II, melodramatically note Judith Ehrlich and Barry Rehfeld, "economic power in America and Wall Street was shifting ... Fresh faces came forward as if answering a call ... They were the children and grandchildren of Italian, Irish, Poles, and other Europeans who were not of Anglo-Saxon ancestry. But most of all they were Jews." [EHRLICH, p. 12] This is not to suggest of course that the seminal Jewish American investment firms are today inconsequential. Far from it. In 1999, for instance, Goldman, Sachs and Co. stretched across the world to become the "single largest and controlling shareholder of South Korea's largest bank, Kookmin. [BLOOMBERG NEWS, p. 11]

"In the world of high finance," observed Gerald Krefetz, "Jewish interest is concerned with investment banking, a broad catchall for activities ranging from tendering advice to underwriting securities. The heart of investment banking is public offerings and private placements, the risking of capital -sometimes ones' own, but more often other peoples' -- to finance new companies, or expand old ones." [KREFETZ, p. 54] The nature of Wall Street entrepreneurship might well be presumed in the title of a 1986 volume by Ken Auletta: <u>Greed and Glory on Wall Street: the Fall of the House of Lehman</u>, or Martin Meyer's <u>Nightmare on Wall Street: Salomon Brothers and the Corruption of the Marketplace (1993)</u>. Both Lehman and Solomon are Jewish-founded firms.

A French Jewish commentator, Bernard Lazare, noted Jewish propensities in high finance in the late 1800s:

"The man of the lower middle class, the small tradesman at whom speculation has probably ruined has much clearer ideas of why he is an anti-Semite. He knows that reckless speculation [by financiers], with its attendant panics, has been his bane, and for him, the most formidable jugglers of capital, the most dangerous speculators, are the Jews; which, indeed, is very true." [LAZARE, B., p. 173]

Finance, investment banking, brokerage, and commodities are the speediest ways (short of outright crime) to get rich in America; by 1988 the stock and bond market and linked economic activities totaled 12 trillion dollars a year (six times the value of the assets of Fortune's top 500 companies). "Where the money went," note Ehrlich and Rehfeld, "and what happened to it were greatly influenced by Wall Street power brokers." [EHRLICH, p. 19] Corporate mergers, acquisitions, and takeovers have become an especially lucrative field. "By the 1980s, says Ehrlich and Rehfeld, "along with [Gentile] T. Boone Pickens, and a few others ... the [Jewish] New Crowd was at the very core of the mergers and acquisitions field." [EHRLICH, p. 15].... [This circle of money men] bought luxurious homes, expensive art, high-priced foreign cars, designer clothes and jewelry; they hosted or appeared at the right parties." [EHRLICH, p. 16] ... The old WASP establishment had seen its wealth eroded by changing tax laws and inflation ... arriviste Jews began to appear on the boards of such time-honored WASP institutions as the Museum of Art, the Metropolitan Opera, and the New York Public Library." [EHRLICH, p. 5] ... The New Crowd broke the stranglehold of the Establishment WASP bankers and [older Jewish] Our Crowd competitors ... and extended profit centers to newer financial activities such as block trading, risk arbitrage, a wide range of retail securities products, financial futures, listed trading of options, and junk bond financing that helped companies expand and made almost every company vulnerable to a takeover, a leveraged buyout that restructured corporate entities and raised critical debt levels." [EHRLICH, p. 394]

In the 1970s, "hostile turnovers," notes James Stewart, "bore an unsavory taint. They generated bad feelings, especially toward those who represented the attackers. This sometimes alienated other clients. Much of the WASP investment banks and loan firms preferred to leave such work to the other firms, many of them Jewish." [STEWART, p. 25] "Various techniques and instruments were used in the Wall Street boom of the 1980s," says Norman Cantor, "but the most consequential -- and lucrative was the floating 'junk' (low grade) bond to provide capital for involuntary takeovers of one company by another ... Fiscal critic Benjamin Stein [sees] the junk bond device as a huge fraudulent Ponzi scheme generating temporary money pools that could be looted by ruthless investment bankers and corporate executives and their overcompensated lawyers." [CANTOR, p. 402]

William Leach traces the influence that those in investment banking have had in shaping America, both economically and in influencing the nation's values:

"The growth of investment banking and mass consumption industries were (and still are) closely related developments ... Bankers assisted in undermining the competitive ethos by directing business interest toward concentration and easy economic fixers. They helped local monopolies become major national 'players' almost instantaneously. Banker-inspired megalomania reinforces an already clear pattern in the economy away from 'making goods' to 'making money.'" [LEACH, p. 275] There is a long list of Jewish entrepreneurs on Wall Street who, as a group, have been influential in literally changing the American economic system. Sanford I. Weill, for instance, "amassed a brokerage empire and eventually became President of American Express;" he was later "recognized as one of the most powerful Jewish businessmen in the nation." [EHRLICH, p. 13] John Gutfreund rose to become the chairman of Solomon, Inc., "one of the most powerful securities firms in the western world." Felix Rohatyn "perhaps more than any other, was linked with the flood of massive corporate combinations that reshaped American business for much of the past three decades." [EHRLICH, p. 14] Sanford C. Bernstein & Co., valued at around \$3.5 billion and with assets of \$90 billion, is "one of the biggest closely held U.S. money managers." It manages \$55 billion "for institutions, such as pension funds, endowments and foundations, and \$35 billion for wealthy individuals." [BLOOMBERG NEWS, INTL HERALD, p. 10]

Other influential Jewish Wall Street 'players' (financiers, lenders, borrowers, advisers, lawyers, et al) in recent years have included Alan Greenberg, Ira Harris, Bruce Wasserstein, Jerome Kohlberg, Henry Kravis, Peter Cohen, Joseph Flom, Martin Lipton, Victor Posner ("a onetime Baltimore slumlord" [FORBES, p. 45] who was indicted in 1982 for \$1.25 million in income tax evasion and filing false tax returns [BRENNER, p. 72]), [Posner is "the flamboyantly wealthy Miami Beach financier [who has] been discredited as one of the most unprincipled and destructive modern corporate raiders." [BIANCO, A., 1991, p. 31], Nelson Peltz, the Belzbergs, and many others. Alan Greenberg is the head of Bear Stearns, Stephen Schwarzman founded the Blackstone Group, a prominent investing firm. Well-known traditional Jewish investment banking houses include Lehman Brothers, Lazard Freres, Goldman Sachs, Salomon Brothers, Bache & Co., and Cantor/Fitzgerald. [SILBIGER, S., 2000, p. 78-79] "Jews took the lead in the '60s," notes Jewish business author Steven Silbiger, "with new investment banking techniques that helped introduce a conglomeration craze by using multipurpose holding companies ... The concentration of Jewish-owned securities firms created well-paying employment opportunities at all levels of the securities industry: securities analysts; portfolio managers; and stock, bond and futures traders; brokers and deal-makers. Among the equity holders of the Jewish investment banking and trading firms on Wall Street are hundreds of Jewish millionaires. Upward mobility based on merit and high salaries has made working on Wall Street a Jewish-friendly career choice ... Although exact figures for the numbers of Jews are not available, they no doubt have a leading and disproportionate role on Wall Street." [SILBIGER, S., 2000, p. 78-80]

In a book entitled, "The Money Machine," about the **KKR** company (Kohlberg, Kravis, and Roberts), the author address three more Jewish Wall Street members:

"Here were three men who started a firm in 1976 with a few million dollars and ten years later had control over what is believed to be the largest corporate empire in the world ... Why did their names arouse such intense emotions, ranging from envy, to awe, to fear?" [BARTLETT, p. x]

By 1999, KKR controlled 23 companies. Among others, its stable included the Amphenol Corporation, Boyd's Collection Inc., Idex Corporation, Kindercare Learning Centers, Primedia Inc,

and **Gillette**. It also made \$5.9 billion profit in 12 years of ownership of America's second largest food retailing chain. By the 1980s, the company had "\$45 billion in buying power," a sum "greater than the gross national products of Pakistan or Greece." [BURROUGH/HELYAR, p. 130]

A Jewish investment financier, Jeff Beck, has been afforded an entire volume about his life, entitled *Rainmaker*. "By the end of the 1980s," notes its author, "[Beck] was living a life of deceit so absolute that in effect his true personality had become turned inside out ...[BIANCO, A., 1991, p. 18] ... As money and money-making were glorified in the Reagan years, Beck's pursuit of wealth and the social status derived from it flowered into a full-fledged mania." [BIANO, A., 1991, p. 12]

Another Jewish financier, Carl Icahn "rose from obscurity to become one of the most feared corporate raiders in the country, Chairman of **TWA**, the largest shareholder in Texaco and USX (formerly US Steel) and a billionaire ... [EHRLICH, p. 15] ... [Icahn was] perhaps the most successful financial predator of them all." [EHRLICH, p. 290] Icahn is particularly notable for his repeatedly ruthless campaigns to take over unwilling companies, loot them for obscene profits, and -- successfully taking them over or not -- spitting them out again, leaving a wake of relative ruin. In 1982, for instance, Icahn warred with the whole community of Danville, Virginia, in his hostile bid to takeover a corporation called Dan River. Townspeople unified to resist him, investing retirement money and other savings into company stock. The company finally resisted the financial predator with a leveraged buyout; Icahn, however, managed to strip the town's economic lifeblood of \$8.5 million." In another much publicized financial effort, during early attempts [eventually successful] to take over **TWA**Airlines the company president, then C. E. Meyer, Jr., called Icahn "one of the greediest men on earth." [BROCK, p. 171] By 1998 he was attempting to take over Pan Am airlines.

In an attempt to ward off Icahn's efforts to take over the Phillip's petroleum company, it had to go \$4.5 billion deeper in debt, as well as cut hundreds of millions of dollars of capital expenses, sell off \$2 billion in assets, limit investor dividends, and tighten budgets. 5,000 fewer employees were working for Phillips by the time Icahn was through. [BRUCK, p. 191] Icahn walked away from Phillips unsuccessful after a 10-week struggle to seize the company, but \$52.5 million richer. "The business establishment took notice [of Icahn's recurrently nasty dealings]," notes Connie Bruck, "One close associate of Icahn recalled that Laurence Tisch [the Jewish] chairman of **Loews** and now of **CBS**, Inc., said to him, 'Tell Carl to cut this out. It's not good for the Jews.'" [BRUCK, p. 160]

And what of this sensitivity to issues of Jewish concern on Wall Street, Jewish solidarity, and Jewish economic influence, particularly (but not only) with regard to Israel? In 1974 Stephen Isaacs noted a premiere example:

"Gustave Levy [is the] managing partner of the important **Goldman**, **Sachs, and Company** investment banking firm ... Many have regarded Levy as the most powerful single individual on Wall Street, able to make or break men and companies almost casually. He personally controls the movement of billions of dollars. 'Gus is very conscious of being Jewish. He's very conscious of the problems it can cause,' said Philip Greer, a one-time stockbroker who had reported on Wall Street ... 'When you talk about Jewish muscle, Gus will back off -- 'I don't make waves, [he says], 'I've got it, and I can use it, and I know how to use it, and I do use it, but I'm not going to talk to you about it because then that redneck in Alabama is going to get very upset and I don't want him to know about it.'.... In the Six Day War Gus was sending money over [to Israel] like crazy. He would have financed the whole war all by himself. And he made no bones about whether you were Jewish or not. 'You need Goldman, Sachs. I need you now. If I don't get you now, you aren't getting me later.' It was as simple as that. He could've raised it from Schwartz or O'Reilly, it didn't make any difference to him, because they're both after the money that Gus controls." [ISAACS, p. 263]

In 1995, Wall Street financier Michael Steinhardt (wizard of the moneymaking device, the "hedge fund") closed his company, **Steinhardt Partners**, to concentrate more deeply upon spreading the message of Jewish and Israeli identity so dear to him. With a personal fortune of \$400 million, he joined as a member of a consortium that bought Israel's **Bank Hapoalim**and the **Maritime Bank**. One of his brainchildren, called "Birthright," was by 1998 still in its developmental stages; it is a plan to bring all young American Jews for trips to Israel, to renew their roots to Jewish and Zionist identities. "As part of the birthright of every Jew on this planet, we want to offer free trips to Israel in their formative years," says Steinhardt. [RABINOVICH, p. 20] A building in Manhattan for renewal of Jewish identity was purchased, and there has been sponsorship of the Jewish Campus Service Corps to pull young Jews to Jewish programs at national campus Hillel centers.

By late 1999, "Birthright" was in progress, at a cost of \$210 million. "Funded by the Israeli government, in partnership with Jewish philanthropists and communities abroad," college-age Jews in America competed in a lottery for free-trips to Israel with the expressed purpose of being socialized into deeper identification with the Jewish state. The goal is to transport 50,000 Jews a year to connect to the tenets of Zionism. Not all Jews are happy with the program. The chairman of the World Jewish Congress, for example, Isi Leibler, thought there were many more worthy applications of the funds. Many Jews getting in on the program too, he noted, were already "from affluent homes." [GREENBERG, J., 2000, p. A1]

"It can be said," suggested Gerald Krefetz in 1982, "that Jewish wealth is generated from the financial side rather than the operational side. Many wealthy Jews have climbed the corporate ladder through law, accounting, and investment banking. Apparently, they are more at home massaging numbers than dealing with technical or substantive problems of production ... [KREFETZ, p. 69].... If Jews are drawn to the financial side, it is probably due to the fact that in the last decade or two the financial tail wags the industrial dog." [KRAFETZ, p. 69]

"Greed knows no bounds," said the New York Director of the Securities and Exchange Commission in 1986, "there's always someone who makes more than you do. Investment banking is the new gold

mine." [HOWE, p. 413] In the same year New York psychiatrist Samuel Klagsbann, who had "a lot of lawyers handling mergers and acquisitions" as patients, noted that for these people "business is God." [HOWE, p. 413]

"In the field of takeovers and mergers the sky is the limit," said prominent Jewish financier Felix Rohatyn (later President Bill Clinton's ambassador to France), "Not only in size, but the type of large corporation transactions. We have gone beyond the norms of rational behavior. The tactics used in corporate takeovers, both on offense and defense, create massive transactions that greatly benefit lawyers, investment bankers, and arbitrageurs, but often result in weaker companies and do not treat share holders equally and fairly ... In the long run we in the investment banking business cannot benefit from something that is harmful to our economic system." [EHRLICH, p.]

In 1986, Dennis Levine was the first to be caught, a "dealmaker" at Drexel Burnham Lambart, for his "insider trading [exploiting confidential company information] which opened the doors to the greatest scandal in Wall Street history, a scandal that "caused grave concern within the Jewish community." [EHRLICH, p. 17] Not long after, Martin Siegel was also arrested. As the scandal opened up, it was discovered that these wealthy criminals were overwhelmingly Jewish, including all its central players. "What was particularly upsetting from a Jewish perspective," notes Ehrlich and Rehfeld, "was the fact that the [criminal] network began, in part, when one member first introduced another to a third at a United Jewish Appeal function." [EHRLICH, p. 340]

Connie Bruck, a Jewish journalist, notes that

"Privately, [lawyer Martin] Lipton expressed another concern, one shared by many of the businessmen and lawyers who were part of the Jewish establishment in New York, and by some of the Drexel contingent as well. They feared that the common strain among these nouveau entrepreneurs and their nouveau banks at Drexel -- an overwhelming majority were Jews -- would unleash a backlash of virulent anti-Semitism ... As one Drexel client ... put it: 'It used to be that the Jews would go [to WASP lenders] and they'd beg for money, and they'd be rejected while the Gentile would come in and they'd all go to lunch and smoke cigars. Now it's a shift of power to the Jews. Drexel is making these huge sums of money and the banks comparatively little. The problem is, all the entrepreneurs are Jews with the exception of [T. Boone] Pickens and [Carl] Lindner -- and Lindner, a long time supporter of Israel, is the most Jewish non-Jew I've ever known." [BRUCK, p. 205] (In 1999, Lindner became controlling owner of the Cincinnati Reds professional baseball team.)

"It is hard to grasp the magnitude and the scope of the crime that unfolded beginning in the mid-1970s," wrote a <u>Wall Street Journal</u> editor Dennis Stewart, "in the nation's market and financial institutions. It

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dwarfs any comparable financial crime, from the Great Train Robbery to the stock-manipulation schemes that gave rise to the nation's securities laws in the first place. The magnitude of the illegal gains was so large as to be incomprehensible to most laymen." [STEWART, p. 115] "[Michael] Milken [and] some of his Drexel colleagues and anointed players," says Connie Bruck, "had made more money in a shorter period of time than any other individuals had done in the history of this country." [BRUCK, p. 20]

"A variety of critics voiced their apprehension about what they saw as greed that had gone out of control," says Ehrlich and Rehfeld, "... over the course of the next three years, it was revealed that more than a dozen insiders -- many of them members of Wall Street's most powerful firms -- as well as one of the hottest houses on the Street, had amassed millions of dollars in illegal profits. The accused were charged with violating securities laws that prohibited insider trading, that is, they used material confidential information primarily about impending merger bids, to profit from securities and transactions." [EHRLICH, p. 338]

"During the crime wave," says Stewart, "the ownership of entire corporations changed hands, often forcibly, at a clip never before witnessed. Household names -- Carnation, Beatrice, General Foods, Diamond Shamrock -- vanished in takeovers that spawned criminal activity and violations of securities laws. Others, companies like Unocal and Union Carbide, survived but were heavily crippled. Thousands of workers lost their jobs, companies loaded up with debt to pay for the deals, profits were sacrificed to pay interest costs on the borrowings, and even so, many companies were eventually forced into bankruptcy or restructurings. Bondholders and shareholders lost millions more. Greed alone cannot account for such a toll. These are the costs of greed coupled with market power -- power unrestrained by the normal checks and balances of the free market place." [STEWART, p. 16]

A major wheeler-dealer in the 1980s scandals was Ivan Boesky, who was (only a year before his 'public disgrace') also the Chairman of the New York area United Jewish Appeal. He also was a member of the board of both Yehsiva University and the Jewish Theological Seminary of America, as well as a self-described "founder and supporter" of the Simon Wiesenthal Center in Los Angeles. "Boesky's Jewish involvement," noted the Jewish Week, "resurfaced in the media at the time of his sentencing in December, with revelations that he had been taking classes at the Jewish Theological Seminary while awaiting sentencing and that leaders of some organizations that benefited from his gifts had written character references to the court, attesting to his generosity. The letters have sparked a new internecine debate among Jewish activists. Some claimed that Jewish philanthropies were 'going to bat' for a confessed felon because they had 'gotten their cut' from his ill-gotten wealth." [GOLDBERG, JEWISH WEEK, 1-8-88, p. 41] "Many Jews," wrote Ehrlich and Rehfeld, "worried that his trading abuses could cast a pall over the entire Jewish community. Not only was he the most important figure in the scandal, he was deeply involved in Jewish philanthropy." [EHRLICH, p. 341], including a \$2.5 million donation to the Jewish Theological Seminary for a library to be named after him and his wife.

This former head of the UJA was a particularly nefarious character. He had been fined for violating New York Stock Exchange trade laws in the 1970s; [EHRLICH, p. 317], his 1985 book <u>Merger Mania</u> was written by a ghost writer, Jeffrey Madrick, and largely patterned (without saying so) on an existing

volume by Guy Wyser-Pratte. [EHRLICH, p. 326] Boesky was the time of man who watched his employees throughout his company by a video system in his office; [p. 324] he paid up to \$5 apiece for catered lunches so employees wouldn't have to leave their desks, [p. 36] and "screamed at [employees] regularly." His oldest son, Billy, is reported to have called his father "stark raving mad." [p. 40] Upon Boesky's installment as the UJA campaign general chairman, he told his Jewish audience: "We must make an enormous effort to encourage people's sense of responsibility -- to be sure that at the very top we have the right attitudes about giving to the campaign. Attitude filters down." [JEWISH WEEK, 6-29-84, p. 7]

The biggest fish caught in the Wall Street scandal, however, was super billionaire Michael Milken, the "junk bond king," who was charged with racketeering and mail and securities fraud. Milken single-handedly threatened to fulfill in real life the most profound of traditional anti-Semitic nightmare fantasies. A former Milken associate, notes Jewish journalist Connie Bruck, saw in Milken "the force of ... obsession, the megalomania, the conviction of a cause so just that the end justifies the means and, finally, the conceptualization of the corporate vehicle as a means of extending control nationwide -- and then worldwide." [BRUCK, p. 358] "Many billions of dollars were at his command," notes Bruck, "capital, as Milken had been saying and proving for a long time, was not a scarce resource. The only limits to his power, it seemed, would be the limits of his fertile imagination." [BRUCK, p. 359] Milken, sometimes present at Simon Wiesenthal functions [BRUCK, p. 313], was well-known for being able to assemble billions of dollars overnight to aid corporate takeovers. At a yearly Milken-centered conference of the world's leading corporate takeover specialists, affectionately called the Predator's Ball, a close Milken associate, Donald Engel, arranged for high-priced prostitutes to service the gathered "predators." [BRUCK, p. 15]

The goal of Milken and his predatory cronies, says Leon Black of Drexel Lambart (the company that was ostensibly Milken's employer) was to finance "the robber barons who would become the owners of major companies in the future." [BRUCK, p. 149] (Black's father, Eli, was the "rabbinically-trained corporate chieftain of **United Brands**" who in 1975 jumped out a skyscraper window when it was revealed that he was paying bribes to foreign governments). [BRUCK, p. 65] Among the players in this scenario, Black particularly noted robber barons Carl Icahn, Henry Kravits (who guided a \$6.2 billion buyout of the Beatrice company), Samuel Heyman (chairman of GAF who bid \$6 billion for Union Carbide), Ronald Perelman, and a lone Gentile, Rupert Murdoch (who was financed by Milken to take over Metromedia). [BRUCK, p. 245] "By ... 1985...," says Connie Bruck, "Milken was moving his players across the M&A [corporate mergers and acquisitions] field as though it were a chess board." [BRUCK, p. 106]

Ron Perelman's rise is typical. Closely associated with Milken, his mentor's junk bonds supported a variety of Perelman-inspired corporate invasions. Perelman seized a resistant **Revlon** with a company one-eighth its size, **Pantry Pride**. (In 1991 he installed Jerry Levin to head it). He also took over a group of tottering Savings and Loans for \$315 million, suddenly controlling \$7.1 billion in assets. In 1982 Perelman faced a lawsuit in his takeover of **Technicolor**. "Taken as a whole," says Connie Bruck, "the complaint painted a picture of Perelman allegedly using deceit and secret deals -- money here, position

there, whatever it took -- to buy off the necessary people and get the company." [DEALY, p. 308] In Perelman's hostile takeover of **Revlon**, he tried to bribe the CEO of that company, Michel Bergerac. [BRUCK, p. 194]

Another key Milken crony was Fred Carr (born Seymour Fred Cohen), head of the Beverly Hillsbased **First Executive Corporation**, described by Benjamin Stein as "the largest insurance catastrophe in the history of the United States." [STEIN, B., p. 86] Others who made use of Milken junk bonds to build illusorily business empires include Perry Mendel and Richard Grassgreen of the conglomerate **Enstar** (in Montgomery, Alabama). **Enstar** eventually went bankrupt, becoming, notes Benjamin Stein, "a source of rage, frustration, and loss for the people of Montgomery. They were taken, and taken badly." [STEIN, B., p. 111] Mendel and Grassgreen were convicted of fraud in 1991.

