

Arizona Mystery: McCain, the Mob, And the Democrats

by Anton Chaitkin

Those who remember Franklin D. Roosevelt and John F. Kennedy find it strange that right-wingers such as Joe Lieberman have taken control of FDR's party. A spokesman for free trade, cheap-labor economics, and imperial wars, Senator Lieberman (D-Conn.) is just the sort of flunky FDR condemned when he wrested control of the Democrats from Wall Street and the Southern racists.

Lieberman is continually promoting an anti-labor warhawk Republican, John McCain of Arizona, as the savior of the country. For example, Lieberman's own Democratic Leadership Council devotes the May 21 issue of its *Blueprint* magazine to boosting McCain as America's greatest reformer. The lead article, by McCain's adviser Marshall Wittmann of the right-wing Hudson Institute, pushes McCain as "the new Theodore Roosevelt."

McCain and Lieberman threaten to launch a third party, to blackmail President George Bush into waging new overseas wars, or to tip the 2004 White House race to Lieberman, as Theodore Roosevelt's Bull Moose party bid gave the 1912 Presidential election to Woodrow Wilson.

Even stranger is McCain's claim to fame as a "reformer"—the architect of the campaign finance reform measure, who will "clean up politics." For John McCain himself is notoriously "made," as the beneficiary of over \$100 million thanks to the gangster underworld of the Southwest—though McCain reports his personal net worth to be only around \$10 million.

Mob Beer and Newspapers

In Arizona, it is well known and often published that McCain dumped his first wife to marry the daughter of James Hensley; and that Kemper Marley—Sam Bronfman's desert mob overlord—had awarded Hensley control of his Budweiser beer distributorship. Hensley, after all, didn't squeal when he and dozens of other Marley employees were convicted of violating Federal liquor laws. Hensley bankrolled McCain's first run for Congress.

Now McCain, his wife, and their four children own over 60% of Hensley and Company, according to public records of the Arizona Liquor Commission. The nation's sixth-largest beer distributor, Hensley keeps its finances secret, but admits

to a yearly revenue of \$200 million. A conservative estimate puts the McCain family fortune, from the Hensley source alone, at \$120-200 million.

How did gangsterism and reactionary politics get misnamed "reform"? Behind today's headlines is the Arizona marriage of the media power cartel and the mob, creating John McCain—and a stench which is destroying the Democratic Party.

Jim Hensley staked his new son-in-law to his first political campaign in 1982. But McCain's two elections to the House and three to the Senate were each especially cleared and promoted by the Pulliam family's *Arizona Republic*, the Phoenix "kingmaker" newspaper. (The Pulliam family sold the *Arizona Republic* to the Gannett chain in 2000, since which time Senator McCain and the paper have been at odds.)

When young Hensley beer baron McCain entered Congress, Arizona was embroiled in a series of trials relating to the 1976 gangland bombing-murder of investigative reporter Don Bolles. According to the testimony of confessed killer John Henry Adamson, Bolles was blown up at the request of mob overlord Kemper Marley, Hensley's patron. Bolles' articles had implicated Marley and Hensley in the mafia tentacles of the Bronfman family's race track-controlling mafia unit, Emprise.

Marley's agents were tried and re-tried for the assassination, even after Marley himself died in 1990.

Don Bolles had been hired by *Republic* owner Eugene C. Pulliam to go after Pulliam's Arizona political targets. But Bolles' probe of Marley—Pulliam's partner in running the state—went over the line: Pulliam himself was finally named in the scandal. This is how the Pulliam family itself delicately describes the problem, in the authorized biography *Publisher Gene Pulliam*, written by his grandson Russell Pulliam:

Bolles named some of Pulliam's friends in the stories. . . . [Quoting Bolles:] "One of my fellow reporters told me, 'Man, if you get that name out in public, you don't have a job.'

"I decided that if the *Republic* was that kind of a paper, I didn't want to work for it.

"And when his name came out in court, Gene expressed his admiration for our work in turning it up, without fear or favor. He said, 'I always wondered how long it would take.' "

But, Pulliam continues: "Don Bolles found that Pulliam was no longer so quick to back him up as in the past. . . . Bolles quit investigative reporting for the *Republic* in 1974, soon after Pulliam decided to kill a series on the Arizona criminal justice system. His fight against organized crime had been an uphill battle." (When a national group of investigative reporters wrote a series on the Bolles murder, the *Arizona Republic* refused to run it.)

