

Uproar over pedophilia charges in Australia

by Bruce Jacobs

Liberal Party Member of Parliament Ken Aldred on June 5 made a series of allegations involving drugs and pedophilia which rocked the country, and put a spotlight on Australia's Department of Foreign Affairs and Trade (DFAT) and on Melbourne tax lawyer and former longtime Zionist Federation of Australia boss Mark Leibler.

Aldred charged that the DFAT harbored a 20-person pedophile ring, comprised of senior members of the department posted to various countries in Asia; that the ring was being covered up by the DFAT's top official, Michael J. Costello; and that leading members of it were being promoted by Costello. Aldred named one alleged pedophile, and precisely described four more.

Aldred also tabled a letter from an official of the Dutch embassy of the South American country of Surinam, showing a secret payment of \$640,000 to Costello, apparently involving Leibler, drugs, and the Israeli Mossad.

Costello denied everything Aldred had presented as "outrageous allegations," while Costello's boss, Minister for Foreign Affairs Gareth Evans, said he was "appalled" by the allegations and that he accepted "absolutely Mr. Costello's statement to me that there is not a shred of truth to the allegations." Evans also claimed that Australian Federal Police had earlier investigated the pedophilia charges and found them to be baseless.

Unfortunately for Evans, official police sources stated the following day that no such investigation had taken place. Moreover, one of the numerous teams of journalists from Australian newspapers dispatched throughout Asia in the wake of Aldred's charges, reported that a raid on an American pedophile in the Philippines turned up the name of an Australian diplomat and his relations with an 11-year-old boy, while still another DFAT senior diplomat had resigned the department in the late 1980s after being confronted as a pedophile.

And, according to the *Sydney Herald Sun* newspaper of June 11, a Philippines government-appointed social worker, Dr. Sonia Zaide, had told Australian Justice Minister Duncan Kerr in 1993 about the involvement of two Australian diplomats and two other prominent Australians in pedophilia in the Philippines. Zaide said that the Australian government had "swept it under the carpet."

While the charges of pedophilia caused an uproar, perhaps an even bigger explosion greeted the letter of the Surina-

mese diplomat in the Hague, Second Secretary D. Toemin. The letter was addressed to Costello:

"Excellency!

"We hereby convey a security case containing six hundred and forty thousand United States Dollars (US \$640,000) as agreed with agent Mark Leibler.

"The above mentioned funds should be distributed according to the schedules held by your Excellency. Please sign the second letterhead copy and hand this personally to one of the two authorised Mossad agents."

Leibler, drugs, and the Mossad

Leibler, perhaps the country's leading specialist in tax evasion, had to resign his government tax advisory board position several years ago when his shady dealings emerged in parliamentary hearings.

As background to the letter, Aldred explained Surinam's role over the last decade in the world's drug trade, and then asked the following question:

"First, why is Mr. Mark Leibler . . . acting as an agent in a major financial transaction involving the Israeli intelligence service, the Mossad, and the Secretary to the Department of Foreign Affairs and Trade, Mr. Michael Costello?"

Though Costello and Leibler have shrieked their innocence, this is not the first time that Leibler's name has surfaced in connection with drugs. In 1991, one Alexander Gajic was named in the Legislative Assembly of Canberra as a boss of Australia's drugs and pornographic video operations. Gajic's lawyer, Leon Zwier, traveled to the United States "to negotiate with various organized crime groups to set up a deal to import and franchise X-rated videos," charged Independent Member Dennis Stevenson. Furthermore, noted Stevenson, Zwier "was recently made a partner of Arnold Block, Leibler, and Associates," whose principal was Mark Leibler.

Even earlier, on March 6, 1985, the drug-sniffing dogs of the customs unit at Jackson Airport in Port Moresby, Papua New Guinea went wild while inspecting an executive jet, though political pressure stopped a full search of the plane. On the jet were three individuals: 1) John Aston, one of Sydney's leading lawyers, who had been found by the Stewart Royal Commission on Australian drug trafficking to be a conduit between the notorious Mr. Asia drug syndicate and the drug-money-laundering Nugan Hand Bank; 2) John Johnson, owner of the chartered jet company Pelair, which had been under investigation for suspected drug running, and which was tied to the Australian giant transport TNT. TNT chairman Sir Peter Abeles was often referred to in Australia as "the White Knight" for his suspected role in narcotics trafficking; Leibler was TNT's tax adviser; and 3) Sonnie Lipshut, an arms dealer. Lipshut was an associate of Leibler, and his wife worked for Leibler at the Zionist Federation of Australia. Lipshut and his wife were board members of the Israeli Aircraft Industries. In 1980, Leibler incorporated a Melbourne firm, Intercorp, to handle the sales of IAI in the South Pacific.