Milken has had a powerful hand in a wide range of other attempted corporate takeovers. "He would cause frightened managements," says Bruck, "to focus on short term gains and elaborate defenses rather than research and development that makes for sustained [corporate] growth. It would cause the loss of jobs, as companies were taken over and broken up." [BRUCK, p. 19] Milken aided, for further example, Eli Jacobs' acquisition of the **Memorex Corporation** in 1986. And during the banking Savings and Loans scandals of the 1980s, **Columbia Savings** had a branch office one floor above Milken's own office; **Columbia** CEO Thomas Spiegel eventually purchased about \$4 billion of Milken's junk bonds. [DEALY, p. 307] In the early 1980s Saul Steinberg, with Milken financing, had attempted a hostile takeover of the **Disney** corporation. "Steinberg got calls from friends, Jews and non-Jews alike," notes Joe Flower, "warning him, saying, as Steinberg later characterized it, 'Saul, it's going to be you -- and with the name Saul Steinberg it's clear where you are and what you are -- taking over another white Anglo-Saxon Protestant company. In all the little towns of America they're going to say, 'That Jew took over Walt Disney. What would Walt say?' But the warnings did not make Steinberg hesitate. 'They just made me angry.'" [FLOWER, p. 112]

In 1969 Steinberg had tried to take over one of the most important banks in America, the \$9 billion Chemical Bank. "Those who ... combined against him," noted Connie Bruck, "included not only the director and management of Chemical, but most of the banking business, Governor Nelson A. Rockefeller and the legislature of New York state, and members of the Federal Reserve Board and the Senate Banking and Currency Committee." [BRUCK, p. 36]

Although Milken eventually agreed to accept a six felonies conviction and pay \$600 million (a sum larger than the yearly budget of the Securities Commission that sought to prosecute him) [p. 16], the prosecution of fabulously wealthy Milken was no easy matter. There was, for all intents and purposes, no money limit to his personal defense. He and his firm, Drexel, planned to spend up to \$650 million to fight his conviction. [STEWART, p. 347] This included a massive \$140 million public relations campaign to change his public image from criminal to hero, an effort "revolving around the theme that [he and his company] help[ed] to raise money [that] benefited every American." [STEWART, p. 346] The public relations firm Milken hired referred to him as a "national treasure." [STEWART, p. 377] In an effort to control public discourse about himself, Milken even bought the rights to photographs of him at all the

news wire companies. [STEWART, p. 372] In February 1986 he even offered to pay journalist Connie Bruck to not finish, and publish, a book she was working on about him and his associates. [STEWART, p. 381] Expecting a significant Black presence in the New York City jury that would try him, Milken hired an expert on public relations in the Black community; the wealthy financier suddenly had an interest in the underprivileged and paid for 1,700 ghetto kids to go to a Mets baseball game. [STEWART, p. 400] Milken clients and sycophants even took out full page ads in major papers, including the <u>New York Times</u>, proclaiming, "We Believe in You." [STEWART, p. 418]

Milken ended up spending only a little over two years in prison, a small sacrifice for the staggering amount of wealth he accumulated. He was sentenced, notes Jewish scholar Norman Cantor, "by a Gentile woman judge who was married to a prominent Jewish lawyer. Eventually she found grounds for sharply reducing his sentence ... The skill of some Jewish billionaires in skirting the limits of the law but somehow emerging unscathed, with the aid of high-priced Jewish attorneys, and a compliant press, was remarkable." [CANTOR, p. 404] Milken court fines alone eventually amounted to \$1.1 *billion*. Still on probation, in November 1997 the New York Times noted that "evidence of further illegal behavior since his release might well cause the government to request further sanctions against Mr. Milken, including even his return to prison." [TRUELL, D4] Since prison, Milken has been busy collecting tens of millions of dollars, "counseling" the MCI Communications Corporation, advising principal players in the Time-Warner-Turner Broadcasting mass media merger, and working with financier Ronald Perelman. In 1996 the New York Times noted Milken's presence in Israel in negotiations with a company called the Eisenberg Group. "The Milken Group," said the Times, "might invest in Israel Chemicals, of which the Israeli government owns 48.5%." [NYT, 8-14-96] The Eisenberg Group at the fore of all this is headed by Shaul Eisenberg, the richest man in Israel, who, "says Alan Vorspan, "[is] the shadowy Israeli billionaire who had been brokering Israel defense technology to China for more than ten years ... 'Arms merchant of the world' is not synonymous with a 'light unto the nations.'" [VORSPAN, p. 31] "The arms business," note Andrew and Leslie Cockburn, "was and remains central to [Eisenberg's] operation." [COCKBURN, p. 17] Other holdings include everything from chemical factories in Korea to projects in Central America. [COCKBURN, p. 12-13]

Dennis Stewart, a non-Jew and an editor at the <u>Wall Street Journal</u>, came under fierce attack for "anti-Semitism" for his book about Milken and the Wall Street scandals, the <u>Den of Thieves</u> (a title taken from this New Testament verse: "And Jesus went into the temple of God, and cast out all them that sold and bought in the temple, and overthrew the table of the money changers, and the seats of them that sold doves. And say unto them, it is written. My house shall be called the house of prayer; but ye have made it a den of thieves." [MATHEW, 21:12-13])

A lawyer for Milken, a man we have run across before, Alan Dershowitz, tried to use the now standard Jewish defense argument -- an accusation of anti-Semitism -- as a tool to spare his criminal client jail time. Dershowitz published editorial pieces in the <u>Wall Street Journal</u> attacking Stewart. He also paid \$45,000 for a full page ad in the <u>New York Times</u> the next day to outline his accusations, and half-page ads in other papers, everywhere charging anti-Semitism. In a letter to the <u>New York Times Book</u> <u>Review</u> section Dershowitz attacked both Stewart and the <u>Review</u>'s reviewer of <u>Den of Thieves</u>, Michael

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Thomas, (a "money" columnist for the <u>New York Observer</u>) for alleged anti-Semitism. "Both," Dershowitz wrote, "seem preoccupied by Jews."

In defense, Thomas (whose novel <u>Hanover Place</u> and its free exploration of Jewish corruption on Wall Street has also been called anti-Semitic) said:

"If I point out that 9 out of 10 people involved in street crime are Blacks, that's an interesting sociological observation. If I point out that 9 out of 10 people involved in securities indictments are Jewish, that is an anti-Semitic slur. I cannot sort the difference." [HOYT]

When business journalist Connie Bruck published <u>The Predator's Ball</u>, a volume about Milken and the junk bond world, a Drexel lawyer (where Milken worked) accused her of anti-Semitism. "I remember a lawyer at Chas Gordeon and Reindel screaming at me and accusing me of anti-Semitism," said Bruck later, "And I'm Jewish, so that made it more unpleasant. It all comes from Milken. Milken told friends of his, who repeated it to me, that he believed the government's investigation was fueled by anti-Semitism." [HOYT]

"If Stewart is guilty of anything," wrote Allen Sloan of <u>Newsday</u>, "it's breaking the Cohen Rule when dealing with ethnic groups. It's only safe to identify a person ethnically or racially in a positive context ... Down deep we all understand the rules. But these rules shackle journalists and muffle the truth. They amount to censorship ... By blasting Stewart (a full page ad, for crying out loud!) for doing nothing more than stating the truth, Dershowitz has attempted to discredit his reporting by besmirching his character -- and, in the process, making Milken seem a victim of religious bigotry. Dershowitz's accusations, beside the point and below the belt, is a form of scapegoatism that comes perilously close to what it purportedly condemns." [HOYT]

Across the ocean, England had its own very publicized Jewish financier scandal at about the same time -sometimes known as the "Guinness Four" affair. It was, noted the (London) <u>Independent</u>, "the most notorious insider dealing fraud of the Eighties," a plot to boost the share value of the **Guinness** corporation. [BRAID, p. 1] On trial were Gerald Ronson (head of **Heron International**), Ernest Saunders, Jack Lyons, and Anthony Parnes. They were all convicted, but each received reduced, short-term jail sentences. "All four defendants," noted the <u>Times</u> (of London), "... are Jews ... Any attempt to incite anti-Semitism because of Jewish financial misbehavior has to be deplored and opposed. But any attempt to minimize or excuse the offenses is also unacceptable ... In folk prejudice the 'Jewish banker' is an unkind cliché, but herein lies the problem. He exists ... Quiet voices are to be heard that such [beat the system] attitudes are more common than ought to be any Jewish financier. And recognizing that such a malady exists is the first condition for curing it." [LONGLEY, 9-1-90]

Only a few years earlier, in the 1980s too, was the case of yet another prominent Jewish American entrepreneur, Marc Rich (father's name originally Reich). "In the shadowy, secret world of commodities trading," noted John Ingham and Lynne Feldman, "Marc Rich had no peer ... Appellations for Marc Rich

have included 'ruthless tycoon,' 'vengeful businessman,' and 'scheming marketeer.' Often called the most corrupt man in this fraternity of free booting capitalists, Rich was also among the most secretive." [INGHAM/FELDMAN, p. 550] Rich even managed to profit off millions of barrels of oil from Iran during the Iranian hostage crisis. In 1983, he and associate, Pinky Green, fled to Switzerland to avoid a warrant out for their arrest.(Rich has deep ties to Israel and has been involved over the years in "negotiating the return of captured Israeli soldiers and Jewish dissidents. In a controversial move, President Bill Clinton pardoned Rich's crimes as he left the White House in 2001. "Several Israeli officials wrote Clinton in support of [Rich's] pardon.") [MSNBC, 2-2-2001]

Perhaps Rich had occasion in Europe to run into fellow white collar criminal Gerald Goldwell. Goldwell, notes a volume entitled <u>Organized Crime in Europe</u>, epitomized those involved in "extensive international fraud ... making use of several shell companies and of insolvent firms ... The leader of one of the largest such organizations was Gerald Goldwell, a well-known American fraudster, whose career of 15 years in business crime made him one of the most experienced crime entrepreneurs in his field." [DUYNE, p. 12] Based in Amsterdam, Goldwell's criminal scope included Bermuda, Dutch Antilles, the Bahamas, Canada, Luxemburg, Germany and Panama.

In 1980, in Switzerland, a Jewish immigrant from Bulgaria, Eli Pinkas, and his wife committed suicide as their swindles began collapsing down upon him. After his death, noted the <u>Washington Post</u>, "it was revealed that the quiet executive was, in fact, a master swindler who created an elaborate portfolio of false documents and records to steal more than \$140 million from an international array of banks and industries." The Pinkas scam was noted as the "biggest private financial scandal in recent Swiss history." [BERRY, J., F., 7-20-80, p. A1]

At about the same time in Panama, in an unrelated criminal enterprise, Jewish entrepreneur Isaac Zafrani "in two years time, had become the most powerful video pirate in the world. By selling fraudulent copies of first-run films, Zafrani, more than any other single operation world-wide, posed the greatest threat to legitimate video and theatrical interests." By 1984, his profits in the bootleg business were about \$20 million. [FRANKLIN, P., p. 113]

In fact, the *whole* Jewish state of Israel is an Isaac Zafrani. As Israel's Institute for Advanced Strategic and Political Studies noted in March 2000:

"Israel is known the world over for intellectual properties rights piracy. Indeed, it is likely that Israel will soon be downgraded from the second worst rating of violating countries to the worst by the International Property Alliance (IIPA), the international organization fighting software and intellectual property crimes of piracy." [INSTITUTE FOR ADVANCED STRATEGIC..., 2000]

"In 1998," notes the Israeli newspaper <u>Haaretz</u>, "an American delegation visited Israel to investigate the issue and found Israel to be 'an international center for pirate distribution' -- estimating that the extent

of the forgery industry reached tens, maybe hundreds, of millions of dollars. The U. S. delegation threatened to impose sanctions against Israel by increasing duty tax for Israeli imports to the United States. The delegation also noted that the Israeli forgery industry has grown in recent years because of the infiltration of organized crime." [ALON, G., 6-22-01]

The 1980s also highlighted young Jewish swindler Barry Minkow of Reseda, California, whose misdeeds entitled his story to be immortalized in an entire volume, subtitled <u>The Kid Who Swindled Wall Street</u>. Minkow was sentenced to prison. "Barry," notes Daniel Akst, "succeeded in creating not a corporation, but the hologram of one." His **ZZZZ Best** firm, founded on carpet-cleaning, eventually was worth \$200 million. As a result of Minkow's scams, "widows and orphans lost their money. Hard working folks lost their jobs, or had their careers ruined, their lives stained, their hopes turned to ash." The author who recounts Minkow's business career calls him a psychopath, "someone who can act without regard to conscience, victimizing people again and again without remorse." [AKST, D., p. 5, 6, 270] Minkow associates included Maurice Rind, "a stock swindler before financial fraud was fashionable." [AKST, D., p. vii]

In a 1994 case, Martin Wolfe of Baton Raton, Florida, was the "principal figure" in a nationwide investment scam involving pizza vending machines, defrauding some investors of their life savings for nonexistent machines. "You have to plant the seed," Wolfe once told a business audience, "so the seed grows into an oak, and the oak grows into greed, which takes over the whole body. Greed is good." [IWANOWSKI, J., 3-20-94, p. E1] In 1996 investors in California's Pioneer Mortgage firm lost \$250 million. As the <u>San Diego Union Tribune</u> observed, "Many got in because Pioneer's Chief Executive -- Gary Naiman -- was very active in his synagogue and activities related to Israel." [BAUDER, D., 1-19-96, p. C2]

In Arizona, in 1997, Ben Friedman "pleaded guilty to 3 of 73 felony charges of securities and tax frauds ... [He] bilked his investors out of more than \$2.5 million and the state of Arizona out of more than \$5 million in unpaid taxes." After a five year investigation into Friedman's wheelings and dealings, the Arizona State Department of Revenue concluded that "This is the largest tax prosecution involving personal income taxes the department has ever undertaken. All the Arizona personal income tax cases prosecuted to date would not equal what Mr. Friedman evaded." [SILVERMAN, A., 5-14-98]

In 2002, the Securities and Exchange Commission (SEC) "accused [Reed] Slatkin [a Jew who became a Scientologist] of running a Ponzi scheme shortly after her filed for bankruptcy in May 2001. (A Ponzi scheme is a phony investment plan in which money provided by later investors is used to pay artificially high returns to the initial investors, with the goal of attracting as many investors as possible). Slatkin's allged scheme is said to be one of the biggest cases of investment fraud in American history." [WEING, G., 1-11-02]

Beginning in 1977, the FBI launched a secret investigation into the world of white-collar crime. Known as "Abscam," the investigation eventually led to a number of bribe-taking Congressmen. The central player recruited by the FBI sting operation to penetrate the world of white-collar fraud was an expert in the

field, life-long swindler Mel Weinberg, "who had worked North America and five other continents, fleecing public officials, movie stars, dictators, generals, mobsters, political terrorists, and ordinary businessmen with democratic impartiality." [GREENE, 1981, p. 2] Weinberg was set up as a representative for a fake wealthy Arabian oil sheik, Abdul, and his networking for the FBI in the white collar underworld netted people from a number of backgrounds. In the Jewish community, these included Herman Weiss, Joe Meltzer, William Rosenberg ("a picture version of the affluent swindler") [GREENE, 1981, p. 9], Ben Cohen (a Miami lawyer "who once represented the Florida gambling syndicate,") [GREENE, 1981, p. 129], Marvin Rappaport ("who was anxious to supply Abdul with sex films"), [GREENE, 1981, p. 129], and Greg Katz ("who had become a millionaire through a series of corrupt deals with New Jersey Democratic officials spanning thirty years.") [GREENE, p. 162]

In Argentina and other Latin American countries in the late 1970s, notes Jerome Barromi, there were "a series of financial and political scandals involving prominent Jews." Among those charged was Mexicanbased "powerful financier" David Gravier; family members him were also arrested and "accused of having laundered and recycled money from the Montoneros, acquired by bank robberies and kidnapping wealthy businessmen." (At least one prominent member in the revolutionary Montoneros organization, wanted by the government, was given refuge, on the basis of his Jewish credentials, in Israel). [SACHER, H., 1985, p. 299] "With several other Jewish investors, most of them Mexican, Gravier used his family bank to purchase controlling shares of the American Bank and Trust, a major New York financial institution. He then skimmed \$50 million out of ABT, precipitating its collapse and the liquidation of \$180 million of its deposits." Among the depositors were generals in Argentina's military. [SACHAR, H., 1985, p. 304] In 1977, "a new scandal erupted, the bankruptcy of the Jewish-owned (the Argentine Madanes family) aluminum factory, **ALUAR**." [BARROMI, p. 31] "Then came the [Jose Ber] Gelbar scandal," notes Jewish scholar Howard Sachar, "involving the first Jew to serve in a Peruvian cabinet. "Accused of graft in accumulating the fortune required for purchasing his vast investment [in **ALUAR**]," he fled to the United States. [SACHAR, H., 1985, p. 304]

In 2001, the <u>Jewish Telegraphic Agency</u> covered a panel discussion about the Jewish situation in Argentina, noting:

"According to Argentine Jewish expatriates in the audience, the Jewish leadership in the country is entrenched, incompetent and corrupt. They also claimed that the two Jewish-run banks were linked closely to a corrupt government and played fast and loose with the community's money. When the banks failed, some \$26 million in communal assets were lost overnight. 'My brother can get over losing his money, but he cannot get over the fact that Jews betrayed other Jews, [Rabbi Alfredo] Borodowski said." [JORDAN, M., 6-28-01]

In Australia, noted the 1994 American Jewish Yearbook, there were arrest warrants out for

"Abe Goldberg and a business associate, Katy Rochelle Boskowitz ... over the multimillion dollar collapse in 1990 of the **Linter** textile and investment group and alleged fraudulent borrowing and misconduct. Boskowitz was arrested, but Goldberg remained in his native Poland ... which has no extradition treaty with Poland. Robyn Greenberg, convicted of fraud following the demise of a women's investment and finance group in western Australia, was sentenced to 17 years in prison. Some saw the harsh sentence as inspired by anti-Semitism. Others by sexism." [SINGER/SELDIN, 1994, p. 373]

In the wake of the much-publicized Wall Street scandals, in 1987 the New York <u>Jewish Week</u> devoted a seven page "special report" entitled "Are We Facing a Crisis in Jewish Ethics?" to the theme of recurrent Jewish corruption. The newspaper noted that

"Four years ago, Jewish bankers in the Jewish state conspired in what has become known as Israel's bank shares scandal. Of the four banks, one was owned by Histradut [Israel's labor federation], one by the Jewish Agency, and one by Mizrachi. Last year, a New York yeshiva that was the seat for a grand rabbi was involved in a money-laundering scheme for area businesses. Some of them were reported to be illegal. Two officials of the school were indicted and convicted. This year a prominent Wall Street figure and a lay leader of the New York Jewish community pleaded guilty to insider trading violations on what is said to be a massive scale. Several others have since been indicted -- and most so far are Jewish. And then there are the various corruption scandals currently plaguing New York: public officials betraying the public trust by lining their own pockets -- and, or so it would seem, almost all of them Jewish." [JEWISH WEEK, 5-15-87, p. 25]

Jewish names swirling in New York City scandals in the late 1980s included Alex Liberman, Stanley Friedman, Marvin Kaplan, Michael Lazar, Lester Shafran, Shelley Chevlowe, Victor Botnick, Jay Turoff, Melvin Lebetkin, Geoffrey Lindenauer, Charles Berg, Bernard Sandow (head of New York's Parking Violations Bureau) and Donald Manes (Queens Borough president), among others. [NEWFIELD/BARRETT, 1988; THE RECORD, 3-18-88, p. C22] Friedman (head of the Bronx Democratic Party), Lazar (City Transportation Administrator) and Shafran (Director of the City Parking Bureau) were convicted of racketeering (involving bribes, kickbacks, et al). Kaplan, who had a \$22 million contract with New York City's parking bureau, was convicted of perjury. [LUBISCH, A., p. B3]

In 1998, the tide had not abated: the lament in the <u>Canadian Jewish News</u> was still the same: "In recent years a wave of financial scandals have shaken the Jewish community. How to conduct one's business ethnically is emerging as a central concern among rabbis and responsible community leaders." [CAN JEW NEWS, <u>Business Ethics</u>] In 1999, the same Jewish newspaper followed up with another article about this insistent subject, saying:

"Unfortunately, all too often (once is too often) we hear about ritually observant Jews involved in white collar crimes: tax evasion, money laundering, embezzlement and fraud. Perhaps even worse is the attitude that one so often hears in casual conversation: 'I am only an employee, so I can't write off personal expenses,' or 'Of course I pay my contractor in cash,' thereby helping him evade his tax responsibility and thus stealing from the honest taxpayer ... For some, the phenomenon is culturally based ... [Because of historical discriminations against Jews] Jews had to resort to cheating. This attitude was then carried over to our democracies ... It does not require a very close examination of our general business practices to realize that a serious problem exists... We must continue to work until people stop and say: 'What a wonderful Torah the Jewish people have. Look at the honesty and integrity of of those who keep it." [KELMAN, J., 10-14-99, p. 9]

In 2001, 51 people were indicted for fraud worth millions of dollars in a rigging of McDonald's promotional games. "The scheme [involved] friends and close-knit family members, including a husband and wife." Jerome P. Jacobson, the scam ringleader and director of security for Simon Marketing Inc. (the firm contracted by McDonald's to run its promotional games: i.e., *Monopoly* and *Who Wants to Be a Millionaire*?), "embezzled more than \$20 million worth of winning McDonald's game pieces from his employer." Names of those indicted are hard to come by, but those listed with Jacobson by the *Miami Herald* were Bernard Weintraub and Adam Zucker. (Unindicted CEO of McDonalds? Jack Greenberg). Attorney General John Ashcroft announced that "the complaint alleges that Jacobson provided the winning game pieces to his friends and associates who acted as recruiters. These recruiters then solicited others who falsely and fraudulently represented that they were the legitmiate winners of the McDonald's games." [MIAMI HERALD, 12-9-01] [CNN, 8-22-01]

In the Jewish homeland, in 1994, <u>Agence France Presse</u> noted that "investigations, scandals, and trials involving securities dealers and the country's biggest banks have shaken Israel's financial markets as they've never been shaken before." [SCHATTNER] This included the arrests of Vladimir Saar and Arie Shafir for securities crimes, as well as the jailing of Amos Weiss, "one of Israel's leading securities dealers." [SCHATTNER] In 2001, the Isaeli newspaper Haaretz noted that

Three years later, in 1997, not much had changed in the name of "Jewish ethics" in the Jewish homeland. The <u>Cleveland Jewish News</u> began an article by stating that "Israel seems to be going through a golden age of corruption and criminality," and then listed those in the so-called "Bar-On affair," including Knesset member Arye Deri's trial for accepting bribes; building contractor David Appel's "cheating poor immigrants out of hundreds of thousands of dollars in government compensation"; the investigation into the Prime Minister's chief aide Avigdor Lieberman's falsification of documents; Dror Hoter Isha'i, head of the Israel Bar Association, and his trial for income tax evasion; and an investigation of Jerusalem mayor Ehud Olmert for falsification of election campaign documents. "But that's just in the Bar-On affair," notes the <u>News</u>, "the Israeli government is chockfull of other senior figures who have

been accused of corruption and/or malfeasance." [DERFNER, <u>Corruption</u>, p. 8] These include police investigations of Shas Knesset member Rafael Pinchasi, Internal Security Minister Avigdor Kahalani, former Justice Minister Ya'acov Ne'eman, former Shas Knesset member Yair Levy, Labor Knesset member Binyamin Ben-Eliezer, and National Religious Party member Avner Shaki. "As for the mayors who have gone on trial for corruption and other sorts of crimes," notes the <u>News</u>, "the list is far too long to mention." [DERFNER, p. 8]

In 1994 the chairman of the Jewish Agency, Simcha Dinitz, had earlier joined the crowd when he was charged with fraudulent use of agency credit cards and other indiscretions, [HOFFMAN, D, p. A12] and in 1996 the Jewish National Fund weathered "a scandal over alleged financial mismanagement." [FORWARD, 3-21-97, p. 4] In 1997, an Israeli millionaire, Nahum Manbar, was convicted of treason for selling material to Iran that has value in the manufacture of poison gas. A member of Manbar's legal defense team was even found to have had simultaneous affairs with the judge on the case, the Israeli prime minister's media advisor, and a Shin Bet secret police officer. [BORGER, p. 16] That same year, Dudu Topaz, a major Israeli television personality, was exposed for the fraudulent system of his game show.