Eugene C. Pulliam died in 1975; employee Bolles was



Why has the Democratic Leadership Council of Sen. Joseph Lieberman been feverishly promoting the Presidential timber of anti-labor, warhawk right-wing Republican John McCain? There are common financial-political bosses involved.

killed in 1976. And Eugene's son and successor, publisher Eugene S. Pulliam, endorsed Hensley's candidate McCain for Congress in 1982.

Who was Pulliam?

Eugene C. Pulliam rose to power as a soldier of the Teddy Roosevelt wing of the Republican Party, the London-Wall Street faction, in combat against the Abraham Lincoln, William McKinley, nationalist wing. Pulliam's first small newspaper was a fanatical pro-Teddy Roosevelt sheet, that failed in 1914 with the collapse of the Bull Moose party.

Pulliam got financial backing from Texas oil barons Sid Richardson and Clint Murchison, and from Robert Young, the U.S. partner of the Duke of Windsor (Edward VIII). Pulliam got the money to buy the *Indiana Star* in 1944 and the leading Phoenix papers in 1946 from the Jefferson Pilot Insurance Company of North Carolina, part of a radical-right intelligence agency/lawyer/investor complex that would include the Smith Richardson Foundation and the British cartel controlling the Reynolds tobacco empire.

Crime, Re-Formed

The Pulliams swooped down on Phoenix in the mid-1940s, extending their base from Indianapolis.

To take power in Arizona, Pulliam called for reform. Gambling and prostitution were openly practiced; they must be driven underground. Supposedly to accomplish these aims, Pulliam declared that government must be taken out of the realm of "politics." Pulliam soon established a near-dictatorship over Phoenix and Arizona state politics, in which gambling and other crimes not only flourished but became the way of life in the New Economy.

By 1949, Pulliam established a new Charter Government in Phoenix, where a select group would choose the slate for election to manage the city. This governmental structure was

dissolved when Eugene C. Pulliam died in 1975. Pulliam ruled openly, creating the Phoenix 40 (leading utility, real estate, and other local sub-chiefs), while Kemper Marley extended the Bronfman/mafia power behind the scenes.

Banker Walter Bimson ran the Valley National Bank as an instrument for both Marley and Pulliam; Kemper Marley was at one point chairman of Valley National. The bank provided the money for mob boss Meyer Lansky to set up the Flamingo Hotel in Las Vegas under enforcer Bugsy Siegel.

Walter Bimson and Pulliam were the arbiters of all economic and publicity decisions in Phoenix, according to Pulliam's authorized biography.

Politician Barry Goldwater was one of Pulliam's instruments to power. Barry's brother was on the board of Valley National Bank, in which the Goldwaters were major owners. Pulliam convinced Barry Goldwater to get into politics, starting out by running for City Council. Goldwater led the slate backed by the *Arizona Republic* and *Gazette* and Phoenix Charter Government group. Meanwhile, Kemper Marley's agent over a 40-year era, jeweler Harry Rosenzweig, became Goldwater's manager and eventually the head of the Arizona Republican Party.

The Pulliam-Marley power structure channeled Phoenix's growth into a post-industrial financial boom, pivoted on real estate speculation and other "services," instead of developing an industrial base. Pulliam called for racetracks to service retirees and tourists, defining the state's future. The racetracks were host to the Bronfman-Marley-Hensley "Emprise" gang, which cost investigator Don Bolles his life.

Eventually, Las Vegas-style casinos were legalized and set up on Indian reservations. Senator McCain is the political godfather of the reservation-casinos across the country, helping to get cliques recognized as "tribes" for the sole purpose of opening casinos. Not surprisingly, casino owners, along



Arizona mob and beer boss, the late Kemper Marley, from whose organized-crime operations John McCain's current fortunes ultimately spring. It was Marley whom Arizona investigative reporter Don Bolles was on to, when Bolles was murdered in 1976.

with beer distributors, are among the leading direct contributors to McCain's political campaigns.