In 1999, Ofer Nimrodi, chairman of one of the largest newspapers in Israel, <u>Ma'ariv</u>, went to prison for four months "for electronically eavesdropping on his two competitors as well as on other media figures." A former employee, Rafi Pridan, was also reported "to have tapes of his old boss planning to murder the publishers of two rival newspapers, plus a private eye who once help put Nimrodi -- and Pridan -- in jail for wiretapping." [MAKOVSKY, p. 63]

Recent Israeli military-related scandals include a controversial over an early release date from jail for an air force general, Rami Dotan, who was imprisoned for embezzling \$12 million, and Yehuda Gil, a senior Mossad [Israeli CIA] official, who was finally caught inventing -- continually for ten years -- information from an entirely fabricated spy in Syria. Enjoying the status of being a spy legend in Israel, Gil's total fictions nearly brought Israel to war with its Arab neighbor. [DAVIS, D, p. 10]

In 1999, the <u>Associated Press</u> reported that "several former officials of Israel's biggest bus company are suspected of accepting millions of dollars in bribes" [AP, <u>Israel's</u>] and in another story that "Israeli police have recommended that outgoing Justice Minister Tsahi Hanegbi be charged with corruption." [AP, <u>Police</u>] That same year too, "Israeli police arrested a local official of the ultra-Orthodox Shas party [Yehuda Kehati] -- a key ally of Prime Minister Benyamin Netanyahu -- Saturday over allegations of fraud in connection with Monday's elections for parliament and prime ministership ... Fraud allegations are nothing new in Israeli politics." [AGENCE FRANCE PRESSE, <u>Ultra</u>] A little while later came losing Prime Minister Netanyahu's turn: "Two months after bowing out of public life, Benyamin Netanyahu was back in the spotlight at the center of a police probe by the national fraud squad. Israel's former first couple are suspected of corruption, abuse of trust, attempting to suborn witnesses, and hindering the investigation, which centers on 100,000 dollars of renovations and other work at two Jerusalem homes." [WEGMAN] In 2001, the <u>Washington Post</u> noted that, with 1994 changes in Israeli election laws, "as a result many Israeli politicians resorted to a wide range of illegal and semi-legal ways to raise money,

including setting up nonprofit organizations, whose records are shielded from public inquiry." [DOBBS, M., 2-21-01] That same year, after a building collapsed in Jerusalem killing 23 people, the Israeli newspaper <u>Haaretz</u> noted that

"Construction regulation in Jerusalem has been under a cloud since November 1999, when a huge corruption scandal exploded under the city's construction regulation department. After a six month undercover operation, Jerusalem poolice uncovered a ring of municipality officials who systematically accepted hundreds of thousands of shekels in bribes from architects and contractors." [AVRAHAMI, I., 5-27-01]

In 1999, in examining Israeli Likud Party fundraising, the <u>Jewish Week</u> noted that "almost \$300,000 appears to have vanished somewhere between the United States and its Israeli charitable destination. And at least under \$160,000 -- donated by right-wing philanthropist Dr. Irving Moskowitz to a fund-raiser linked to Likud -- was never reported to the U.S. Internal Revenue Service, as required by law." [COHLER-ESSES, L., 2-19-99, p. 1] In 2001, "[Israeli] Histradut Teachers Union head Avraham Ben-Shabbat and his deputy Uri Groman, were placed under 14 days' house arrest by Tel Aviv District Court ... after both admitted to fraudulently obtaining academic degrees, then using them to receive higher pay." [SOMMER, A., 12-11-01]

And let us not forget the swindles befalling some of the immigrants to Israel from the former Soviet Union. In 1996, a class action suit was filed against Va'ad (the Ukrainian Jewish immigration umbrella organization), an immigration activist named Yosef Zisels, the Jewish Agency, and the Liason Bureau of the Israeli government. "According to the charges," notes the <u>Jerusalem Post</u>, "the immigrants gave money from their savings and the sale of their property to Zisels to transfer to Israel at the advice of emissaries working for the agency and bureau. However, they claim they were not paid the sums half a year later, as had been stipulated in the contract with the Va'ad." [TSUR, p. 6] Then came the 1999 investigations of "lawyers who reportedly cheated thousands of elderly Israelis out of more than half a billion dollars by offering to help them obtain German pensions. [i.e., Holocaust-era reparations]"

In November of 1999 the Montreal Gazette noted that

"It was scandal, and lots of it, that truly occupies the country's [Israel's] attention. There was a scandal of lust, scandal of greed, scandal of corruption. There was a scandal involving the national soccer team for losing a key match following pregame visits to a house of ill repute. There was a scandal involving former prime minister Benyamin Netanyahu and his wife, Sarah, accused of accepting bribes and stealing valuable state gifts. And there was yeshiva scandal aplenty. So much muck was being raked that the newspaper Yediot Ahronot even ran a full-page scandal guide

on Friday, with boxes for every major affair, its suspects, its allegations and the status of its investigation." [SONTAG, D., 11-28-99, p. 17]

In 2000, nothing had changed. The <u>Jewish Week</u> headlined an article "Israel Sinking in Scandal Swamp: 'Light Unto Nations' Seen Losing Moral Bearing Amid Corruption, Fraud Probes." New scandals included those surrounding Israel's president, Ezer Weizman, who had taken hundreds of thousands of dollars in a secret fund from French Jewish millionaire Edouard Sarousi, and Prime Minister Ehud Barak "who was questioned by state Comptroller Eliezer Goldberg last week about allegations that fictitious associations illegally pumped foreign contributions into his 1999 election campaign." [AIN, S., 1-28-2000, p. 1]

In 2002, Israeli MK (Member of Knesset/Parliament) Michael Kleiner complained that "World Jewish organizations are set to 'rake into their coffers' some \$1 billion in unclaimed funds allocated by Swiss banks to compensate for assets from dormant Holocaust-era accounts ... Kleiner accused the [Israeli] government, along with Jewish organizations, of compliance in allowing the Swiss to avoid publishing the lists of bank account and insurance policyholders. The Jewish organizations have a conflict of interests, he said, since they cut a deal under which all unclaimed monies would go to them." [GILBERT, N., 1-15-02]

Scandals in Israel are an old theme. Looking back to the 1970s, notes Richard Rubenstein, "there was a serious loss of public confidence in the Labor government [the then-empowered political party] as a result of revelations of economic corruption and greed among some government leaders, heads of state-owned banks, corporations, and the Histradut labor federation." [RUBENSTEIN, R., p. 229] And as World Zionist Organization president Nahum Goldmann noted about Israel's first prime minister, David Ben Gurion:

"A promise to him was quite worthless. He did not hesitate to promise one thing and do the opposite. He was absolutely unscrupulous. He never pursued any objective other than realizing the Zionist ideal and satiating his immense ambition." [GOLDMANN, N., 1978, p. 94]

In 2001, a London <u>Guardian</u> reporter noted with outrage that Israel has blatantly "cheated and lied and abused the trust" it had in trade agreements with European nations. "No sooner had the ink dried on [Israeli minister] Shimon Peres's signature [to a Euro-Israeli trade pact]," notes Brian Whitaker,

"than Israel began to cheat. To imagine that this was due to a few bent officials in the customs department would be a mistake: cheating was built into the system and it was carried out with the blessing of the Israeli government ... In 1997, as a result of complaints, the European commission sent a delegation to Israel to find out why Brazilian orange juice arriving in Europe had been certified as Israeli in order to qualify for preferential rates. The problem, the delegation concluded, went way beyond orange juice: Israeli customs officials An Israeli journalist noted the moral tenor of its citizens in 2001, a world view intrinsic to Jewish identity throughout the history of the Jewish diaspora and its traditional circumvention of surrounding Gentile law:

"The Israeli temperament does not accept rules of behavior and rejects natural obedience to the law. The average Israeli is afraid to feel like a sucker, so scorns the rules and regulations and regards the law as an area of ever-expandable space in which to maneuver, outwit, bypass, and bribe, if necessary, in order to achieve more." [BENZIMAN, U., 5-27-01]

This theme was repeated again a week later by a Jewish ethnic magazine, <u>The Forward</u>, which wondered if Israel's national "personality trait" of subversion of civil law had roots in Jewish ethics in earlier times in other countries:

"[There is] universal awareness that something is definitely rotten in the state of Isael. This is, after all, a country in which bending the rules is said to be a national pasttime, cutting corners a way of life and cheating the authorities the proof of merit ... Sticklers for the law are ridiculed and abused, where anyone who works by the book is branded a sap, a '*freier*,' the worst insult in modern Israeli lexicon ... Many people believe Israeli laxity, which borders on anarchy, is a national personality trait that cannot be eradicated by laws alone. Some trace the trait all the way back to the historical Jewish Diaspora, where Jews often found solace in bending the rules imposed by the often anti-Semitic authorities." [SHALEV, C., 6-1-01]

The same year, Michael Finkel had this to say, about another criminal subject, in the New York Times:

"Moshe lives in Israel, which happens to be one of the more active nations in the international organ-trafficking market. The market, which is completely illegal, is so complex and well organized that a single transaction often crosses three continents ... Yet in Israel and a handful of other nations, including India, Turkey, China, Russia and Iraq, organ sales are conducted with only a scant nod toward secrecy. In Israel, there is even tacit government acceptance of the practice -- the national health-insurance program covers part, and sometimes all, of the cost of brokered transplants. Insurance companies are happy to pay, since the cost of kidney surgery, even in the relatively short run, is less than the cost of dialysis. According to the coordinator of kidney transplantation at Hadassah University

Hospital in Jerusalem, 60 of the 244 patients currently receiving post-transplant care purchased their new kidney from a stranger -- just short of 25 percent of the patients at one of Israel's largest medical centers participating in the organ business. Relatively few transplant operations, illegal or legal, take place in Israel. Every proposed kidney transplant in the country between two unrelated people is carefully screened for evidence of impropriety by a national committee. Therefore, almost all of these illegal surgeries are performed elsewhere, in nations where the laws are easier to duck, including the United States. Israel also does not contribute much to the supply side of the equation. Organ donation is extremely low; an estimated 3 percent of Israelis have signed donor cards Paying for an organ has become so routine in Israel that there have been instances in which a patient has elected not to accept the offer of a kidney donation from a well-matched relative. 'Why risk harm to a family member?' one patient told me. Instead, these patients have decided that purchasing a kidney from someone they've never met -- in almost all cases someone who is impoverished and living in a foreign land -- is a far more palatable option ... A few Americans do go abroad for transplants. A man named Jim Cohan, who lives in Los Angeles, helps organize such trips ... Cohan's price for a kidney, he says, is \$125,000 ... Only a small portion of the money actually goes to the person selling the organ -- as little as \$800 ... [There is a physician] who has repeatedly been accused by the Israeli media, including one of the nation's leading daily papers, Haaretz, of paricipating in hundreds of overseas transplants, many of them in Turkey. The [Israeli] surgeon's name is Zaki Shapira." [FINKEL, M., 5-26-01]

In 2001, an Israeli newspaper, Ha'aretz, announced that

"Romanian authorities are looking into the possible links between Israeli adoption agencies and an illegal global conspiracy to sell organs for transplants. The Romanian embassy in Israel has asked for, and received from the Labor and Social Affairs Ministry, a list of all children born in Romania who have been brought to Israel for adoption in recent years. The Romanian officials are trying to ascertain if all such children arrived in Israel with all their organs in their bodies." [REZNICK, R., 12-13-01]

In the midst of the growing 1980s Wall Street scandal, the American Jewish Committee held a panel discussion on Jewish ethics at a conference luncheon. The <u>Palm Beach Jewish Journal</u> quoted Rabbi David Gordis as worrying that with all the negative publicity some might see Jews in America broadly "as exploiters of the economy, parasites, profiteers." [EHRLICH, p. 342] Judith Ehrlich and Barry Rehfeld note that

"[Pointing] to the dangers to Jews from the prominence of Jewish names in current scandals and the imagery that emerged from the visibility, Rabbi Gordis urged that 'as a people we must look more deeply into the recesses of our traditions, our experiences, our values.'" [EHRLICH, p. 345]

The "crisis in Jewish ethics" in America, epitomized in the Wall Street scandals, was of course nothing new to the 1980s. Well-publicized scandals involving prominent and powerful Jews surface fairly regularly. Gerald Krefetz, for instance, noted a particularly nasty Jewish-based scandal in the 1970s:

"Bathed in the merciless lights of Congressional hearings, the witnesses exposed to a national audience the morbid, pathetic, and sordid conditions of senior citizens in nursing and old-age homes. It was as if they had found that a Jew was in charge of a concentration camp. The whole proceedings were a shanda (shame) of the first order, [with] illegal practices of a rabbi and other prominent Jews on a captive population unable to protect itself ... [Rabbi Bernard] Bergman was more than a symbolic figure of evil in the nursing home industry -- he was the industry ... [KREFETZ, p. 128] ... It became clear that Bergman had almost oligopolic powers, with interests in close to a hundred different homes across the nation. It also became clear that perhaps more than any other industry or service area, Jews dominated the field, that many of the operators were Jewish, including Bergman, Eugene Hollander, and Albert Schwartzberg ... Insensitivity, greed, and human degradation were the hallmark of a majority of the private facilities. And that the chief perpetrator of this terminal inhumanity should be an orthodox rabbi and a prominent Zionist was a mind-boggling reversal of values ... [KREFETZ, p. 129].... One illustration is perhaps typical of Bergman's operations, his persistence, his political connections, and his unabashed use of his 'Jewishness' that he paraded as if he were its victim ... [KREFETZ, p. 131] ... The hypocritical Bergman was using the lethal and explosive charge of anti-Semitism as a foil for his commercial maneuvers." [KREFETZ, p. 132]

Bergman was prominent a number of Jewish Orthodox institutions. "Reputed to be worth \$100 million," notes Alan Dershowitz, "he had held the presidency of numerous Jewish philanthropic, religious, and educational institutions." [DERSHOWITZ, 1987, p. 126] He was "one of the richest and most powerful orthodox Jews in the world," notes Robert Friedman, "with close ties to Israel's National Religious Party. He made a fortune from a national conglomerate of Medicaid nursing homes, where infirm patients were left unattended to soak in their own urine ... No doubt Bergman learned his business ethics from his parents who were not only bootleggers, but also were convicted in 1941 of smuggling eight kilos of heroin from France in the bindings of Hebrew prayer books." [FRIEDMAN, <u>False</u>, p. 17] "In my lifetime in this city," declared another Jewish critic in the <u>Village Voice</u>, "I have never encountered anyone as rotten

as Bernard Bergman." Within three months, 62 articles about Bergman were published in the <u>New York</u> <u>Times</u> alone. [DERSHOWITZ, 1987, p. 119]

Sensationally, the judge in the Bergman case, Marvin Frankel, sentenced the rabbi to a term of only four months, a decision that elicited outrage from all corners. A Jewish Congressman, notes Alan Dershowitz, "warned that 'there will be anti-Semitism flowing from the fact' that the judge and defendant were both Jewish." [DERSHOWITZ, p. 120] Special State Nursing Home Prosecutor Charles Hynes declared the punishment "insubstantial" and that it was "special justice for the privileged." [DERSHOWITZ, p. 120] A second judge, Aloysius Melia, reviewed the case and added a year to Bergman's sentence.

In 1993, when prominent non-Jewish American lawyer Michael Tygar took up the U.S. citizenship case of John Demjanjuk -- after his new client had been exonerated in Israel of being the Nazi operative Ivan the Terrible -- a Jewish faculty member at the Hofstra Law School, Monroe Freedman, publicly rebuked Demjanjuk's new lawyer in a well-known law journal: "Is John Demjanjuk the kind of client to whom you want to dedicate your training, your knowledge, your extraordinary skills?" [MARGOLICK, p. B18] Tigar's response to Freedman's pained moral query was an emphatic yes. Demjanjuk, after all, had never been proven to be guilty of any crime, and he had been cleared of the charge of being Ivan the Terrible. And Monroe Freedman? Freedman had been one of the lawyers for the aforementioned Rabbi Bergman who <u>was</u>found guilty of particularly heinous crimes against the helpless elderly, a client who was widely known as "the meanest man in New York." [MARGOLICK, p. B18]

Other scandals in the 1970s included that which caused non-Jewish actor Cliff Robertson to be blacklisted for four years [MCCLINTICK, p. 518] by the largely Jewish Hollywood crowd [see forthcoming media section] for reporting a forgery by the president of **Columbia Pictures**, David Begelman. The investigation of Begelman ultimately led to an embezzlement scandal and press investigations into the whole unethical base of the film business itself. Robertson attracted animosity also because of his public demands for further police investigation into something that he believed to be merely the tip of an iceberg, especially after Begelman was tentatively removed from his post at **Columbia**, but reinstated. "The entire entertainment community had been shaken [by the scandal]," noted David McClintick in 1982, "Four of the seven major studios -- **Columbia**, **Fox**, **MGM**, and **United Artists** -- had changed drastically." [MCCLINTICK, p. 518] As the scandal attracted increased media attention, the Los <u>Angeles Herald Examiner</u>'s entertainment columnist noted the essence of the situation: "The <u>Washington Post</u> apparently is incensed because the Hollywood trade press never used the word 'embezzlement' [in referring to the Begelman scandal]. There's a reason for that. Embezzlement is not a sin in Hollywood. It's a way of life." [MCCLINTICK, p. 354] (Begelman had once been an agent for Judy Garland who believed that he had stolen \$200,000 from her). [SHIPMAN, 1993, p. 448]

In 1977, Jewish author Michael Hellerman had his autobiography published. It was entitled "Wall Street Swindler." Criminal associates noted that he was "the master [swindler] of them all" and "when it comes to the big swindle, Hellerman is a genius. He makes us all look like pikers." [HELLERMAN/RENNER, 1977, p. viii] Hellerman grew up "in the bosom of a deeply religious affluent family in the heart of suburban Long Island" but was "driven by an almost insatiable desire for riches and luxury." [HELLERMAN/RENNER, 1977, p. ix] "As a thief," says Thomas Renner,

"Hellerman was the very personification of the white-collar criminal. ... Like the men of the Mafia he often dealt with and cheated, Hellerman could and did leave his victims stripped of their dignity, financially destitute, and psychologically traumatized." [HELLERMAN/RENNER, 1977, p. ix]

In the political realm, in 1977 the Jewish governor of Maryland, Marvin Mandel, and four others were "convicted of conspiracy to have the Governor influence race track legislation in return for \$380,000 in bribes." [AYRES, B.D., p. A1] Mandel served 19 months of a four year prison sentence. One of those convicted with him, Irwin Kovens, "was a major sponsor of Mr. Mandel's political career. He helped raise millions of dollars for Mr. Mandel's campaign for governor in 1970 and 1974." [NYT, 11-2-89, p. B21] [BALTIMORE JEWISH TIMES, 1-23-98, p. 8]

Shortly thereafter, in 1982, another Maryland Jewish politician was sentenced to prison. Baltimore City Council President Walter Orlinsky pleaded guilty to "one count of extortion ... [He also] conceded that the Government could prove other charges against him." [NYT, 9-23-82, p. A24] [BALTMORE JEWISH TIMES, 1-23-98, p. 8] He was originally indicted on 12 counts of extortion and mail fraud.

In 1999, Donald Warshaw, also Jewish, and Miami's powerful city manager, was fired after nearly two years in the position. He faced a "federal indictment charging he misspent public pension and charity funds on luxurious items." He was accused of "spending \$86,563 in pension and charity funds on trips, designer clothes, \$21,276 in hockey tickets and other things from 1993 to 1995 while serving as police commissioner ... Warshaw's friend, accountant Ronald Stern, as named as an unindicted co-conspirator. He killed himself in July 1999 after allegations surfaced that he embezzled \$500,000 from the pension fund while serving as its auditor and investment adviser. He was also the charity's accountant." [WILSON, C., 10-11-2000] In 1993, Dade County Commissioner (Miami, Florida) Joe Gersten, also Jewish, was accused of smoking cocaine with a prostitute in a Miami drug den and subsequently fled to Australia. [DE FEDE, J., 3-16-94]

In 1995, Joe Waldholtz, the Jewish husband of non-Jewish Utah Congressman Enid Greene was exposed in a scandal that sent him to prison for 21 months and effectively destroyed his wife's political career. Waldholtz, noted Salt Lake City's <u>Deseret News</u>, "lied and bullied his way to notoriety ... during a scandal that involved Waldholtz's ex-wife, then Congresswoman Enid Greene, check kiting, illegal money transfers, federal election law violations, drug abuse and bizarre behavior ... [He was] convicted of embezzling nearly \$4 million from his former father-in-law and illegally funneling most of it into Greene's 1994 election campaign [which she won]." [DILLON, L., 5-29-99, p. A1] Greene, pleading complete innocence, divorced him soon after the scandal. In Florida, in 1999, State Senator Al Gutman was sentenced to two years in prison for "conspiracy in a Medicare fraud case." Gutman and his wife Marci "secretly owned companies that billed Medicare for health care services that were not performed." He "collected at least \$2 million from fraudulent billings while he served in the Legislature." [FIELDS, T., 10-20-99; FIELDS, T., 10-26-99] In 2000, Paul Adler, a "key" Hillary Clinton political adviser (particularly to the Jewish community) and head of the Democratic Party in New York's Rockland County, was arrested on charges of "public corruption, fraud, extortion, and other charges linked to his real estate transactions." [FORWARD, 9-15-00, p. 15] In 2002, Edward Mezvinsky, a former (Jewish) Congressman from Iowa, "was indicted on 66 counts of fraud and related charges for allegely bilking more than \$10 million." Those signing letters trying to get him off easy were Edward Shils (a University of Pennsylvania professor, Jonathan Yarowsky, a former genral counsel to the U.S. House Judiciary Committee, and Rabbi Gerald Wolpe. [MOORE, T., 19-02]

In the 1960s, a former Jewish socialist activist turned rich playboy, Bernie Cornfeld, was probably that decade's best known financial swindler, defrauding 250,000 investors in his **Investors Overseas Service (IOS)** mutual funds company. [NYT, 3-1-95, p. A10] With a million customers in 26 countries around the world, and employing 20,000 employees, Cornfeld, amassing a personal fortune of over \$100 million. He promised millions to Israeli causes and started a mutual fund system at the Tel Aviv stock exchange. "Stories of shady dealings, mismanagement, plain stupidity, what some lawyers were calling outright fraud, were filling the financial pages of newspapers and magazines all over the world," noted one of his former associates, Bert Cantor. [CANTOR, p. 8] Cantor also had this to say about who ran the corrupt **IOS** business:

"A minor **IOS** executive in evaluating the company's personnel practices remarked that status in the [company's] hierarchy could be measured in four categories: 1) Nice Jewish boys from Brooklyn who belonged to Bernie's Boy Scout troop, 2) Nice Jewish boys from Brooklyn, 3) Nice Jewish boys, 4) Everyone else." [CANTOR, p. 7-8]

In 1975 Cornfeld was convicted for telephone fraud. In 1990, <u>Forbes</u> magazine reported that the IRS claimed Cornfeld still owed \$15 million in taxes going back thirty years. [NYT, 3-1-95]

Another (extremely) noteworthy Jewish fraud of the Cornfeld era was that of Stanley Goldblum. In the 1970s he was sentenced to prison for the 'biggest corporate fraud in United States history," "one of history's greatest hoaxes." His **Equity Funding Corporation** of America sold \$2 billion worth of fake insurance policies --64,000 of them -- to other insurers. In later years he surfaced as a criminal again, arrested in 1999 "in a scheme to operate a number of medical clinics that allegedly bilked the workers' compensation system." [NY TIMES, 3-26-75; GAW, p. C1] [DIRKS/GROSS, p. 3-4]

Also in the 1960s, Australia had a memorable Jewish scandal. Stanley Korman, notes Jewish commentator Leon Gettler,

"shocked and angered the White Anglo-Saxon Protestant pillars of the establishment

back in the 60's. Sure, Korman was a crook. They hated him and sent him and sent him to jail for fleecing his shareholders. But they hated him even more because he was Jewish." [GETTLER, L, 2000, p. 27]

More recently, much-publicized Jewish crime figures include the sensationally ostentatious pennypincher and tax evader, Leona Helmsley (Ms. Helmseley, noted the <u>Economist</u>, "had long been labeled one of the villains of modern America. A witness at her trial testified that she had once said 'only the little people pay taxes' and the little people remembered." [ECONOMIST, 4-25-92, p. 28] "Helmsley," noted <u>Reuters</u>, "was found guilty ... of writing off a wide variety of personal items as business expenses, including bras, shoes and dresses, a million dollar pool cover that doubled as a dance floor, and a \$130,000 stereo system." [APPELSON])

Another big scandal of the 1980s focused on the Hollywood "madam" trafficker of prostitutes to the stars, Heidi Fleiss, also Jewish and the daughter of a prominent doctor. "Like Begelman," noted the Los Angeles Times, "the new [Fleiss] scandal stands as a symbol of corruption in Hollywood." [ELLER, p. B8] Fleiss, noted Entertainment Weekly, "has given two of the studio chieftains -- executive vice president Michael Nathanson and executive vice president of production Barry Josephson [both Jewish] -- leading roles in the ever-widening Hollywood sex scandal." [KENNEDY, 8-20-93] "What is obvious is that the potential scandal," said the <u>New York Times</u>, ".... involved heavy use of cocaine and other drugs ... One executive, Michael Nathanson, president of production at **Columbia Pictures**, denied on Tuesday, through his lawyer, Howard Weitzman, that he had used film-development money to procure prostitutes..." [WEINRAUB, p A4] After Nathanson's denial of involvement in the ring, Ivan Nagy (Fleiss's boyfriend, also arrested for soliciting call girls) leaked a copy of her "black book" to the <u>New York Daily</u> <u>News</u>; it included Nathanson's phone number.

Fleiss was eventually sentenced to prison in 1993 for attempted pandering, tax evasion, and money laundering. She was once quoted as saying that the aforementioned Bernie Cornfeld "was the only real boyfriend in my life." [WASH POST, 3-2-95, p. B4] Fleiss' father, noted the Los Angeles Times, "a well-known Los Feliz pediatrician who recently examined the newborn daughter of pop star Madonna, was previously sentenced to three years' probation, 625 hours of community service and fined \$50,000 for conspiring to hide profits from his daughter's call girl ring." [MCDONNELL, p. B1, B3]

A kindred soul in professional ethics to Dr. Heiss in the late 1960s and early 1970s was Dr. Max Jacobson. Nicknamed "Dr. Feelgood," his license to practice was eventually suspended for routinely giving amphetamine injections into a large number of celebrities. [SEAMAN, p. 386-388] Jacobson and another Jewish doctor, Lee Siegel, are cited by one author as famous "drug pushers" for Hollywood studios. There were "stories," notes Dennis McDougal, "about physicians on the TV or movie set who injected stars with 'vitamins' to keep them performing ... It became clear after a while that [movie star] agents did not interfere with the addictions that were killing Allen Ladd, Montgomery Cliff, and Judy Garland." [MCDOUGAL, p. 259] Dr. Robert Feder, another Hollywood physician, "gave amphetamines, or uppers, to some of his patients if they needed to be 'on' for a particular performance or day." In the case of drug-addicted actor John Belushi, Feder fed him uppers through Belushi's agent, Bernie Brillstein [WOODWARD, 1984, p. 244-245] (Among the great medical fraudsters of the early 20th century was Albert Abrams. Arthur Cramp of the American Medical Association once said that Abrams "easily ranked as the dean of twentieth century [medical] charlatans." Abrams used a variety of invented machines, often based on the radio, that were supposed to diagnose, and even cure, disease.) [YOUNG, J., 1967, p. 138-139]

Doctor Melvyn Rosenstein is also a noteworthy surgeon. Self-described as the "world's leading authority on penile surgery," he spent \$250,000 a month in advertising across the country in an effort to entice men to have surgical penis elongation. He reportedly netted \$30 million in this practice between 1991 and 1995. By then, however, dozens of men (over 40 in southern California alone) had surmounted their embarrassment to come forward to sue him for malpractice, for misinformation, and for deforming their sexual organs. A California Medical Board spokesman declared that those who had come forward to sue Rosenstein were "the tip of the iceberg." In 1996 Rosenstein was forbidden to further practice his lucrative trade. [HOLDING, R., 4-24-95, p. A9; SHUIT, D., 3-5-96, p. B1] (In the women's world of cosmetic surgery, socialite Joyce Wildenstein -- one of the heirs to the opulent Jewish Wildenstein art gallery dynasty -- has become the much lambasted symbol in the New York media for those who have had face lifts too many times).

Moving along in the generic fraud department, up north, in Ontario, Canada, in 1991 Jewish lawyer Herman Melnitzer parked his Jaguar XJS coupe and "pleaded guilty to one of Canada's biggest cases of fraud." [TYLER, p. A1] He was charged with 43 cases of "forgery, fraud and attempted fraud relating to \$1 billion worth of phony stock certificates he used to trick banks into giving him \$43 million in lines of credit, \$12.3 million which was spent." [TYLER, p. A1]

Also in the 1990s, certainly a rival to the claim of "Canada's biggest fraud," the **Bre-X** gold mining scam swept the world's imagination in what the <u>Ottawa Citizen</u> eventually called a "monumental swindle." It began when a small company (co-owned by David Walsh, Michael de Guzman, and John Felderhof) in Calgary, Canada, claimed to have discovered a huge new source of gold in Indonesia. Soon enough, the head (Peter Munk; also Jewish) of Canada's largest gold producer (**Barrick Gold Corporation**) was a player in the story. "In the heat of negotiations between [Munk's company] and **Bre-X**," notes the <u>Citizen</u>,

"one of Munk's executives was reluctant to talk business with his boss on Yom Kippur, an important Jewish holiday when Munk would be observing the Day of Atonement. Munk dismissed his vice-president's concerns. 'This is more important to me than anything. I know it. God knows it. And there's no point in trying to fool anyone about it.'" [SHER, p. E4]

While investors clamored to join the group that promised enough gold to rival the gross national product of the nearby Philippines, nothing substantial was ever found.

Steve Gaines notes the case of Jewish mogul Barry Trupin and his Rothschild Reserve International company:

"What made Trupin really rich was his 1976 discovery of a tax loophole from which he could spin a personal fortune of \$300 million, a 'moneymaking machine,' he called it. Trupin found that a company could earn huge tax deductions by leasing computers instead of buying them. Almost every aspect of the transaction was deductible ... Although perfectly legal, the dodge was a little cloudy. He began to proclaim himself the 'master of corporate veil.'" [GAINES, S., 1998, p. 230]

In 1997 Trupin "was indicted by the U. S. government as a tax cheat for the avoidance of \$6.6 million in taxes." He was also "convicted in federal district court of receiving, possessing, and selling a stolen painting [by Marc Chagall]." Also, "thirty-nine investors in Trupin's various companies were suing him" and the FBI "launched an investigation into Trupin's interest in a Tustin, California, bank in which he had bought a 62 percent controlling interest and had introduced a number of loans that had to be written off as bad." [GAINES, S., 1998, p. 270]

In 1997, Arnie Zaler was arrested in Arizona for fraud totaling millions of dollars, swindling as many as 60 people. Earlier, he had been so well-established in the Phoenix community that he was considered a strong Democratic candidate for Congress. The <u>Arizona Republic</u> notes that, when financial troubles began to hit him in 1994,

"Zaler dropped out of sight. Private investigators hired by investors discovered that he had been laying low in Phoenix and Denver, and occasionally slipping out of the country to spend time in Israel. Zaler had dual citizenship in the United States and Israel. They even learned that Zaler made a large donation to a new temple outside Tel Aviv that was named after him." [MILLER, E., p. A1]

In 1992, Larry Douglas, a well-known Jewish New York City political activist in Democratic mayoral and Presidential campaigns, "disappeared." The <u>New York Times</u> noted that a city councilman and close friend of Douglas, Robert J. Dryfoos

"was embroiled in a Federal tax-evasion scandal, and rumors flew that Mr. Douglas had his own tax problems. He took a plane to Israel and didn't come back until the cases had been dropped." [TOY, Sec1, p. 27]

As noted above, if threatened with exposure and arrest in America, an emergency bailout for Israeli, American-Jewish, or any other international Jewish criminals throughout the world is Israel's Law of Return, in which Jews can essentially rush to Israel for sanctuary. Israeli law officially forbids the extradition of any Israeli citizen for crimes committed in another country, and any Jew on earth may acquire -- by simple birthright, and an application -- Israeli citizenship. Many American Jews do indeed hold both American and Israeli citizenships. This curious convenience garnered considerable outrage and publicity in the 1997 case of American-born Samuel Sheinbein -- the son of (technically) an Israeli citizen -- who was accused of murder. The teenager fled to Israel and sought refuge under the "law of return" for worldwide Jewry.

Sheinbein's accused crime was particularly heinous: he and another Jewish youth (old friends from the Charles E. Smith Jewish Day School) were charged with murder, including sawing off the Hispanic victim's arms and legs with a chainsaw, and attempting to burn the body. The other teenager accused in the case, Adam Needle, was arrested and jailed; he subsequently committed suicide. Sheinbein, meanwhile, had hurried off to Israel, a place he was visiting for the first time in his life.

Sheinbein's plan of escape rested on his father, Shlomo, who had immigrated to America from Israel with his family in 1950, at the age of 6. This entitled him to perpetual Israeli citizenship. He eventually became a lawyer and was so "American" that he was even employed by the Pentagon. [BALTIMORE SUN, 10-11-97, p. 23] Ironically, Shlomo's own father had been murdered in Tel Aviv in 1982. The London <u>Guardian</u> notes that

"He was shot in the head at close range in his office, from where he was suspected of organizing illegal money transfers between Israel and the United States. He left property valued at pounds 44 million." [BORGER, p. 16]

The American government formally requested from Israel the extradition of Samuel Sheinbein to be tried for murder. As far the Jewish state was concerned, however, if Sheinbein's father was indeed an Israeli citizen, his son must also be considered a citizen -- no matter that he had never been to Israel -- and therefore immune from extradition to America.

In October 1997, the Israeli government formally refused the American extradition request. "He cannot be extradited," declared an Israeli Justice Ministry spokesperson, "He was an Israeli citizen when the crime was committed." [ASSOC. PRESS, p. 62] This decision elicited an extremely unusual storm of outrage and indignation within the U.S. Congress. Shortly thereafter, members of that legislative body announced that it was postponing a scheduled transfer of \$180 million in U.S. aid to Israel. Newly attentive, Israel later suggested a Sheinbein trial in Israel, and eventually a further compromise: Sheinbein could be tried in America, but would serve his prison term in Israel.

In May 1998, U.S. prosecutors rejected such compromise proposals. As <u>Agence France Presse</u> noted:

"Justice officials in Maryland had expressed concern that Sheinbein would be released early if he served a term in Israel." [AFP, 5-3-98, ONLINE]

Meanwhile, all the bad press and economic Congressional action forced some major American Jewish agencies to take extremely unusual positions on the case, that is to say, to publicly criticize Israel. "Noting the victim was a Hispanic youth," noted the Jerusalem Post, "the Anti-Defamation League of B'nai B'rith has warned that failure [to extradite Sheinbein] will have 'consequences which transcend this case alone.'" [J.P., 10-9-97, p. 8] Even the Executive Director of the American Jewish Congress, Phil Baum, announced that "Sheinbein's connection to Israel is so patently tenuous as to verge on the fraudulent." [PR NEWSWIRE, 10-9-97, ONLINE] "Regardless of how it may be presented," the Jerusalem Post editorialized, "a failure to expedite will be interpreted by many as Israel's willingness to shield people accused of committing heinous crimes." [J.P., 10-9-97, p. 8] "[The] extradition law is part of Israeli law, end of story," noted Stuart Schoffman in the Washington Post, "But alongside this flat formulation runs an age-old protective instinct: You don't surrender a Jew to the gentiles." [SCHOFFMAN, p. B1]

Israel eventually decided that Samuel Sheinbein was not a citizen after all, because of a small technicality: Israel's Law of Return was suddenly noted to have been created two years after Sheinbein's father left Israel, and therefore not applicable to him and his son. Nonetheless, by a 3-2 vote, in February 1999 the Israeli Supreme Court ruled finally that Sheinbein could claim Israeli citizenship and could not be extradited. "I am disappointed in Israel," said the Maryland lawyer, Douglas Ganser (who is also Jewish), set to prosecute the case in America, "because the [Israeli] ruling didn't make sense. It's not even a close call. It looks bad for the Jewish people." [BESSER, J., 3-5-99, p. 10]

At the same time as the Sheinbein fiasco, the United States government was also trying to extradite Chaim Berger from Israel to stand trial in America too. While the Jewish state was deciding what to do with this case, in May 1999, "despite objections by United States law-enforcement officials, an Israeli court ... approved an unusual \$3 million bail agreement" for this founder of a Hasidic community in New York. Under the "personal bond" of two Israeli rabbis and the governments housing minister, Berger was allowed complete freedom from jail in mornings and evenings. "U.S. officials warned Israel against freeing Berger, contending that he fled New York 18 months ago knowing he would be indicted for his part in stealing \$20 million in federal and state education and housing grants and subsidies. Four other co-defendants were also indicted in the U.S. -- two of them were yet in hiding. A rabbi in Berger's community complained that "the [Hasidic] community's sense is the government's pound of flesh has been exacted and there's no need to drag a 73-year old Holocaust survivor into this." [GREENBERG, J.J., 3-12-99, p. 12]

In the 1980s, France had its own major run-in with Israel's shielding of international Jewish criminals when Israel's Ministry of Justice delayed for years the extradition of a French Jew, William Nakash. Nakash had been convicted there for murder. "French officials," noted <u>Reuters</u>, "insist that [Nakash was involved in] a gangland killing between rival pimps." [TAYLOR, ONLINE] The <u>Jewish Week</u> noted the mood in Israel, however, about France's extradition request:

"Nakash, who claims to be newly Orthodox, has been passionately

defended by Orthodox Jews and right-wing nationalists. They have depicted him a hero who killed an Arab in self-defense, a 'nationalistic' act forced upon him by unbearable harassment by Jew-hating Arabs, abetted by a climate of rampant anti-Semitism in [the French town of] Besancon." [EYTAN, p. 3, 34]

A former Deputy Mayor of Besancon, a Jewish lawyer named Jacques Lorach, responded by saying that "Never in my life, and certainly not in my political career, have I heard or been told an anti-Semitic remark." The town even has "one of the largest and most impressive memorials to the Holocaust outside Yad Vashem in Jerusalem and it was financed exclusively by the city and regional authorities." [EYTAN, p. 3, 34]

Nakash was finally only considered eligible for extradition when he proved to be a criminal problem in his new home. As the <u>Chicago Tribune</u> noted,

"In 1985, Nakash, by then an Israeli citizen, was arrested near Jerusalem for plotting to rob a senior Christian prelate of 60 bars of gold and \$2 million in cash. When Israeli police realized Nakash was the same man sentenced for the Besancon murder, two courts, including Israel's Supreme Court, ruled that he was extraditable to France ... [But] mindful of the political damage [in Israel] that Nakash's extradition could cause, Justice Minister Avraham Sharir, an astute Likud politician, ignored the opinion of the Courts and last week barred Nakash's extradition." [BRODER, p. C1]

In 2000, 124 people from the Paris Sentier district were put on trial, accused of embezzling \$77 million from French banks. "The Sentier area of Paris [is the] center of the Jewish-run garment industry." [WEBSTER, 12-7-89] "The Sentier garment district in Paris .. is majority-owned by French Jews." [AGENCE FRANCE PRESSE, 7-16-99] The Sentier district "is renowned as the center for the rag-trade and a base for petty criminals." [GRAHAM, R., 2-20-01] "Thirteen of the accused, Israeli nationals or holders of dual Franco-Israeli nationality," noted the Jerusalem Post, "have fled to Israel." Struggling to get the Jewish state to extradite the accused criminals for trial, French prosecutor Francois Franchi complaned that "Israel has put itself beyond the pale of the international community. Its banking system encourages actions which explain what happened in this case." [LEVEQUE, 2-25-01, p. 4]

"Investigators [into the Sentier affair]," noted <u>Agence France Presse</u>, "also uncovered money laundering networks with Austria, Belgium, and Israel ... most of the defendants are accused of being part of a criminal network." [AGENCE FRANCE PRESSE, 2-20-01] And the implications of the Sentier scandal to the Jewish community at-large? "Leaders of France's 750,000-strong Jewish community," noted the <u>Jerusalem Post</u>, "have privately fretted for months about possible effects on public opinion of the trial, which opened in a courtroom built specially to accommodate the mass of defendants and lawyers." [LEVEQUE, 2-25-01, p. 4]

Meanwhile, France was also trying to extradite Arkadi Gaydamak (Gaidamek), "a billionaire industrialist," from Israel for trial on charges of illegal arms trading. Gaydamak has Israeli, Canadian, French, and Angola passports. Newspaper reports noted that this mogul "had close ties with Danny Yatom, the security adviser to caretaker Israeli prime minister Ehud Barak." Gaydamak "called attacks on his character as 'aimed at a Jew and a Russian who succeeded in business.'" [AGENCE FRANCE PRESSE, 12-29-00]

Also in France, in 2002 "three of Israel's five leading banks [were] under investigation by French authorities as part of a larger, ongoing probe of a money-laundering network between France and Israel. The network used Jewish charitable institutions and cultural institutions based in France to process illegally-acquired money ... In November French officals said there were some 80 suspects in the case, including six rabbis. Six people are reportedly already in jail." [BERGER/STUB, 12-30-01]

Elsewhere, in 1993 Poland requested the extradition of two Polish Jews, Boguslaw Bagsik and Andrzej Gasiorowski, owners of the **Art-B Trading Company** (which owned 200 other companies), who had fled to Israel in 1991. They were accused, noted <u>Reuters</u>, "of stealing ... \$310 million in the country's biggest financial scandal." [REUTERS, 5-20-92] Bagsik was known to have Polish, German, and Israeli citizenship. [REUTERS, 8-16-91, p. 16] Israeli authorities conceded that at least \$85 million had been transferred by Bagsik to the Jewish state. An Israeli newspaper reported that Gasiorowski complained of discrimination in Poland by "people feeling anti-Semitic sentiments." [POLISH NEWS BULLETIN, 8-91, p. 1] Bagsik was captured in Switzerland the next year and faced 15 years in a Polish jail. Israel refused the extradition of Gasiorowski. [PAP NEWSWIRE, 1-31-97]

In 1994, another newsworthy Polish Jew, Solomon Morel, fled to Israel when Polish authorities sought to question him about his role in "possible postwar crimes against German civilians." [NEWSWEEK, 1-3-94, p. 6] Israel refused to return him to Poland. Likewise, in 2000, the Israeli government refused to extradite Nahman Dushanski back to Lithuania where he is wanted for taking "part in the murder of Lithuanian prisoners during Soviet occupation in 1941." Lithuania also requested the extradition of Simion Borkov from Israel on similar charges. [MELMAN, 2-10-2999]

In 1992, yet another Jewish predator of the embryonic Polish capitalist state, David Bogatin, made international news for his corrupt bank (with 14 offices) in Poland. "Last month," noted the Montreal <u>Gazette</u>,

"a muckraking journalist discovered Bogatin's First Commercial Bank was founded on fraud. Bogatin was unmasked as a con man -- alleged to have connections with United States and Russian criminal syndicates -who fled the United States after conviction on a tax evasion charge." [MCKINSEY, K, 2-13-92, p. A12] Bogatin, originally from the Soviet Union, had emigrated to the United States in 1977. Starting out as cab driver, by 1985 he was involved in shady business dealings, the Mafia, and major tax evasion. By 1987, he was arrested in Vienna for "carrying counterfeit securities." Bogatin, also noted as "one of [America's] biggest gasoline bootleggers," was eventually extradited to the United States and sentenced to prison for tax evasion. [LEGAL INTELLIGENCER, 5-15-92, p. 5]

From the Ukraine, in 1994 the Jewish acting head of the Ukrainian cabinet, Yefim Zvyagilsky, "was faced with charges of embezzlement of state property [worth \$25 million]." [STETSYURA] After fleeing to Israel, the Jewish state denied the Ukrainian request for his extradition. "Ukrainian officials," noted <u>Reuters</u>, "say Zvyagilsky, a Jew by origin, acquired an Israeli passport during his two and a half years in Israel but he denies this ... Some top [Ukrainian] government officials, including Foreign Minister Hennady Vdovenko have suggested that Ukrainian authorities might have to think twice before appointing Jews to senior jobs in the future." [REUTERS, 2-12-97]

In April 1997 the <u>Jewish Telegraphic Agency</u> reported an intriguing banking story from Russia:

"The head of a large Russian bank who is also a prominent member of the country's Jewish community has been detained in Moscow on suspicion of embezzling more than \$120 million ... Arkady Angelevich, who heads Moscow's **Montazhspetsbank** and is a member of the presidium of the Russian Jewish Congress, has been in prison since last week ... Angelevich was arrested on the way to the airport, where he was planning to leave for Israel, according to news reports." [KRICHEVSKY, 4-25-97, p. 6]

In 2001, Agence France Presse reported that

"Spain's top criminal court on Monday turned down a request by Russian media magnate and Israeli-passport holder Vladimir Gusinsky to travel to Israel to cast his vote in elections ... [Gusinsky faces] extradition to Russia to face fraud charges." [AGENCE FRANCE PRESSE, 2-5-01]

Gusinsky is the head of the *Russian Jewish Congress*. Within two weeks, another prominent Russian Jew made the criminal news:

"The arrest of the well-known St. Petersburg businessman and vice-president of the Russian Jewish Congress [Mikhail Mirilashvili] has caused outrage in some political circles in Israel." [ST. PETERSBURG TIMES, 2-16-01]

Mirilashvili also has both Russian and Israeli citizenship.