And McCain put a strange loophole in his campaign finance reform: Indian tribes, i.e., casinos, could give limitless contributions to candidates. The *Los Angeles Times* reported on Feb. 23, 2002, that critics of the special exemption "fear that tribes flush with gaming income would continue to pour vast sums into the political system."

An amendment was proposed to close the Indian contributions exemption. But as the *Times* put it, "the bill's chief advocates, including Sen. John McCain (R-Ariz.), himself a leading Congressional recipient of Indian gaming money, were skeptical."

While mammoth casino operators take profits, sharing the loot with some reservation residents, unemployment, poverty, disease, and social breakdown are at crisis levels among tribes.

On to the White House?

The curious political apparatus that now sponsors the McCain-Lieberman crusade, is rooted in the old subterranean partnership of Pulliam and Bronfman.

The Pulliam family, including Eugene S. Pulliam's grandson, former Vice President Dan Quayle, came to own Indiana's leading newspapers, and a major portion of the Eli Lilly pharmaceutical company of Indianapolis. (Quayle was the general manager of the family's Huntington, Indiana *Herald-Press* when Eugene S. Pulliam died in 1975.)

The Pulliam dynasty helped create "neo-conservatism." As the family explained in Eugene S. Pulliam's authorized biography, the new movement did not want to "preserve America as it was or had been. They wanted to go further back"—that is, back before the American Revolution—"or forward, to a new way of life" in accord with British imperial philosophers "John Locke, Adam Smith, and Edmund Burke."

The editors of two Indiana Pulliam papers, Jameson Campaigne and M. Stanton Evans, were organizers of the

American Conservative Union (ACU), along with British intelligence operative Marvin Liebman. As ACU president, Evans led the group to break with Richard Nixon "from the right."

The neo-conservatives stressed the need for globalism, free trade, an Anglo-American empire, with rightist-dominated Israel as a regional partner.

The Hudson Institute moved from New York to Indiana in 1984 and came under the control of the Pulliam-Quayle-Eli Lilly money and power complex. Dan Quayle went to work at the Hudson Institute after leaving the Vice Presidency, taking staff with him from Washington right into the family's institute.

This dynasty's power is not hidden: Mitchell E. Daniels, Jr., the current Director of the Office of Management and Budget, a spokesman for the radical warhawk faction of the George W. Bush Administration, was a key adviser to Dan Quayle, and for 13 years, director of public relations for Eli Lilly and the president of the Hudson Institute.

So, this is the Hudson Institute whose Bull Moose project director, Marshall Wittman, is running the promotion of Pulliam protégé John McCain as "the new Teddy Roosevelt," and to which Joe Lieberman has devoted the magazine of the Democratic Leadership Council.

Lieberman himself owes his rise, perhaps more than any other U.S. politician, to the "Mega" group of Jewish billionaires, whose influence has been crucial in wielding Israel as an instrument of war and disruption in the Mideast. Heading Mega are Edgar and Charles Bronfman, scions of the family whose agent Kemper Marley ruled Arizona with the Pulliams. Thus the now open political partnership of "Republican" McCain and "Democrat" Lieberman, which has a more-or-less open hand in most Washington developments today, is not so surprising at all.

The Tory Gang That FDR Defeated

Pulliam-style "reform" has destroyed the formerly productive United States over the past several decades. The economy, and American society, have been criminalized. Beyond casinos, the most insane forms of gambling are now routine in the biggest corporations and banks. This is the "New Economy" hoax, which Joe Lieberman and his DLC—unshockable by Enron or worse horrors—still call America's future. And what mafia porn merchants used to peddle, is now legal Hollywood fare, along with video games designed to make hit-men out of teenage players. Lieberman conned the Congress out of acting against the producers of this murderous trash, then collected millions in campaign money from the Hollywood executives in direct response for protecting them.

Lieberman and his sidekick McCain, the "Bugsy Siegel" of the Indian casinos, are the loudest voices demanding a plunge into general war through and beyond the Middle East.

This "reform" is the Tory gang that President Franklin Roosevelt buried in 1933. It's now up and stalking the White House. It badly needs re-burying.