(Another Eastern European Jewish mogul, Vadim Rabinovich, is founder and president of the All-

Ukrainian Jewish Congress. He too has known "ties to Russian organized crime.") [BONNER, R., 6-12-01]

Even in war-torn Serbia, in 1994 the (Jewish) <u>Forward</u> noted that there were fears of an anti-Semitic backlash when Jews locally masterminded

"a billion dollar embezzlement racket. The scandal, a classic pyramid scheme, involved two banks, **Yugoskandic** and **Dafiment** ... Both banks claimed close links to Israel, and thousands queued over their money. Then the banks collapsed. The owner of **Yugoskandic** absconded to Israel with his investment money..." [RUBIN, E, p. 1]

This owner, Jezda Yasiljevic, notes the London <u>Sunday Times</u>, "fled to Israel, where he threatened to fund hit squads against politicians who turned against him." [BRANSON] In 1992, Vasiljevic had purchased an island off the Montenegrin coast, "once the playground of Richard Burton and Sophia Loren," for hundreds of millions of dollars. [BRANSON] The next year, notes the <u>Christian Science</u> <u>Monitor</u>,

"tens of thousands of panicked Belgraders besieged a soccer stadium yesterday where numbered tickets were being given to withdraw money from a private bank. The rush followed the collapse last week of another bank whose owner fled to Israel, leaving a tangle that threatened to bring down the whole economy of the remaining Yugoslavia." [BRANSON, p. 3]

"Vasiljevic's bank," said <u>Time</u>, "ran a classic Ponzi scheme, using new deposits to pay the interest on old ones." [GREENWALD, p. 58]

A sampling of other newsworthy items about Jews committing crimes throughout the world and then hurrying to Israel for refuge include:

* Members of the Jewish Defense League. Between 1981 and 1987, the FBI blamed Jewish groups for 24 terrorist acts in the U.S. -- 17 of them were believed to be perpetrated by the JDL. [THORNTON, p. A19] The Washington Post reported that "the Israeli government has failed to cooperate with a U.S. investigation of Jewish Defense League (JDL) members and associates suspected in a series of bombings and terrorist incidents in this country, according to an internal Federal Bureau of Investigation have fled to Israel." [THORNTON, p. A19] In 1992, seven years after the murder by bombing of Arab-American Alex Odeh, the president of the Arab-American Anti-Discrimination Organization Albert Mokhiber,

complained that "the American government is asking to interrogate American citizens [in Israel] on a crime that occurred in America and the Israeli government is preventing it." [HEDGES, p. A3] Among others, **William Ross**, an important philanthropist to the Meir Kahane and his Kach Party, carried out a mail bomb murder "not for politics but for his own profit." [TUGEND, 8-19-88, p. 8]

- * Gordon Wolfson. In 1985 he was convicted of 34 counts of mail fraud after cheating investors out of \$50 million in a real estate scam. Five days before Wolfson's sentencing, he paid the Israeli vice-consul in Miami, David Mordechai, \$125,000 to arrange to get him on an El Al flight to Israel. Mordechai was sentenced two years later to six years in U.S. prison for aiding the criminal. "[Mordechai] did something that every Jew hopes to do once in his lifetime," explained his lawyer, "that is help a Jew go to Israel." [UPI, 1-10-87]
- * Eddie Antar. Head of a chain of electronics stores called Crazy Eddie, Antar escaped to Israel and lived under the name of "David Cohen" after a \$63 million securities fraud judgment against him by the Securities Exchange Commission. [UPI, 6-24-92, ONLINE]
- * Dov and Ayala Engel. The two fled to Israel from Brooklyn in 1998 after swindling American banks out of \$100 million through their company Kent International. (Although eventually brought to justice in the U.S., in 2001 the New York Post noted that Dov "plans to cut his 11-year [prison] sentence to less than half by serving time in the Jewish state ... Under a 1999 extradition-treaty amendment, he can serve his sentence in that country [Israel], where fraud charges carry a maximum of five years' imprisonment." [SMITH, K., 12-4-01]
- * Michael Vishedsky and Shlomo Wishedsky. These two owners of a Brooklyn shoe store fled to Israel after committing "the largest Medicaid fraud ever uncovered in New York state, possibly the country." [UPI, 4-16-96]
- * <u>Michael Schiff</u>. In 1995, known by Chicago-area police authorities to have both American and Israeli citizenship, he raped and sodomized a woman who he was interviewing for a (non-existent) job as a nanny. He then fled to Israel. "Under terms of a U.S.-Israeli agreement," noted the <u>Chicago Tribune</u>, "the Tel Aviv government

will not extradite one of its own citizens." [HILKEVITCH, p. 3, N]

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- * <u>Richard Minns</u> -- Minns, is "the former jet-setting health club owner who was implicated but never charged in connection with the shooting of his former lover, in October 1980." She sued him for the injuries suffered and won \$42.6 million in 1991. Minns by now was in Israel: [He] never showed up in court for depositions [in Texas] in connection with the suit ... [He] lived in Israel at the time of the trial ... [His lawyer son] says his father disinherited him ... because he married a woman who was not Jewish..." [SAPINO, B., 4-6-92]
- * Ezra Murad. A diamond dealer, in 1989 he was accused of defrauding Norway's second largest bank of \$3 million. [HOROVITZ]
- * <u>Samuel Dagan</u>. An Israeli, he swindled two American banks out of \$6 million. (Israel relented in this case and extradited him to the U.S. -- probably because of the problems he caused to Israel itself. Dagan had 21 earlier convictions in the Jewish state for fraud and extortion). [UPI, 8-15-90]
- * Yosef Lisch. A Hasidic Jew, in 1998 he fled to Israel after the car he was driving in a motorcade for a prominent Orthodox rabbi hit and killed a seven year old Black child in the Crown Heights area of New York, resulting in local riots and increased Black-Jewish tensions. [NOEL, p. 27]
- * **<u>Ronald Carmon</u>**. An Israeli-born lawyer, he worked for a New York City program that offered legal services to the poor. He fled to Israel after being caught defrauding the city out of \$7,000. [UPI, 12-22-88]
- * <u>Nahum Vaskevitch</u>. In 1994, this former head of the international mergers and acquisitions for Merrill Lynch in London absconded to Israel after an illegal "insider trader" scheme netted him \$4 million. Fellow conspirator David Sofer was also Israeli. [APPELSON]
- * <u>Ilan Mayan</u>. In 1987, Mayan murdered a man in Los Angeles and fled to Israel, but was later arrested in Switzerland. [LA TIMES, 6-25-87]
- * Daniel Weiz. Weiz fled to Israel from Toronto after being charged
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with second-degree murder. "Police have described the case as a random assault by a group wearing ski masks." [ASSOCIATED PRESS, 12-15-99]

- * <u>Natchum Gal</u>. "In Alberta [Canada] in 1982," noted the <u>Toronto</u> <u>Star</u>, "Dr. Natchum Gal turned off the respirator sustaining a braindamaged newborn girl and authorized a nurse to administer 15 milligrams of morphine. The child died 40 minutes later. Gal denied any wrong doing, but he fled to Israel before facing a murder charge." [TORONTO STAR, 10-15-94, p. A4]
- * <u>"Billy" King</u>. In 1998 the <u>New York Law Journal</u> noted that he "fraudulently transferred to himself valuable estate properties consisting of commercial buildings in Manhattan. Subsequently, he remains a fugitive." [NY LAW, p. 31]
- * Dror Haim Goldberg, an Israeli. Indicted in 1999 for murdering Manuela Silverio in a Houston wig shop, "[police] strongly suspect he has fled to Israel, which prohibits the extradition of its citizens for prosecution." [HOUSTON CHRONICLE, p. A30] "It was vicious," said Houston police sergeant George Aldreta, "We don't know the exact reason for it, but we suspect he may have done it for the pure pleasure of killing somebody." [AP, 2-12-99]
- * Jeffrey Ashkenazi. Ashkenazi was a doctor in the small town of Greenville, Michigan. He was arrested in 1998, initially on a mail-fraud charge. Ashkenazi, noted the <u>Associated Press</u>, "had his medical license suspended after improperly treating 10 patients, one of whom died ... [He] reserved one-way plane tickets to Israel for himself and family." [ASSOCIATED PRESS, 8-11-98]
- * <u>Paul Stern</u>. Stern was indicted in 1971 for his part in a scam to defraud insurance companies, including fake care accidents and medical bills. He was not arrested until 1997, when he tried to enter the U.S. from overseas. Stern, noted the <u>Chicago Daily Law Bulletin</u>, "was believed to have been in Israel the whole time." [STEPHENS, B., 4-9, 97]
- * Kenyon Schulman. "Where is Kenyon Schulman?" asked the <u>Houston Chronicle</u> in 1992, "Harris County prosecutors ... learned through Schulman's lawyer ... that he's somewhere in Israel, probably Tel Aviv." Schulman was wanted for questioning when 400 hits of the drug Ecstasy were found in the trunk of his BMW. He had been

arrested earlier, in 1988, for computer hacking. [MAKEIG, 10-21-92, p. A23]

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* **Sholam Weiss**. He was the kingpin of the "nation's largest-ever insurance fraud" and, along with three of his four co-defendants (Jan Schneiderman, Jan Starr, and Keith Pound), was convicted of "racketeering, fraud, money laundering and other charges." Weiss was the brains behind criminal looting the National Heritage Life Insurance Company and was sentenced to "what is believed to be the largest Federal prison term ever imposed" -- 845 years. "Many of the company's 35,000-40,000 policy holders lost most of their life savings." Most were elderly, living in Florida. The criminal investigation against Weiss "followed a five year criminal investigation across nine states and led to dozens of indictments." On October 18, 1999, Weiss skipped his \$500,000 bail bond and a New York court sentencing, thereby making the FBI's Most-Wanted list. A reward of \$125,000 was also offered for information leading to his capture. Weiss was alleged to be in Israel, Austria, Brazil, or Belgium. Some suspected he was hiding in America. The presiding judge in his case also fined Weiss over \$123 million, the criminal was also ordered to pay back another \$125 million in restitution to insurance policyholders, and another judgment against him demanded \$339 more for his crimes.

Weiss was raised in the Borough Park section of metropolitan New York City in a cloistered ultra-Orthodox community. He was "educated in a *yeshiva* [Jewish religious school], where he spoke Yiddish ... he did not learn to speak English until he was in his late teens." This criminal also "claimed that he was a victim of company executives who lured him unknowingly into the conspiracy and took advantage of his ties to the Jewish community." Weiss was earlier indicted in 1994 for mail fraud. He was also a co-owner of the famous Studio 54 nightclub and the Scores striptease joint. He "testified that he was involved in several business ventures with lawyer **Michael Blutrich** and **Lyle Pfeffer**, who owned Scores in secret partnership with the mob." Pfeffer and Blutrich were sentenced to 25 years in prison for their roles in the National Heritage insurance fraud. [RASHBAUM, W., 3-9-2000; RASHBAUM, W., 11-22-99; ASSOCIATED PRESS, 11-2-99]

For some reason, Jewish American scamsters Harold and Alan Lieberman chose Chile, and not Israel, as their refuge from the arm of American law. The two fled the U.S. in 1992 to escape prison for fraud. "Their sudden departure," noted the <u>St. Louis Post Dispatch</u>, "came three years after the collapse of

Lieberman Corporation, once one of the nation's top home builders." The brothers "left debts of \$15 million and a 37-page Federal indictment accusing them of defrauding lenders, customers and contractors. They took with them a reported \$6 million." [MIHAOPOULOS, D., 3-1-98]

Living in luxury in Santiago, "the Liebermans enjoyed a daily routine of Spanish lessons and every-Saturday visits to the Jewish temple." In 1997, Alan's wife and another man were caught trying to smuggle \$750,000 back into the United State. Ms. Lieberman also had cocaine in her purse. Alan soon returned to America and was sentenced to prison. Brother Harold continued to resist expulsion from Chile, eventually committing suicide. [MIHALOPOULS, D., 3-1-98]

Fugitive (since 1983) Jewish American financier Marc Rich [who merits further discussion later in this chapter] chose Switzerland to escape the arm of American law. Nonetheless, he became an Israeli citizen in 1994 and "has donated about \$200 million over the last 20 years to Israel and worldwide Jewish charities." [DOBBS, M., 2001, 2-21-01]

"Maryland con man" Martin Bramson ("the mastermind of one of America's largest insurance fraud schemes") chose Europe to hide. Tracked by Interpol for three years, Bramson was finally arrested in the tiny country of Liechtenstein where he fought extradition back to America to face charges of "money laundering, wire fraud and mail fraud." Bramson had swindled thousands of doctors and laundered money through 588 banks in countries throughout the world, including \$43 million in a two-year period in Anguilla alone. Others in his business scams included his father Norman (an optometrist who went to prison in 1980) and his brother Leonard (a lawyer who went to prison in 1990). [JAMES, M., 5-17-95, p. A1; JAMES, M., 12-13-97, p. A1]

In 1997, Ira Einhorn was arrested in France for the 1981 murder of a woman in Philadelphia. He had "vanished" just before his trial was to begin. Einhorn was a "former peace activist," Philadelphia's "most recognized activist, a wildly dressed advocate of psychedelic drugs, communal living, Eastern mysticism and environmental consciousness," and "a friend and guru to prominent Philadelphians in another era." "Peace and love was what he stood for," said one acquaintance. [NEW YORK TIMES, 6-18-97, p. A14]

Yet another Jewish renegade, from Texas, is Alexander Ross (alias Alexander Cohen, or William Cohen), a man who was not a licensed dentist but practiced anyway, eventually a fugitive in 1999 for both sexually molesting young patients and Medicaid fraud. "FBI and police," noted the <u>Houston Chronicle</u>, "have begun an international hunt for Ross. Investigators think he has spent at least several months in Panama." [SMITH, M., 6-27-99, p. A1]

Perhaps Ross knows Jeffrey Gottlieb, wanted by Alaska's State Medical Fraud Unit for over billing Medicaid, stealing drugs from doctors, and selling drugs to drug dealers. "Gottleib told the State licensing board that he attended a medical school in Guadalajara, Mexico, from 1974-77, then went to study religion in Israel, then returned to receive a medical degree in 1986 from American University of the Caribbean on the Island of Monseratt ... One of Gottleib's patients [later arrested] alone received 2 percent of all the controlled drugs prescribed to Medicaid patients in Alaska." [TOOMEY, S., 5-2-2000, p. 1A]

Among other Jewish fraudsters who didn't head for Israel is Hal Kaplan, a master con-man who has used "eight known aliases and been convicted of fraud, theft, forgery, and bigamy." Married eight times, his favorite ploy, noted the <u>Los Angeles Times</u> in 1993, is to marry rich women to "loot their bank accounts." [GABRIEL, p. 18] Yet another kindred soul is Charles Ray Lonberger, arrested in 1990, who ran a series of charity frauds, often under the pretense of raising money for the Jewish Federation Council. [MEYER, J., p. J1] Another, from the early 1980s, was Eduardo Rabiea, son of Iraqi Jews who immigrated to the United States from Israel. Rabiea was described by a New York prosecutor as "a master of deceit and deception who is wanted for fraud all over the world," absconding with over \$60 million in swindles. [RAAB, S., p. B1] A fellow soul is also Britain's Jonathan Kern, also Jewish, who was arrested while entertaining two prostitutes in 1999. Also wanted for fraud and various scams all over the globe, Kern "has previously impersonated members of the Rolling Stones, and fooled a Park Lane garage into lending him a pounds 44,000 BMW by posing as a record producer." Among other ploys, he has pretended he was a well known British auto race commentator, Jonathan Palmer, creating bills in Palmer's name all over Europe. "You are a persistent criminal and a man who deceives as a way of life," a sentencing judge told Kern. [PRYER, N., 1999]

In a 1994 Toronto Life article entitled "Con Man," the criminal life of Patrick White was explored, stemming from his defrauding of a local newspaper of \$20,000. "Charmed by White's affable manner, by his habit of smiling when he spoke," and "by the Torah he displayed on his night table," David Mackin allowed alleged investor Mr. White to take over as Managing Editor of his small newspaper. "White," notes Toronto Life, "was regularly attending Kensington market synagogue and by all appearances was a devoutly religious man." [TORONTO LIFE, 11-94] Once White absconded, it was learned that he was a master fraudster. He had served jail time in Canada in 1978 for "indecent assault," and in 1982 for "a pair of fraud convictions." And there were outstanding arrest warrants for him across North America: Ontario -- theft, Virginia -- sexual assault against a boy, New York -- larceny, Mississippi -- sodomy and sexual assault against a boy, Ontario -- theft, Nova Scotia -- theft and fraud, Virginia -- sexual assault, and Alberta -- sexual asssault. In New Brunswick, he then hired 35 people for nonexistent jobs for a nonexistent night club, charging them each \$100 for "uniforms." While in Toronto, White once hired three boys to shovel snow from his sidewalk. Inviting them inside, he showed them pornography. "When police searched the house," notes Toronto Life, "they found a cache of pornography along with religious texts White had borrowed from a local rabbi. It was entitled The Sexual Morality of Young People." [TORONTO LIFE, 11-94]

Another noteworthy con man of Jewish heritage is Stanley Cherry (alias "Stefanos Coreey"). In 1999 a Canadian woman fell in love with him but was the "victim ... of a fraud artist so diabolical that he left her almost destitute: without savings, without access to credit and in danger of losing her home." Total losses were about \$75,000. It was eventually revealed, notes the Montreal <u>Gazette</u>, that "the man had been in and out of jail throughout his adult life. Crime was his profession. It was, you might say, his

vocation." Three outstanding warrants for his arrest existed for other crimes. Among the frauds earlier perpetuated by Cherry was that upon another infatuated woman with him. [ABLEY, M., 4-12-99, p. A1]

In 1997, David Missman and his wife Karen were sentenced to prison for ten years and probation, respectively, for swindling investors -- primarily Los Angeles schoolteachers -- out of between \$8 and \$18 million. Their two "salesmen" were Hank Springer, a former United Teachers-Los Angeles president, and Nate Glazer. The two testified against the Missmans in return for immunity from prosecution. [CARDENAS, p. B5]

In 1997, John Perry, the Jewish editor of an Indian weekly newspaper, <u>The New India-Times</u>, was charged in New York City for eleven counts of conspiracy and mail fraud. Perry called the charges "a witch hunt" and sounded out a possible defense of anti-Semitism from Israel and Jewish American newspapers, and the Anti-Defamation League. [FORWARD, 5-23-97, p. 8]

In 1995 the former Executive Director, Lester Kaplan, of the Jewish Community Center of Greater Washington DC, was imprisoned for embezzling a million dollars from the organization. Three others, including the Chief Financial Officer at the organization, Jay Manchester, were also implicated. Kaplan could have gotten up to 95 years in jail, but was only sentenced to seven years; he was freed after eight months. [RIVAS, p. D5] The State Attorney General's office investigated and prosecuted the crime despite the Jewish organization's decision to avoid publicity and not report the situation to police. [ZOROYA, p. B1] Despite his record, in 1997 Kaplan was hired as a Montgomery County public housing agency supervisor. "Kaplan," noted the <u>Washington Post</u>, "approached HOC [Housing Opportunity Commission] chairwoman Barbara Goldberg-Golden -- a board member at the Jewish Community Center -- and asked her for help [in getting a job]." [PEREZ-RIVAS, p. D5]

In 2001, "Montgomery County prosecutors ... opened up an investigation into the handling of a charity fund at one of the Washington area's largest synagogues [Congregation Beth El in Bethesda, Maryland], after its senior rabbi reimbursed \$300,000 to the fund because of questions about how he had used the account." The rabbi, Jonathan Maltzman, "transferred more than \$220,000 from the charity fund to his brokerage account at Fidelity; used \$7,950 from the fund for his child's b'nai mitzvah parties; and used about \$11,500 to pay his self-employment taxes. An additional \$62,000 was withdrawn in cash at ATMS ... About \$700,000 had passed through the fund during the 11 years Maltzman administered it, [but] only about \$20,000 could be identified as having gone to charities." [MURPHY, C., 5-10-01, p. B2]

In 1999, a Cincinnati rabbi, Jacob Lustig of congregation Kneseth Israel, was found guilty of skimming hundreds of thousands of dollars of profits from a series of synagogue bingo games spread across three counties in 19 storefronts. "The instant bingo," noted the <u>Associated Press</u>, "took in more than \$1 million in 1996 and 1997, but his congregation received only \$250,000 of that. Lustig and his associates (Gerel Payne, Ralph Lipsky, and Sam Semet) avoided prison time, although Lustig was ordered to surrender \$920,000. The <u>Cincinnati Enquirer</u> noted that "Judge Cartolano said the lack of cooperation from the congregation, which still supports the rabbi, was a problem for prosecutors." [HORN, D., 6-9-99, p. B5]

In 2000, the Temple Sinai synagogue in Dresher, Pennsylvania, sued its fired Executive Director, Barry Wilf; his wife Barbara who was an assistant bookkeeper at the synagogue; bookkeeper Betty Shusterman; and Shusterman's husband, son, and son's wife. They were accused of embezzling \$700,000 over the years through a bank that was also named in the suit. [FELDMAN, S., 5-4-2000, p. 9]

In 1999 too, the <u>Jewish Telegraphic Agency</u> reported that "the Jewish community in Poland is being wracked by a scandal that has forced the country's umbrella Jewish organization to fire its treasurer and downgrade the status of the Jewish communities of Gdansk and Poznan ... Jewish organizations tried to keep the affair quiet." [GRUBER, R., p. 9] That same year, Wolfgang Schnur, founder of the "Democratic Awakening" political party and "a leader of the democracy movement that toppled communism in East Germany 10 years ago," was "detained on fraud charges after trying to cash phony securities at a Berlin bank." An Israeli accomplice escaped. [AP, Former]

In 1997, the Jewish Telegraphic Agency noted a common theme in Germany:

"Jewish community elections in Germany are rarely covered in the German media. But the upcoming election in Berlin on June 1 has catapulted the city's Jewish community into the national media spotlight. The stories center on real estae scandals, alleged financial mismanagement of community funds and embittered personal rivalries among community officials. The reports ... cast a shadow on the integrity of some leading members of Germany's largest Jewish community ... Jewish leaders worry that if the negative publicity continues, it could weaken community structures and damage the political influence of Berlin's Jewish community in the German capital." [BERGER, D., 6-30-97]

Also in 1999, Reform Rabbi Fred Neulander, of Congregation M'Kor Shalom, the largest synagogue in southeastern New Jersey, was indicted for the 1994 contract murder of his wife. "The subsequent investigation into her murder," noted the Jewish Exponent, "brought to light her husband's involvement in several extramarital affairs." [SILVERSTEIN, p. 15] Later stepped forward an embittered man, Myron Lewin, who also claimed that Rabbi Neulander had also "cheated me" in Levin's purchase of a \$16,000 Torah. [AP, 12-19-98] Somewhat similarly, in 1993, a Jewish author, Michele Samit, wrote an entire book (subtitled *The True Story a Rabi's Deadly Affair*) about a major sordid scandal in her own synagogue congregation in metropolitan Los Angeles. The husband (Mel Green) of the president (Anita Green) of Reform temple *Shir Chadash* arranged for her to be murdered when she had and affair with center's rabbi, Steven Jacobs, and left her husband. This case, writes Samit, "was the stuff of tabloids and miniseries: a shooting, rumors of sex between two spiritual leaders in the temple setting, accusations, criminal charges, and people lying on the witness stand to save their reputations ... The Los Angeles Jewish community prides itself on its high values, moral superiority and insularity. My temple leaders and members seemed to worry more about this reputation than about what had happened." [SAMIT, M., 1993, p. xxi, xxiii] The victim's mother was outraged that the rabbi seemed to care more about his

reputation than his ex-lover: "When the detective told us how to handle the press, and that the police would make all the statements, the rabbi went crazy. He said, 'There can't be any statements. I want to keep a low profile. This can't get out to the press. I'm a rabbi.' All he cared about was himself. He didn't want there to be an arrest or a trial if his name would come up. It made me sick." [SAMIT, M., 1993, p. 210]

In 1992, another rabbi, Austin Yoncy Feld, and his brother were held in a San Francisco-area jail on charges that they planned to murder a Palo Alto child psychiatrist, Saul Wasserman, and his wife. Recently arrived from Jerusalem, police found in the rabbi's car "six plastic handcuffs, two knives, ski masks, detailed floor plans of the house, photographs of the Wassermans, a key to every door in the house, a bouquet of flowers and the location of a shotgun in the house." Police suspected the plan was motivated by the Wasserman's daughter, a student in Israel, who accused her parents of sexually molesting her when she was a child. [MCCABE, M., p. A25]

Looking more deeply into the American Jewish Committee's Jewish self-described "tradition, experience, and values," we can find some very prominent Jewish organizations seemingly going out of their way to try to affirm the classical stereotype that Jews are addicted to money at any moral cost. We have seen already the likes of Ivan Boesky as the chairman of the New York City United Jewish Appeal for two years during his illegal hoarding of tens of millions, and World Jewish Congress President Edgar Bronfman whose family fortune (Seagram's) was built upon illegal alcohol smuggling from Canada (including a deal with major Jewish mobster Meyer Lansky) to the United States during Prohibition. "Though the Bronfmans," says Dennis McDougal, "denied any complicity in the transport of their wares across the U.S. border during the Prohibition, notable gangsters like Abner 'Longie' Zwillman and New York Mafia 'Prime Minister' Frank Costello admitted to the Kefauver Committee that a steady stream of whisky flowed out of Bronfman distilleries and into millions of dry American mouths." [MCDOUGAL, p. 144] (Among many other charitable donations to Jewish organizations, the Bronfman family donated a million dollars for a new wing of the Israel Museum in 1962).

Of course there is also the prominent philanthropist Annenberg family fortune, at least partially based in underworld links decades earlier, and (the later to be discussed) common connections between Jewish-dominated Hollywood and the criminal underworld there. "U.S. smugglers, conmen, and thieves couldn't seem to get enough of the movies and the stars during the first half of the century." [MCDOUGAL, p. 145-146] Then there is Robert Maxwell, the corrupt Jewish/British businessman who manipulated what later became known as "colossal swindles of a particularly nasty kind" [GROSS, p. 380-381, see earlier] who in 1991 went to Israel's Holocaust memorial center to be bestowed Yad Vashem's "Remembrance Award" for his "dedication to Yad Vashem and all it stands for." [AXELROD, T., p. 41] Seven months after Maxwell's death, his two sons and an American associate, Larry Trachtenberg, formerly a lecturer at the London School of Economics, were arrested in England on charges of fraud and theft of \$250 million. A <u>Washington Post</u> article did not mention their ethnicity, but patriarch Robert Maxwell was described as a "Czech [who] arrived in Britain after World War II almost penniless and made himself one of Britain's biggest media tycoons." [MACASKILL, p. A31]

Elsewhere, in 1995, the largest non-Orthodox Jewish high school in America (located in Los Angeles) raised eyebrows when it renamed itself "Milken High" after a \$5 million donation from the Milken Family Foundation. The high school is part of a new multi-million dollar "cultural and artistic showplace" complex which includes the Skirball Museum. Principal Bruce Powell qualified the new high school name, insisting that it was technically named after the "Milken Family Foundation," and not the convicted felon. Powell also told the Los Angeles Times that, besides, he believed Michael Milken was "tried and convicted in the press by innuendo and a politically ambitious prosecutor." [DART, p. B9] "We feel [the Milken High School name] is a non-issue," Shoshana Hirsh, planning director of the San Fernando Jewish Alliance, told the <u>Times</u>. After all, another Jewish complex -- the West Valley Jewish Center in West Hills, California -- already opened in 1987 -- in the midst of Michael Milken's financial scams -- as the Bernard Milken campus, named after Michael's father.

In 1991, Thomas and Joseph Gambino, sons of deceased Mafia leader Carlo Gambino, and recognized organized crime figures in their own right, donated \$2.3 million to the Long Island Jewish Medical Center. Tom was at the time under federal investigation for racketeering, extortion, loan-sharking, and murder charges. Joe was indicted a few months earlier for extortion and restraint of trade. Hospital officials announced a new facility to be named the Gambino Medical and Science Foundation Bone Marrow Transplantation Unit. "No amount of money these men give," complained one disgusted hospital trustee, "can offset the damage this incident is doing to the hospital's reputation." [BRUNING, p. 15]

In 1958 media mogul Walter Annenberg proposed to fund what he called the "M.L. Annenberg School of Communications" at the University of Pennsylvania, named in honor of his father, Moses, a man who built the Annenberg fortune in association with a variety of criminal underground figures, including mobster Meyer Lansky. John Cooney writes that:

"There had been a loud opposition from faculty members who objected to Penn's honoring a man of Moses' past. Moreover, many faculty members believed that Annenberg wanted to retain control over the school by appointing faculty members himself, a situation they considered intolerable." [COONEY, p. 282]

In 1985 Myron Goodman and his brother-in-law Mordechai Weissman merited an entire volume about the moral fiascos in their company called **OPM** (<u>The OPM Scandal and the Seduction of the</u> <u>Establishment</u>). Founded in 1971, **OPM** became the largest purchaser of IBM equipment for their computer leasing company. Clients included AT&T, American Express, Rockwell, Occidental Petroleum, and many others.

In 1980 Goodman and Weissman were found guilty and sentenced to 10-12 years in prison for check kiting, conspiracy, and mail and wire fraud. The company fraudulently obtained nearly \$200 million from lenders. Other **OPM** officials found guilty of criminal actions in the case included Allen Ganz, Manny Friedman, Stephen Lichtman, and Jeffrey Resnick. Kickbacks also went to Jewish executives at

Montefiore Hospital (Harry Weiss) and American Express (Martin Shulman). [GANDOSSY, p.32] **OPM** employed 17 Goodman/Weissman relatives.

"Both Goodman and Weissman were Orthodox Jews," notes Robert Gandossy, "who practiced Jewish dietary laws and refrained from work and travel on the Sabbath. A mezuzah [a Jewish religious artifact] hung on every office door at OPM ... Weissman's faith was so strong that he left OPM in 1973 to fight in the Israeli war in the Middle East." [GANDOSSY, p. 20] Not surprisingly, Goodman also "gave away millions to charitable organizations, particularly those with Jewish affiliations." [GANDOSSY, p. 20] This included \$1 million to Yeshiva University, where he was elected to be a board member.

In 1996, officials at Beth Israel Hospital and the Hebrew Rehabilitation Center for the Aged wrote testimonial letters on behalf of Jewish philanthropist Simon Fireman to help keep him out of jail. Fireman, Hebrew Rehab's Man of the Year in 1996, (he funded their "Fireman Pavilion" a year earlier) faced a federal court and 74 counts of conspiracy to hide \$120,000 in illegal political campaign contributions. [GELBWASSER, p. 5]

In 1999 Garth Drabinsky and Myron Gottleib, co-founders of the giant theatre producer **Livent, Inc.** (the organization behind popular musicals like <u>Showboat</u>, <u>Ragtime</u>, and <u>Kiss of the Spider Woman</u>) were arraigned for 16 charges of conspiracy and securities fraud in Manhattan. "Some individuals and groups in the non-profit sector," noted the <u>Ottawa Citizen</u>, "particularly in Toronto's Jewish community, are evaluating the impact on past and future funding received from [them]." [MAROTTE, B., p. E3]

In 1997, Roy Rosenbaum, the vice president of development for the Jewish Theological Seminary, defended the practice of accepting money from anyone, no questions asked:

"Should a charity accept money from someone who may have earned it by illegal means of any kind? ... I believe that it is appropriate to do so." [KORDOVA, p. 27]

"There's a difference," insisted Rabbi Stephanie Dickstein in the Jewish Theological Seminary's magazine, "between accepting money of a questionable background and the directors of the organization engaging in such behavior themselves." [KORDOVA, p. 27] This disturbing worldview from a preeminent Jewish American theology center essentially sanctions any immoral, unethical practice and any crime if, in the end, the Jewish charity recipients themselves didn't themselves pull the trigger.

Over the years, notes Robert Rockaway in the journal <u>American Jewish History</u>, "Jewish organizations and charities did accept gangster contributions, rarely inquiring as to the source of the money given to them, neither did they discriminate among donors. [Prominent Jewish mobster] Meyer Lansky donated large sums of money to his synagogue, Temple Sinai in Hollywood, Florida, to [the Jewish-founded] Brandeis University, and to causes related to Israel." [ROCKAWAY, p. 237] "Over the years," adds Stephen Birmingham, "[Jewish mobster Meyer Lansky] has been very generous to Israel -- not only with personal contributions, but also by regularly turning over his Las Vegas hotels and casinos for Bonds for Israel rallies." [BIRMINGHAM, p. 358]

In 1970 Moe Dalitz, "a leading member of the Cleveland crime syndicate," and controller of the Stardust and Desert Inn Las Vegas casinos, was awarded the City of Peace Award of the State of Israel "in recognition of distinguished service to the people and state of Israel." [ROCKAWAY, p. 227] In 1985 the Anti-Defamation League of B'nai B'rith bestowed their "Torch of Liberty" award upon him for his cash support of that group. [ROCKAWAY, p. 227] A gangster associate revealed to a 1947 organized crime commission that Dalitz was in fact the chairman of the Nevada United Jewish Appeal. [ROCKAWAY, p. 227] In 1982, Dalitz was listed by <u>Forbes</u> magazine as one of the 400 wealthiest people in America. [ROCKAWAY, R., 1993, p. 37] In terms of the criminal underworld, he was also known as "the godfather of Las Vegas." [ROEMER, p. 52] In 1949, Murray Greenfield was a hero to Israel; he was activist in guiding immigrants to the Jewish state. He connected in Baltimore with the Jewish criminal underworld through a contact at a local United Jewish Appeal function. [ROCKAWAY, p. 231]

Also in Las Vegas, Ze'ev Chafets notes the story of "a local Jewish madam [who] had given a talk to a B'nai B'rith meeting. Prostitution is legal in Nevada, and the madam, a Jewish lady named Beverly Hurel, is a highly regarded businesswoman." [CHAFETS, p. 101] Other prominent local Jewish activists included Jack Entratter, who was concurrently the president of both the Sands Hotel casino and the Temple Beth Sholam synagogue.

In 1973 Morris (Moishe) Levy, head of the musical recording label **Roulette Records**, was honored by the UJA music division as its man of the year. [DANNEN, p. 51] "One of the most aboveground institutionalized mob involvements in the [music industry]," noted Steve Chapple and Reebee Garofalo in 1977, "was suggested at Senate hearings in 1973, during the testimony of Gerland Zelmanowitz, a Mafia financier turned informer who said Angelo 'Gyp' DeCarlo, a New Jersey Mafioso, and Tommy Eboli..., another top-level mobster shot and killed in New York, were partners in **Roulette Records**. The label's president, Morris Levy, says the mob was never in **Roulette**, but acknowledged Mafia money in **Promo Records**, which he used to share with Eboli." [CHAPPLE, p. 230]

In roasting Levy at the UJA dinner in his honor, Joe Smith, the head of **Elektra** records, told the crowd, "The thought of coming up to honor Morris Levy and to introduce him and say something complimentary about this crowd here tonight, is the most difficult assignment I've ever faced.... [There are] two things all these ladies and gentlemen on the dais have in common: They cheated everybody every time they could. And they are the biggest <u>pain in the ass</u> to be around." [DANNEN, p. 51] Turning to address a friend of Levy's in the audience, Hy Weiss, the founder of the **Old Town** record label, Smith said, "Hymie was assigned not to the table, but to room 328 where he's gonna line up the hookers for a party afterwards." [DANNEN, p. 51-52] "There was laughter and applause to these remarks," says Fred Dannen. "I was the payola [bribe] king of New York," said Weiss later, "Payola was the greatest thing in the world. You didn't have to go out to dinner with someone and kiss their ass. Just pay them, here's the money, play the record, fuck you." [DANNEN, p. 51-52] In 1988 Morris Levy was convicted of two counts of conspiracy to commit extortion. In 1982 Roy Cohn (who rose to fame as the right-hand man of Senator Joe McCarthy's anti-communist witch hunt purges in the 1950s) was honored at a State of Israel Bond "testimonial dinner" sponsored by the B'nai B'rith Banking and Finance Lodge. Cohn was awarded the City of Peace Award "for his ongoing advocacy of American economic and political support of Israel." [JEWISH WEEK, 4-15-83, p. 44] Cohn had earlier been honored by the Jewish National Fund and the Federation of Jewish Philanthropies. Cohn was once disbarred from the practice of law for a year and a half for stealing from a client (this client, Lewis Rosentiel, head of the giant Schenley alcohol fortune and a prominent philanthropist for Jewishfounded Brandeis University, was also known to have been involved with the mob); [SUMMERS, A., 1993, p. 248] over a ten year period Cohn was also acquitted in three separate trials involving obstruction of justice, perjury, a stock-swindle scheme, bribery, conspiracy, and filing false documents. "At these trials," notes Thomas Maier, "the testimony revealed some of Cohn's friends and associates included such underworld figures as Moe Dalitz, ... a man described by authorities as an 'under boss' to Mafia chieftain Vito Genovese; and Meyer Lansky, the Miami gangster." [MAIER, p. 98] (Cohn's uncle, Bernie Marcus, head of the Bank of the United States, even spent time in prison. Why? "The WASP establishment," says Cohn, "went after the Bank of the United States with a vengeance that was pure in its anti-Semitism.") [ZION, S., 1988, p. 24]

In Miami also, noted Robert Friedman in 2000, "until recently the ringleader of the Russian mob in South Florida," Ludwig Fainberg has held "numerous fundraisers ... for Jewish charities at a restaurant and nightclub he owns called Babushka." [FRIEDMAN, R., 4-10-00]

A lot of Jewish World War II lackies to Nazis ended up working as officials in American Jewish community organizations. As noted Jewish Nazi-hunter Simon Wiesenthal notes:

"I made a [postwar] rule that was approved by the American military government authorities and became known as Lex Wiesenthal: Latin for Wiesenthal's Law. It was very simple: WHOEVER HAD A FUNCTION OF AUTHORITY IN THE NAZI PERIOD COULD NOT HAVE A FUNCTION IN POSTWAR JEWISH LIFE. [Wiesenthal's emphasis] I wasn't saying such a man was a criminal. I wasn't even looking into whether he was good or bad. But I needed to protect our Jewish society from more bad surprises' ... Wisenthal noted that 'in many cases, such people after the war found jobs with Jewish organizations. Maybe they were trying to atone; maybe they thought this was the best place to hide. Once, I was going special to Paris to see the director for Europe of the [Jewish] Joint Distribution Committee, because working for him was a man -- a Jew! - who had been in a concentration camp the head of the transports to the death camps. According to Wisenthal, the JDC director, an American, responded, 'So what? This was a time when everyone had to serve.''' [LEVY, A., 1993, p. 85]

In 2001, President Bill Clinton found himself in another scandal when he pardoned Jewish American

fugitive Marc Rich, wanted since 1983 on "51 counts of tax evasion, racketeering and violating sanctions against trade with Iran." New York mayer Rudolph Giuliani notes that Rich's crimes included "the biggest tax evasion case in United States history." Rich "was also charged with a complex oil scam that exploited America's energy crisis in the early '80s. The 65-count indictment claimed he had secretly bought up millions of barrels of Texas crude oil then under strict price controls and relabeled the oil as decontrolled supplies, ultimately selling it on the open market for huge profits -- reportedly \$100 million. And while 52 Americans were held hostage in Iran, Rich's company allegedly made another fortune by trading with the Ayatollah Khomeini's regime in violation of a strict American trade embargo." [DAWSON, P., 2-12-01]

As a fugitive, Rich the wanted criminal had given over \$70 million to Israeli causes. Hence, as the <u>Jewish</u> <u>Telegraphic Agency</u> noted about massive international Jewish lobbying efforts to get the pardon:

"The Rich case puts an uncomfortable spotlight on the many Jewish and Israeli causes, like Birthright Israel [which sends young Jewish Americans to Israel], that Rich supported. Indeed, a <u>New York Times</u> article noted that the list of people who wrote letters [to Clinton] supporting Rich's pardon is 'a virtual Who's Who of Israeli society and Jewish philanthropy."" [WIENER, J., 2-9-01]

These included Rabbi Irving Greenberg, head of the U. S. Holocaust Memorial Council, who asked Clinton, on Rich's behalf, to do "one of the most Godlike actions that anyone can ever do." "Rich has given to a variety of major institutions in Israel," noted the <u>JTA</u>. [WIENER, J., 2-9-01]

As Jewish commentator Ben Stein lamented:

"The really embarrassing moral disgrace attaches itself to, first, the chairman of the U. S. Holocaust Memorial Council, Rabbi Irwin Greenberg, who wrote Clinton urging a pardon for Rich, and to Ehud Barak, who while prime minister of Israel likewise solicited Clinton ... It's part of the thinking about the Holocaust that whatever is thought bad by Holocaust experts -- such as Greenberg -- is bad, and whatever is thought good is good. To spend such moral capital to get a pardon for Rich is disgusting. To think that the pity Americans feel for the Holocaust dead and survivors should be manipulated to aid a man accused of trading with America's enemies for profit is revolting." [STEIN, B., 2-14-01, p. 15A]

Israeli commentator Ze'ev Chafets was also shamed to comment about the international Jewish lack of morals in the effort to secure pardoning of such a corrupt man:

"The effort of Rich's strategists to turn their client into a modern day Alfred Dreyfus [a famous French Jew who was falsely tried for disloyalty] -with the active connivance of some of the world's most prominent Jewish personalities and institutions -- is a scandal in its own right ... [Abraham] Foxman is the national director of the Anti-Defamation League of B'nai| B'rith, America's most prestigious Jewish group. He wrote an official ADL letter to Clinton, asking him to pardon Rich. I called the ADL to ask why its director had intervened with the President of the United States on behalf of a master swindler and member in good standing of the FBI's most wanted list.

'Humanitarian reasons,' a spokeswoman told me.

What possible humanitarian reason, I wondered, could there be to pardon a billionaire who lives in a Swiss castle and flies around the world in his own jet? And what did a crook like Rich have to do with the ADL? ... As for Foxman, Greenberg and other so-called American Jewish leaders, they prostituted themselves and their organizations for a rich criminal ... Foxman's not alone. Led by a Tel Aviv-based former Mossad agent named Avner Azulay, the Rich team put together a Jewish who's who of supporters. They got their client character references from famous rabbis like Shlomo Riskin; from Rabbi Irving Greenberg, chairman of U.S. Holocaust Memorial Counci; from the chief rabbi of France; from the directors of a half-dozen Israeli hospitals, and from Marlene Post, former head of Hadassah [the women's Zionist organization]. Rich also received active support from former Israeli Prime Minister Shimon Peres; Knesset Speaker Avraham Burg; Israeli Foreign Minister Shlomo Ben-Ami; ex-Ambassador to Washington Itamar Rabinovich; former Jerusalem mayor Teddy Kollek; the current mayor, Ehud Olmert, and dozens of other Israeli politicians ... By participating in what appears to be an international conspiracy, they have given life to a classic anti-Semitic fantasy and earned themselves a place on the Anti-Defamation League's list of enemies of the Jewish people." [CHAFETS, Z., 2-15-01, p. 51]

It was even eventually revealed that Abraham Foxman, director of perhaps the best-known Jewish organization, the Anti-Defamation League, a powerful enforcer of self-defined public morals (particularly against what it defines as "anti-Semitism") and ardent defender of Israel, had accepted a \$100,000 donation to ADL from Marc Rich shortly before Foxman wrote his letter to Clinton in behalf of the criminal. "The ADL," noted the New York Post, "that Foxman and Rich's Israeli representative, former Mossad agent Avner Azulay, met in Paris last February to discuss ways to resolve Rich's legal problems." ADL spokesperson Myra Shinbaum declared that the ADL ("which annually budgets \$50 million to fight anti-Semitism") wouldn't be returning the money. [BLOMQUIST, B., 3-24-01]

In 1994, in the (Jewish) Forward's list of the most important Jewish American leaders, Shoshana Cardin

was noted as "chief of staff of American Jewry" and "past chairman of almost everything," from the United Jewish Appeal to the National Jewish Center for Learning and Leadership. The <u>Forward</u> also noted that she "stood by her husband [Jerome Cardin] with dignity when he went to prison for his role in a Maryland savings-and-loan scandal." [FORWARD, p. 11-18-94, p. 11] Cardin was released from prison early for medical reasons, but an associate -- Jeffrey Levitt -- spent seven years behind bars.

Levitt, who was active in Jewish charities which fueled his "concurrent rise in Baltimore's Jewish community," was well known in the 1970s "as one of Baltimore's most audacious slumlords." [BAKER, p. A1] As president of the Old Court Savings and Loan Association, he was involved in what one prosecutor termed as possibly "the largest fraud in the history of the state of Maryland." [BAKER, p. A1] Likewise, in Boston, as elsewhere, the Realty Lodge of the local chapter of the B'nai B'rith Jewish fraternal organization (which is the parent of the Anti-Defamation League) "represented many of the city's Jewish slumlords." [HILLEL/HARMON, p. 185]

In 1982, Earl Shorris recalled his childhood memories of the kinds of men who headed his synagogue:

"We arrived at the synagogue as a family, three generations led by my grandfather ... My grandfather spoke to his friend Eddie -- Big Eddie, he called him. They spoke as members of the board of directors of the synagogue, important men, big donors. My grandfather earned his money from the labor of Italian and Polish women who sewed clothing in his factories. Big Eddie sold cheap wine and whiskey to the poor of the town. We did not approve of Big Eddie. His diamond ring and his fat cigar offended us ... [H]is business offended us. There were fights in front of his store, stabbings, more than one killing. There were rumors about him. Some people said he dealt with criminals. It as said that he gave so much to the synagogue to atone for the way he made his money ... He traded donations for a position as a director of the synagogue. My grandfather said Eddie wanted to be president, that he was willing to donate a community center if the directors would elect him president [SHORRIS, E., 1982, p. 3-4] [When Big Eddie finally strode up at the synagogue to be so honored, "the man our community commended to God" (p.7)] the color of his flesh was as rich and vulgar as his suit. [Grandfather,] you were so small, so pale beside him. Jerusalem was conquered, the Temple was destroyed, and there was no prophet in all of Israel. After the service I asked my father why it had happened. Money, was all he said. Sometimes you have to do these things, my grandfather added. A building doesn't come cheap." [SHORRIS, E., 1982, p. 7]

Israeli scholar Robert Rockaway notes the notoriously ruthless all-Jewish Detroit Purple Gang of the prohibition era:

"[Purple Gang members] were what we would call 'traditional' Jews; they observed certain religious rituals and traditions such as lighting the Sabbath

candles, eating kohser food at home (and often outside the home), attending synagogue on Jewish holidays and hosting or attending a Passover seder. Some of the fathers [of gang members] were active members and even officers of synagogues ... [O]n one particular Day of Atonement, the FBI sent two agents to Congregation B'nai David in hopes that some of the wanted Purple gangsters would show up for services. At the time, the uncle of a leading Purple gangster was president of the congregation." [ROCKAWAY, R., 2001, p. 113-]

In 2001, Ronald Lauder, heir to the Estee Lauder cosmetics fortune, stepped down as the chairman of the Conference of Presidents of Major American Jewish Americans, the umbrella organization for this country's most prominent Jewish groups. Lauder was known jokingly as the "King of the Jews." That same year the <u>New York Times</u> reported that Lauder's overseas company, Central European Media Enterprises, was "under investigation over allegations that it paid at least \$1 million in bribes to Ukrainian officials for a valuable television license, according to lawyers and [U. S.] Justice Department documents." Lauder owned Ukraine's best-known TV station, Studio 1+1, with Jewish crime lords Vadim Rabinovich and Boris Fuchsmann, who, although "known around Kiev for their influence and welath," were "less well known [for] their ties to Russian organized crime, according to reports by the F.B.I. and European law enforcement agencies." [BONNER, R., 6-12-01]

In 1995, Jeanette Nelson and her husband Victor Incenty (honorary co-chairpersons of an American Jewish Committee tribute to the conductor of the Florida Symphony Orchestra) were arrested for an "alleged scam to cheat thousands of investors out of \$170 million." [DOUGLAS, R., 5-26-95, p. B6] Vincenty's company, Cascade International, had made <u>Fortune</u> magazine's 1989 list of "companies to watch." Also in Florida, in 1998, Phillip Scott Plotka was noted to have

"the resume of a prominent insurance agent ... In 1996 he received the Quality of Life Winner award by the Million Dollar Roundtable Foundation. He serves on the board of Jewish Vocational Services and on a professional advisory committee for the insurance industry ... But Wednesday, Plotka gained a different sort of notoriety. He became the first agent arrested in Miami-Dade county on charges of insurance fraud solicited through the Internet ... The Florida Department of Insurance said he solicited clients with the AIDS virus and instructed them to falsify insurance appications so they would be accepted ... 'This is a particularly onerous case because the individual is a highly regarded individual in his field,' [Dade Assistant State Attorney Mark] Shapiro said. 'He sits on an ethics committee." [ACLE, A., 5-7-98]

In Canada, in 1989, Patricia Starr

"was facing revelations in the Toronto media that she had channeled more than \$82,000 of charitable funds from the local branch of the National Council of Jewish Women, of which she was president, to Liberal and Conservative politicians and to Liberal activists. The Federal Income Tax Act prohibited charities from making such contributions, and Ontario legislation limits the size of individual donations that a politician can accept." [KAIHLA, p. 12]

Starr also pleaded guilty to lying to receive an unwarranted \$357,000 from the local government for her Jewish organization, of which she personally stole \$33,000. [BRENT, p. A1] The National Council of Jewish Women itself faced 22 court charges for various legal infractions; they were dropped, however, because -- in the words of the government prosecutor: "It would have been like having the same trial [as Starr's] all over again. I don't think that would serve the public interest." [DEVERELL, p. A3]

In 1998, the National Jewish Council of Jewish Women made the news again, this time in Denver, where its treasurer of 14 years, Ellen Bloch, was found to have embezzled over \$150,000. [SORAGHAN, p. B12] In England, that same year, the (London) <u>Independent</u> headlined a story "Chief Rabbi Rocked by Fraud Scandal." Rabbi Jonathan Sacks is "seen by many Jews and non-Jews as the spiritual center of British Jewry ... is technically the Chief Rabbi only of the United Synagogue, the main Orthodox movement with 70 congregations in the United Kingdom." Suddenly he was "embroiled in deepening turmoil." Police were investigating "allegations of fraud at Jewish cemeteries in east London" and "the disappearance of highly valuable texts from a religious library." [KOSSOFF, p. 6]

In 2001, the <u>Jewish Chronicle</u> noted another Jewish cemetery escapade: "an ugly real estate battle between a New Jersey synagogue and its former cantor [that] has begun to focus on a larger question of whether congregants benefitted from unethical business relationships they formed as synagogue benefactors." Harvey Waldman filed suit alleging that the temple's rabbi and other congregants took kickbacks "on a profit of more than \$20 million" in a cemetery land scheme. [CATTAN, N., 3-27-01, p. 9]

In 2000, Jean Thorbourn, a bookkeeper and financial consultant for the Hebrew Union College-Jewish Institute of Religion in Los Angeles was charged with "embezzling more than \$1 million from the institution -- some of which was apparently used to finance the production of independent films." [WESTPHAL, S., 3-11-2000, p. B1] In 2001, rabbis Jacob Bronner and Efroim Stein "pleaded guilty to defrauding the US government of part of a \$2.5 million federal grant intended to aid Holocaust survivors." The two men embezzled hundreds of thousands of dollars. [HENRY, M., 2-16-01, p. 4]

In Canada, scrap metal millionaire Morris Lax was the victim of an unsolved murder in 1993. Guy Crittenden notes "the closed-shop nature of the scrap business" and that

"Even Lax supporters don't deny he was crooked (though perhaps not more so than some others in the business). He pled guilty to criminal charges in the early 1960's after being caught with stolen brass. On February 16, 1977 he was fined \$34,000 after pleading guilty to three counts of falsifying company records ... Another time police found a portion of four tons of stolen copper at Lax's property ... People remembered him as an oddball who was physically filthy and would inadvertently spit upon listeners when he became animated in conversation. (This was normally Yiddish; Lax avoided speaking English throughout most of his life in Canada) ... Money allowed Morris Lax one luxury. He was a prominent supporter of Israel and, in stunning contrast to his usual crudeness, moved easily in the highest circles of Israeli political life, counting among his friends Mr. [Menachem] Begin [Israel's prime minister] (with whom he'd fled Russia) and Yitzhak Shamir." [CRITTENDEN, G., 2001]

Chester and Morris Waxman, business associates of Lax, built to power "one of the top three scraprecycling enterprises in Canada." Chester, the Jewish community's Man of the Year in 1979, eventually was involved in a 14-year lawsuit with his brother (who initiated charges) which provided "a veritable parade of witnesses who have leveled accusations of fraud, conspiracy, diversion of funds, racehorsebreeding schemes, evidence tampering and bertrayals of deathbed promises." [CRITTENDON, G., 2000]

"What a bunch of *shiksas* in here!" proclaimed Bess Myerson, the only Jewish Miss America in history, in 1995 at the sight of a number of blondes in attendance at a gathering of the Women's Division of Israel Bonds of Maryland. Myerson, speaking as a member of the Israel Bonds national board and the board of the Anti-Defamation League, noted that "my greatest source of renewal comes from walking into a room filled of Jews." The <u>Baltimore Jewish Times</u> also observed that

"she did not allude to her well publicized legal troubles over the years, which have included indictments in the mid-1980s on charges of conspiracy, fraud and obstruction of justice for allegedly bribing a judge to reduce support payments to her then-boyfriend's former wife. Ms. Myerson eventually was acquitted of the charges. She was also arrested for shoplifting in Pennsylvania seven years ago." [SHAPIRO, D. p. 36]

Myerson, a millionaire, was in fact arrested twice for shoplifting. The first time was in London. Luckily for her, this fact was not reported. At the time she was the New York City Consumer Affairs Commissioner. [PRESTON, J., p. 85]

Meyerson's non-Jewish boyfriend, Carl Capasso, was already married and was twenty-one years younger than her. Capasso's wife, Nancy, was also Jewish. [PRESTON, p. 147] His "best friend and neighbor was Mafia boss Matthew (Matty the Horse) Ianniello." "Capasso," notes Jack Newfield and Wayne Barrett, "was probably the only cheating husband in history who claimed to be spending his nights with a Mafia boss (Ianniello) when he was really having an affair with Miss America." [NEWFIELD/BARRETT, p. 8] (In 1998, Myerson donated money to the Anti-Defamation League to institute the "Bess Myerson Campus Journalism Awards," conceived by her as "an important tool in reaching students far and wide in the fight against hatred," encouraging "student journalists to think critically about interracial, interethnic, intercultural and interreligious relations." [STRONGWATER, 1998, p. 4]) In 2001, a Jewish journal, the *Forward*, featured an article about shoplifting, using actress Winona Ryder, real estate heir Robert Durst, and Bess Myerson as examples of the Jewish wealthy who steal for psychological reasons. In one man's case, his "Holocaust" background is allowed to excuse his thieving behavor. "Sometimes," noted the article,

"the stressor [shoplifter under stress] can be very old. For example, Mr. [William] Chupchik -- who holds intervention seminars for what he calls 'atypical theft offenders' -- had a wealthy patient, a Holocaust survivor, who was arrested for stealing a \$15 pair of Dr. Scholl's insoles from a drug store. 'He had no reason, no excuse for the theft behavior,' he recalled. Still, as Mr. Cupchik spoke to the man about his past, he learned that the day of the theft was the 50th anniversary of his liberation from a concentration camp, when 'inmates were awakened at 3 a.m. and were forced to march, most of them without shoes, along a rock-laden rail line.' 'It was an anniversary reaction, manifested in atypical theft behavior,' Mr. Cupchik said." [KEYS, L., 12-28-01]

In 1997 the UJA-Federation of New York found itself in an in-house ethical controversy when James S. Tisch, whose family controls the **Lorillard Tobacco** corporation, was nominated to head the Jewish organization. "Morality, ethics, Jewish law against self-destruction and common sense," said fellow UJA board member Henry Everett," mandate that it would be repugnant for a tobacco executive to be cast as the president and role model of any Jewish federation." "On an ethical level," Alfred Munzer, a lung specialist and president of the American Lung Association told the <u>New York Times</u>, "a smoking executive is not fit to be the head of a social welfare agency." [MILLER, NYT, p. B3] In 1994, James Tisch's brother, Andrew, who was then the CEO of **Lorillard**, stated in Congressional hearings that the widespread scientific information about the relationship between smoking and cancer "has not convinced me that smoking causes deaths." [MILLER, NYT p. B3] "Several Jewish leaders," noted the <u>Times</u>, "who opposed Mr. Tisch's nomination asked not to be quoted, saying they were afraid that the Tisch family or the UJA-Federation might cut off their [economic] support to their groups ... Most of those who protested said they were concerned about the impact of the appointment [of Tisch] might have on the group's ability to raise money." [MILLER, NYT, B3]

Tisch was formally approved as the Jewish "role model" the next week.

In another ethical area, in the wake of the much-publicized Anita Hill sexual harassment charges in 1991, the <u>Jewish Bulletin of Northern California</u> ran a story written by the Associate Executive Vice President of the National Jewish Community Relations Advisory Council, Diana Aviv, and the Director of National Affairs for the American Jewish Committee, Gary Rubin. They complained that

"sexual harassment is also rife within Jewish communal organizations. Since the [Hill] scandal broke, we have been inundated with stories from women who work within Jewish agencies, anxious to share their

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experiences of sexual harassment by lay and professional men ... These stories could be multiplied almost without end. All the women we spoke with believed that sexual harassment is endemic and deeply engrained in the Jewish community." [AVIV, D., p. 15]

An echo of this has long been a problem in the psychotherapy and psychiatry worlds: the sexual exploitation of vulnerable patients by predatory therapists. Such fields, as evidenced earlier, are enormously overpopulated with Jewish men. ["That vast apparative of putative concern, psychiatry, is largely a Jewish monopoly." -- Kahn, Roger. The Passionate People, William Morris, Inc., 1968, p. 53 / "All over the world, Jews are drawn to the profession of psychoanalysis and psychoanalytic therapy. The 1990 roster of the International Psychoanalytical Association reads like the membership list of a synagogue." -- Earl Hopper, Psychotherapy and the 'Jewish Experience.' European Judaism, Spring 1996, p. 17-25] Rapes and other similar incidents are only sometimes reported by patients who have the courage to complain to authorities. A 1994 Boston Globe article noted the great scope of the problem, mentioning the cases against therapists Martin Teicher, Arthur Reider, Lionel Schwartz, Joel Feigon, Jacob Goldberg, Leonard Friedman, and others, including, in 1992, "several accused multiple offenders --Sheldon D. Zigelbaum, Edward M. Daniels, and Stanley S. Kanter [who] either lost or gave up their licenses [to practice therapy] under pressure ... Though polls have shown that about 8 to 10 percent of psychiatrists admit to having sex with patients, many experts believe the actual frequency is higher, up to 25 percent. Many psychiatrists, they say, are not about to admit to such a clear violation [of therapists' ethical codes], even anonymously." [LEHR, 10-4-94] Worse, as the Citizens' Commission on Human Rights noted:

"Although only ten percent of psychiatrists admit to sexually abusing patients, interestingly, 65 percent say new patients tell them of being abused sexually by their former psychiatrist. In other words, the 10 percent figure can be considered very, very low. In fact, in an article from the March 12, 1990 edition of *U.S. News and World Report*, experts put the figure at more like 25 percent, or one out of every four psychiatrists. And a 1973 study in California puts the figure at an astronomical 51 percent!" [CITIZENS' COMMISSION ON HUMAN RIGHTS, 2001]

This organization estimates that there are 150,000 women "sexually abused by psychiatrists in the USA." 21,000 try to kill themselves, 1,500 DO kill themselves, and 16,000 end up hospitalized because of the harm caused to them." [CITIZENS' COMMISSION ON HUMAN RIGHTS, 2001]

The innate difficulty of determining how widespread sexual abuse is in psychotherapy is noted by Jeffrey Moussaieff Masson: "Imagine attempting to find out how many men had raped by asking nonconvicted rapists whether they were guilty of rape." [MASSON, p. 181]

In 1993, another Jewish sexual predator, this one especially prominent, Dr. Jules Masserman, began making the news. Masserman has been called "the most prominent psychiatrist in the world." He had a

resume of 432 articles and 16 books of his authorship. He was the past president of both the American Psychiatric Association and the American Academy of Psychoanalysts. He was also a vicious sexual predator, one who "admitted that he, over his 50-year career, drugged and sexually molested female patients in his office." [ROZNAFSZKY, p. 10F] Four women eventually accepted out-of-court settlements of claims against him. Eventually, a dozen women came forward to note similar sexual predations against them by Masserman. Former patient Barbara Noel even authored an entire volume about her experiences with the therapist, underscoring his control over her and the difficulties in getting anyone to initially believe her stories against such a powerful man.

For years, therapist sexual abuse of patients was kept hush in the secretive psychoanalytic community. As Jeffrey Moussaieff Masson noted in 1988:

"[The sexual exploitation of patients by therapists was] for many years ... almost never mentioned, except in private. I remember that one of the first seminars I attended when I was a candidate for psychoanalytic training was given by an elderly psychoanalyst from Montreal, who immediately informed us that a major part of his clinical practice consisted of analysts who had had sexual involvement with patients. He told us ten students that many of us, before our careers were finished, would become sexually involved with a patient. Before the [1970s] decade was over, an increasing body of literature addressed the subject. One reason, obviously, was that there were a number of landmark cases in which large awards were made to individuals who sued therapists. There is no sense in pretending to the general public that something never happened which is in the newspaper." [MASSON, p. 168]

By the 1970s, for example, the psychoanalytic practice of John N. Rosen began making the news. Rosen was not obscure; articles about his therapy theories had appeared in various scholarly realms by himself and others. In 1983, he gave up his medical license rather than face trial on 67 counts of violations of the Pennsylvania Medical Practices Act. As part of "therapy," for example, patient Sally Zinman faced the following outrages:

"Without a word of explanation, [Rosen] and his main aide, an ex-Marine, tore off all of her clothes except her underpants and began beating her on the face and breasts (the aide held her down while Rosen beat her). She was then tied to her bed, still with no clothes on, and kept her that way for 24 hours under close guard ... [Therapy also included Rosen] suggesting various 'delusions' to her and fondling her breasts when they were alone (often the sessions were in groups), and once even her vagina." [MASSON, p. 136-137] In the case of another patient, Janet Katkow, Rosen "took off his pants and boxer shorts down over his penis and commanded the plaintiff to suck on his penis." [MASSON, p. 138] This Katkow was required to do "hundreds of times" over a seven year period. "This is what it is all about, this is when a baby is at peace," he told her. [MASSON, p. 141] This patient was also forced to lick his anus "and orally take in as much of his feces as she could, which she did." Katkow was also directed to have cunnilingus with another woman and have sex with an impotent judge. [MASSON, p. 144]

Rosen also had "numerous sexual relations" with patient Julia Blythe. Three other women eventually came forward with similar stories of abuse. [MASSON, p. 145]

Jeffrey Moussaieff Masson, a former psychoanalyst, became profoundly disillusioned with the field and notes, in his volume entitled <u>Against Therapy</u>, the disturbing undercurrent of such stories, that such abuses are part of a perversely authoritarian doctor-patient relationship that is the foundation of the psychoanalytic world itself:

"Is Rosen an exception or is there something about psychotherapy, something in the very nature of psychotherapy, that tends toward abuses? A prison warden, a slaveholder, and a psychotherapist have in common the desire to control another person." [MASSON, p. 147]

In late 2000, the <u>Jewish Journal of Greater Los Angeles</u> noted with concern a number of newsworthy cases of sexual abuse by rabbis:

"For those who look up to the American Jewish clergy, it has not been a good year. Last week, one of the Reform movement's most prominent rabbis was suspended from the rabbinical movement for past sexual misconduct ...Rabbi Sheldon Zimmerman, widely respected as a Jewish thinker and teacher, resigned as president of the movement's Hebrew Union College-Jewish Institute of Religion ... The wave of incidents is refocusing on an issue that has come into public view only in recent years. In the past, rabbinical misconduct -- particularly sexual misconduct -- was rarely discussed publicly. Many advocates for victims complained that rabbinical associations were more interested in protecting their members than the people they hurt." [WIESNER, J., 12-15-200]

Also noted in the article is the sexual harrassment "by the late charismatic Orthodox leader, Rabbi Shlomo Carlebach," a Reform rabbi in New Jersey who "allegedly hired people to murder his wife," a "Conservative Cantor in the Chicago area [who] was arrested ... for alleged involvement in a prostitution ring," and a "New York rabbi working for [the Orthodox Union's] national youth group [who allegedly] sexually harassed and molested teens." [WIESNER, J., 12-15-00]

In 1996, a Los Angeles Jewish showpiece, the Skirball Cultural Center and Museum (a \$65 million cultural center created by Israeli architect Moshe Safdie and founded by Israeli-born president and CEO Uri Herscher), named Robert Kirschner as its Program Director despite his past as the former rabbi of one of northern California's pre-eminent synagogues, Temple Emanu-El in San Francisco. Kirschner resigned his rabbinical post there in 1992 after four women (eventually a total of twelve) came forward with complaints of the rabbi's sexual misconduct, "involving," he publicly apologized, "sexual relations outside my marriage." At least three of the women reportedly "reached settlements with the temple's insurance policy." [LA TIMES, 11-2-96, p. B4]

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In 2000, the Miami-Dade Public Schools district paid a million dollar settlement to five women, four of them teachers, who charged that Michael Exelbart, the principal of a school for the handicapped, had sexually harassed them. Two had been "coerced" into sex, including at the site of "a conservative Jewish temple in Kendall where Exelbart was an officer." Exelbart wasn't fired, and continued to make \$80,000 a year at another position. [KISSELL, T., 4-20-2000]

In April 2001, Jerrold M. Levy, a rabbi at Temple Beth El in Florida, was arrested for "online solicitation of a juvenile" over the Internet. The synagogue had hired him as an associate rabbi in 1992, even though it was known by those hiring him that he had been arrested on a past sex-related charge:

"Levi mentioned a prior arrest when interviewing in 1992 for associate rabbi at Temple Beth El in Boca Raton ... [He had pleaded no-contest to] a sex-related case involving an undercover police officer in St. Louis-area public restroom ... Temple leaders decided to give Levy the job anyway, based on his record as a rabbi, lawyer and member of their synagogue community."

"He's a wonderful person," said David Beale (the synagogue's vice-president for education and youth) after the rabbi's arrest, "and he conveys love and Judaism to all who come in contact with him." During the yearly Purim celebration, noted the <u>South Florida Sun-Sentinel</u>, "Levy helped lead the service dressed as the cookie monster." [KRAUSE, K., 4-6-01; HAHN, B., 4-9-01]

Two weeks later, in the Boston area, also in April 2001, Eric Hindin was charged with "two counts of rape of a child, two counts of indecent assault and battery, and two counts of statutory rape." Hindin had sexually assaulted and videotaped the crimes with two boys, one of whom "he was matched with through a Jewish Big Brother organization." [ELLEMONT/TWAROG, 4-12-00]

In 1981, the four-term (1968-81) Brooklyn District Attorney, Eugene Gold, "announced he would not seek re-election and planned to devote himself to Jewish charitable causes." In 1983, he was charged with "unlawful sexual conduct" in a hotel with a 10-year old girl. In return for probation, Gold pleaded guilty and would seek "psychiatric treatment in Israel, where he had a home." [NY TIMES, 10-21-83] In

1992, Sol Wachtler, "chief judge of New York state's Court of Appeals, one of the most prestigious courts in the United States, resigned ... [He was] the central figure in a scandal involving sex, blackmail and kidnapping threats ... Before his arrest, he was frequently mentioned as a possible candidate for the governor of New York state." The object of Wachtler's sexual attentions and threats was Joy Silverman (a former lover), whose personal friend at the FBI put 80 agents on the case to nab him. [CHISHOLM, P., 1992, p. 56]

In 1995, Frederick Werbell, a rabbi who co-wrote "a best-selling Holocaust book" (<u>Lost Hero: The</u> <u>Mystery of Raul Wallenberg</u>), pleaded guilty to "second-degree sexual abuse" of his cleaning lady. "He sprang naked from the bathroom of his Eastside apartment, grabbed his 39-year old housekeeper and fondled her." He had earlier been sentenced to 17 months in jail for grabbing a woman he was interviewing in his apartment for a job as a receptionist." [BREEN, 7-18-95] In 2001, Rabbi Pinchas Lew, a Chasidic Lubavitcher (ultra-Orthodox),

"was arrested on misdemeanor assault charges ... after a woman accused him of repeatedly touching his genitals in front of her. The woman, a housekeeper in Lew's home, reportedly said Lew had bolted all the doors and that she feared he planned to assault her. She managed to escape through a back door ... Lew, married with five children, led religious study and frequently held services in his home for college students ... Members of the community had had just learned of Lew's conviction for his part in an Iowa armed robbery 10 years ago ... After the local community learned about [this] incident, more than 100 members of the local Jewish community attended a meeting to hear Lew talk about his criminal past. Coincidentally, that meeting occurred on the same day he allegedly assaulted the woman in his home." [FLEISHMAN, D., 7-3-01]

Lew is a member of a prominent Chabad family -- "his father was second in command of Chabad in London, a key post in worldwide Lubavitch." [BLOOM, S., 2001, p. 265] The national Chabad community stunned the judge in providing the required \$200,000 bond for the arrested and jailed man. This, notes, Stephen Bloom, was based on the Jewish tradition that "observant Jews are compelled to post bail that will allow a fellow Jew 'imprisoned unjustly' to be released. Called in Hebrew *pidyon shevuyim*, the 'ranson of captives' is a particular obligation of the Hasidic community." [BLOOM, S., 2001, p. 253]

Lew's criminal accomplice was fellow Chabad member Philip Stillman who robbed a smalltown popcorn vendor and shot a grandmother at point-blank range after taking her money. Stillman reportedly accepted an offer from two rabbis to accept a bribe to accept full blame for the crimes. Lev, despite an original sentencing of ten years in prison, was merely put on probation. The judge told a journalist that he was influenced and "impressed by many of the Jews who came [to the Lew trial]. The courtroom had a significant number of rabbis. They were very intellectual individuals. "If the crime had stunned the locals [of Iowa]," says Stephen Bloom, "the double standard of punishment for Stillman and Lev took their breath away." [BLOOM, S., 2001, p. 255-256] Marion Bakken, the woman who was shot, survived

and was awarded \$1.6 million as settlement for her injuries. She has never been paid. [BLOOM, S., 2001, p. 274]

Secular Jewish journalist Stephen Bloom believes that ultra-Orthodox disdain for Gentiles contributed to the robberies and attempted murder:

"The attitude shared by many Postville Hasidim toward the locals nourished a destructive environment of contempt and scorn providing a setting for Stillman and Lew. While the Hasids would not encourage unprovoked violence against gentiles, their everyday us-against-them mentality helped set the stage for two cocky fellowers to fantasy into reality. For more than a year, the Hasidic Jews' imperious attitude toward the Postville locals had stuck in my craw. As a Jew, I was embarrassed by their take-it-or-leave-it mentality." [BLOOM, S., 2001, p. 273]

In 1995, a rabbi's assistant, Yehuda Friedlander, pleaded guilty to the charge of sexually molesting a 15year-old girl sitting beside him, alone, on an international plane flight. He had also had an earlier arrest for a sexual crime in 1991. A rabbi with him, Israel Grunwald, the leader of New York's Pupa ultra-Orthodox community, was also accused of sexually harassing the girl. He remained under investigation as Friedlander accepted blame. According to the affidavit filed against both men, substantiated by another passenger who witnessed the incident, Grunwald first fondled the girl's breast, then exchanged seats with Friedlander, who violated her further as she protested and resisted under a blanket, trying to sleep. The two men were returning from Australia where Grunwald had lectured about the Talmud. Later, "about 15 supporters from New York and Los Angeles," noted the Los Angeles Times, "attended the court hearings chanting from prayer books as they waited for the proceedings to begin." [BOXALL/KENNEDY, p. B1; and LOS ANGELES TIMES, 11-1-95, p. B4]

In 1999, Ze'ev Kopolovitch, a rabbi and the principal of Netiv Meir, an all-male yeshiva high school in Israel, was accused of sexually abusing 19 students from 1991-1997. The most disturbing part of the case, noted the <u>Jerusalem Post</u>, was that "investigators say Kopolovitch's alleged behavior was known within the school for several years and tolerated by the governing hierarchy of the religious Zionist movement." [GROSS, N., 1999, p. 28] In 2001, a "part-time synagogue sexton" in Jerusalem was convicted "for sexually assaulting children who went to synagogue to pray with him ... At least three children were involved, with one, the 13-year-old, being the son of another synagogue official. That boy was so disturbed by the sexual abuse that he took up drugs, and the sexton then exploited that knowledge to blackmail the youth into more sexual intercourse. The other two children were subject to his fondling, often on the back porch of the synagogue dduring prayers, in exchange for sweets." [REINFELD, M., 6-22-01]

In 2001, Chabad rabbi Mordechai Yomtov, a teacher at Cheder Menachem grade school in Los Angeles, was jailed on \$500,000 bail for "ten felony counts of committing lews acts with children ... Yomtov was keeping [three boys] alone in the classroom and molesting them while the other children were at

recess." [FAX, J., 12-14-01]

In 2000, John Douglas Wynn was arrested for molesting a 12-year old boy in the spa at California's Palo Alto Jewish Community Center. [SAN FRANCISCO CHRONICLE, 5-18-2000, p. A18] In 2000 an unnamed young Jewish woman came forward to press criminal charges against Rabbi Baruch Lanner, the religious director of the National Conference of Synagogue Youth (NCSY), an Orthodox youth group. She claimed she was molested by Lanner on a daily basis for eight months beginning in 1995. [ROSENBLATT, G., 7-10-2000, p. 9] Lanner, noted the Jewish Week,

"is widely regarded as one of the most brilliant, dynamic and charismatic educators in Jewish life today ... Reports have continued to circulate that he has harassed, if not abused, many scores of teens sexually, physically and/or emotionally, from the early 1970s to the present ... Those who have elected to tell their stories say they are motivated by anger and frustration over the refusal of the OU, the national central body of Orthodox synagogues, to act decisively on repeated complaints about Rabbi Lanner's behavior." [ROSENBLATT, G., 6-23-2000]

In 2001, two U.S. Congressmen, Tom Lantos and Edolphus Towns were "snookered" into defending an Argentine yoga school against alleged "anti-Semitic" elements (about "50 percent of those involved were of the Jewish faith"). Towns introduced a formal resolution condemning "discrimination against youga enthusiasts by the Argentine government. In the resolution he linked bombing of a Jewish center in Buenos Aires six years ago to a long pattern of Argentine anti-Semitism." As *Insight on the News* notes, however,

"The Congressmen may have been snookered by those accusations of anti-Semitism. Their lofty resolution failed to mention some of the other 'practices' of the Escuela de Yoga. According to reports, the learning center, run by a certain Juan Percowicz, teaches lessons that are 'sui generis,' in that thye involve practices that most people would call 'sexual freedom.' There have even been some allegations of child exploitation, which local police were compelled to investigate. Since its founding in the 1980s, the school has been raided by the police more than 300 times. Other charges brought against it include assault and petty larceny." [NICHOLS/SPUN, 12-7-01]

From Israel, in 1998, 19-year old model Linor Abargil was named "Miss World." Seven weeks earlier she had been raped at knife-point by an Israeli travel agent, Shlomo Nour. [USA TODAY, 1-20-99] "The 51st year of the Jewish state," noted the <u>Jewish Advocate</u>, "seems to be shaping up as the Year of the Sexual Assault. Or perhaps, more properly, the year when sexual assault is coming out of the closet. Coming out with a vengeance. In the first six months of 1998, rape was up 22% over the previous year ... Teen rape, child rape, homo-sexual rape, rape in the military, intra-family rape, we run the gamut." [MOTRO, H., p.

10] In 1999, an "expanding" sexual harassment scandal broke out in the Israeli Ministry for Religious Affairs, centering on the division's comptroller, Yehiya Paruz. [SINAI, 1999] That same year, the <u>Los</u> <u>Angeles Times</u> noted that "Long a taboo topic, or dismissed as something women simply had to put up

with, sexual harassment in the [Israeli] military is now openly discussed in Israel, thanks to high-profile cases, new rules and a handful of crusading activists. More and more women are coming forward to denounce abuse." [WILKINSON, T., 12-1-99, p. A1]

In 2000, the head of the Defense Ministry's publishing unit, Amnon Tzabari, was charged with sexual harassment for "performing lewd acts on four female workers in his office." This followed disciplinary actions against "long-time ministry spokesman" Dan Weinrich and, in a separate case, the head of the Defense Ministry's media section, Shachar Halevi. "The situation became so bad," noted the Jerusalem Post, "that ministry Director-General Arno Yam gathered all senior officials and warned he was going to uproot the phenomenon." [O'SULLIVAN, A., 9-8-2000] In 2001, a parliamentary aide to Israeli MK (member of Knessset/Parliament) Ayoub Kara publicly accused him or raping her. Ayoub is Prime Minister Sharon's "liason to Israeli Arabs." [JERUSALEM POST, 2-28-01] In 2000, Israel's Transport Minister, Yitzhak Mordechai, "who deputizes for [Israeli Prime Minister Ehud] Barak in his absence, suspended himself pending an investigation into accustions that he sexually assaulted a female civil servant." [REEVES, P., 3-8-00] In 2001, the director general of the Israel Journalists' Union, Tuvya Sa'ar, was "arrested on suspicion of having intercourse with a minor and coercing her for sexual favors ... In one instance ... he is suspected of promising the girl an appearance on the TV channel for children because of his connections there." Sa'ar is the former director of Israel TV. [ARBELI, A., 8-15-01] Along these general themes, see also historical Jewish pre-eminence in the international prostition trade, and Jewish dominance of the pornography business (in the Mass Media chapter)

Another ethical in-house controversy in the Jewish organizational community -- in this case, involving environmental morality -- arose in Houston when Charles Hurwitz, a UJA-Federation official, was noted for his role as a majority stockholder in **Maxxam**, the company that owns **Pacific Lumber** which environmentalists were fighting for its plans to cut down some of the last remaining old growth Redwood trees on private land in California. As Benjamin Stein notes, "Charles Hurwitz's catastrophic takeover of **Pacific Lumber....** resulted in some of the worst environmental atrocities of all time against first-growth redwood trees." [STEIN, B., p. 114]

Hurwitz's Maxxam rules over 110 subsidiaries, including Kaiser Aluminum, McCullough Oil, and Simplicity Patterns. By 1999, Hurwitz had spent \$20 million defending himself against two Federal agencies, government lawsuits that charged that "Texas billionaire Charles Hurwitz bought Kaiser Aluminum with money made while illegally driving a savings and loan into bankruptcy." Hurwitz had purchased United Savings of Texas in 1984, "raided it for cash," and then let it fail in "reckless disregard for the law." The failure cost U.S. taxpayers \$1.6 billion. [STEELE, K. D., 10-31-99, p. A1]

In 1999, environmentalists created an activist alliance against **Maxxam** with a steelworker union which had begun a strike against **Kaiser**. "I don't think there's a corporation anywhere else in the U.S. that's at the epicenter of so many social issues as **Maxxam**," said steelworker union official David Foster.

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BORRESON, S., 1-3-2000]

Then there is David Koch. Koch heads Koch Industries,

"a conglommerate with major oil and gas holdings, [which] is the second-largest privately-held company in the United States. It is also the recipient of the largest civil fine ever imposed on a corporation for violating federal environmental laws. During the 1990s, the company's leaky pipelines were responsible for more than 300 oil spills in five states ... Last fall, **Koch Industries** and four employees were indicted on 97 counts of violating federal clean air and hazardous waste laws. Government prosecutors accuse the company of intentionally releasing fumes from benzene -- a suspected carcinogen -- into the atmosphere and then lying about it to state regulators in Texas. If convicted, the company could be fined up to \$352 million." [MOTHER JONES, 5-3-01]

Samuel Heyman owns 98% of the giant manufacturing firm **GAF**. As <u>Mother Jones</u> magazine noted about the company:

"Last year, if the Asbestos Compensation Act had passed Congress, Heyman would have profited handsomely from his anonymity. The bill -- drafted by a Harvard law professor hired by GAF -- would have denied or delayed compensation to thousands of victims of asebestos-related diseases, cost tax-payers as much as \$150 million a year, and provided 'unwarranted benefits to asbestos companies,' according to the U. S. Justice Department. As a former manufacturer of asbestos-laden building products, GAF found itself in a crushing legal avalanche.' [MOTHER JONES, 5-3-01]

Likewise, in the pantheon of prominent Jewish organization leaders, there was the case of (the Jewish) <u>Moment</u> magazine's "donor of the month," Bernie Marcus, for his donation of \$15 million to the Atlanta UJA fundraising campaign. Marcus, the CEO of **Home Depot**, only weeks earlier lost an Oakland jury verdict of \$1.6 million in damages against his company for "sexual discrimination and retaliation." A class action lawsuit for \$65 million also was settled against **Home Depot** for sex discrimination. [ARON, M.] "A trustee-for-life of the Atlanta Jewish Federation," notes Mother Jones magazine,

"Marcus says he has integrated Judaic principles into what he likes to call the 'Home Depot family.' For him, helping people understand Judaism is a matter of marketing. 'I think a lot of it has to do with selling,' he says, 'You've got to sell the beauties of Judaism." [MOTHER JONES, 5-3-01]

In March 1998, the head of the World Jewish Congress, Edgar Bronfman, also president and CEO of the family-controlled **Seagram** and **Universal Studios**, was awarded a conspicuously dubious honor (the **Seagram** fortune was built to power by the Bronfmans during prohibition, with considerable

collusion with Detroit's criminal Jewish Purple Gang who smuggled alcohol over to Windsor). "A bipartisan political group," noted the <u>Financial Times</u> of London,

"launched a new campaign aimed at embarrassing one of the leading lights of the entertainment business. The first ever "Silver Sewer' award, in recognition of its 'outrageous contribution to the degradation and coarsening of our culture and its unswerving dedication to the pursuit of profit above principle' [was awarded in abstentia to Bronfman]." [BAKER, G., 3-21-98, p. 2]

Of particular note to the judges was the Bronfman ownership and promotion of the decadent The Jerry Springer [who is Jewish] Show on television and Marilyn Manson, "perhaps the most shocking of the 'shock rock' groups." William Bennett, a former cabinet member in the Reagan and Bush White Houses, decried Seagrams as "the leading perpetrators of cultural rot" in America. [BAKER, G., 3-21-98, p. 2] Seagrams is noteworthy for many dubious honors, including the fact that in 1997 it "started airing TV commercials for its Crown Royal Whiskey in scattered markets across the United States. The commercials broke a voluntary ban on television advertising that the liquor companies had imposed on themselves in 1948." [FINANCIAL TIMES, 4-7-97] [More about the Bronfmans and Springer later]

In 2001, Irv Rubin, head of the Jewish Defense League, and an associate, Earl Krugel, were arrested by the FBI for plotting to bomb the Los Angeles King Fahd Mosque and the office of Arab-American Congressmen Darrell Issa. [DEUTSCH, L., 12-12-01]

In 1997, the United Jewish Appeal went out of its way to shame the Jewish community by awarding its "Humanitarian of the Year" award to (non-Jewish) media mogul Rupert Murdoch at a fund-raising dinner that raised \$2.3 million for the organization. <u>Mother Jones</u> magazine wondered about the surreal moral reasoning behind the award: "The media baron is better known to labor and human rights groups for his union-busting and for catering to the Chinese government (in 1994 he yanked the BBC off his Asian satellite network because officials in Beijing were angered by its reporting on Chinese human rights violations)." [MJ, 9/10-97, p. 18]

"By what criteria has the UJA chosen the worldwide robber baron for this years' award over, say, Radovan Karadzic [accused of war crimes in Bosnia], or perhaps Larry Flynt [the pornographer]?" wondered Eric Alterman in the <u>Nation</u>, "... Murdoch was chosen, the UJA says, for his 'longtime support of the security of the state of Israel, his friendship for the Jewish people, and his support of UJA.'" [ALTERMAN, p. 6-7] The Australian-born Murdoch had earlier been honored in 1982 as the "Communications Man of the Year" by the American Jewish Congress. He was presented that award by AJC president Howard Squadron, who was also Murdoch's American lawyer, his guide to visit right-wing politician Ariel Sharon in Israel, and an opinion page writer for Murdoch's *New York Post*. [GOLDSTEIN, T, p. 69; KIERNAN, T., 1986, p. 262] "The Jewish national cause is one that is extremely important to me, to my family, and to my company," Murdoch told the UJA audience, "... We're also in Israel [Murdoch has investments there] because of my faith in the integrity and worthiness of the Zionist undertaking. I have been accused of being pro-Israel, pro-Zionist, pro-Jewish -- charges to which I plead guilty." [LEON, M., 7-4-97, p. 16]

Matti Golan, a former Israeli government official, calls the massive American Jewish organizational ring to raise money for itself and Israel the "Money Machine." American Jews, notes Golan, have

"created a ruthless, well-oiled machine whose only aim is to collect money and ... will do anything to do so. Every year [American Jewish leaders get] a higher quota to meet and ... stop at nothing to meet it. If you can't meet your quota, you're out. The only gauge of success, the one bottom line, is how many dollars you've brought in." [GOLAN, p. 65]

In 1999, Jewish billionaire Henry Samueli was presented an award by a prominent Jewish American organization. As the<u>Los Angeles Times</u> noted this honor,

"The Orange County chapter of the American Jewish Committee will present him with its National Human Relations Award ... He's happy to be honored, Samueli said, but he was surprised to find out that a donation to the Committee was part of the package." [CONWAY, A., 4-13-99, p. E1]

Even Alan Dershowitz concedes that "Jewish organizations sometimes honor the wealthy without inquiry into the sources of their wealth. We sometimes do not make the effort to see what is plainly before our eyes. We are blinded by the facade of money ... " [DERSHOWITZ, <u>Chutzpah</u>, p. 307]

This worldview, so common in the Jewish community, was heralded as an emulative value for Americans at-large in 1995 by a Jewish professor at the University of Chicago, Daniel Fischel, who espoused it -- not surprisingly -- in his book, <u>Payback: The Conspiracy to Destroy Michael Milken and His Financial</u> <u>Revolution</u>, published prominently by HarperCollins. Fischel's introductory paragraph to begin his defense of Milken's vast corruption machine deserves to be quoted in full, as sum of both his book and a widespread moral vacuousness so much at stake here:

"Why have the 1980s been so uniformly condemned as the 'decade of greed?' For that matter, what does this disparaging characteristic even mean? The decade's many critics who pontificate against evils of greed have seen no need to define the term. Dictionary definitions of greed ---'inordinate desire for wealth' or 'wanting more than one's proper share' --provide no help but merely restate the question. What is 'inordinate desire for wealth, or the dividing line between one's 'proper' or 'improper' share? With no answers to these questions, how can we possibly know when an individual, let alone a whole country, is guilty of