

How DOE staff and Public Policy Staff in Washington Were Bribed:

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How DOE staff and Public Policy Staff in Washington Were Bribed:

Jack Abramoff: The lobbyist's playbook

Jack Abramoff, the notorious former lobbyist at the center of Washington's biggest corruption scandal in decades, spent more than three years in prison for his crimes. Now a free man, he reveals how he was able to influence politicians and their staffers through generous gifts and job offers. He tells Lesley Stahl the reforms instituted in the wake of his scandal have had little effect.

The following is a script of "The Lobbyist's Playbook" which aired on Nov. 6, 2011.

Jack Abramoff may be the most notorious and crooked lobbyist of our time. He was at the center of a massive scandal of brazen corruption and influence peddling.

As a Republican lobbyist starting in the mid 1990s, he became a master at showering gifts on lawmakers in return for their votes on legislation and tax breaks favorable to his clients. He was so good at it, he took home \$20 million a year.

Jack Abramoff: Inside Capitol corruption

How corrupt is lobbying in Washington, DC? Enough to get "60 Minutes" correspondent Lesley Stahl angry when she hears how Jack Abramoff bribed and influenced legislators.

It all came crashing down five years ago, when Jack Abramoff pled guilty to corrupting public officials, tax evasion and fraud, and served three and a half years in prison.

Today he's a symbol of how money corrupts Washington. In our interview tonight, he opens up his playbook for the first time.

And explains exactly how he used his clients' money to buy powerful friends and influence legislation.

Jack Abramoff: I was so far into it that I couldn't figure out where right and wrong was. I believed that I was among the top moral people in the business. I was totally blinded by what was going on.

Jack Abramoff was a whiz at influencing legislation and one way he did that was to get his clients, like some Indian tribes, to make substantial campaign contributions to select members of Congress.

Abramoff: As I look back it was effective. It certainly helped the people I was trying to help, both the clients and the Republicans at that time.

Lesley Stahl: But even that, you're now saying, was corrupt?

Abramoff: Yes.

Stahl: Can you quantify how much it costs to corrupt a congressman?

Abramoff: I was actually thinking of writing a book - "The Idiot's Guide to Buying a Congressman" - as a way to put this all down. First, I think most congressmen don't feel they're being bought. Most congressmen, I think, can in their own mind justify the system.

Stahl: Rationalize.

Abramoff: --rationalize it and by the way we wanted as lobbyists for them to feel that way.

Abramoff would provide freebies and gifts - looking for favors for his clients in return. He'd lavish certain congressmen and senators with access to private jets and junkets to the world's great golf destinations like St. Andrews in Scotland. Free meals at his own upscale Washington restaurant and access to the best tickets to all the area's sporting events; including two skyboxes at Washington Redskins games.

Abramoff: I spent over a million dollars a year on tickets to sporting events and concerts and what not at all the venues.

Stahl: A million dollars?

Abramoff: Ya. Ya.

Stahl: For the best seats?

Abramoff: The best seats. I had two people on my staff whose virtual full-time job was booking tickets. We were Ticketmaster for these guys.

Stahl: And the congressman or senator could take his favorite people from his district to the game--

Abramoff: The congressman or senator uh, could take two dozen of his favorite people from their district.

Stahl: Was all that legal?

Ira Rosen is the producer.

Abramoff: We would certainly try to make the activity legal, if we could. At times we didn't care.

But the "best way" to get a congressional office to do his bidding - he says - was to offer a staffer a job that could triple his salary.

Abramoff: When we would become friendly with an office and they were important to us, and the chief of staff was a competent person, I would say or my staff would say to him or her at some point, "You know, when you're done working on the Hill, we'd very much like you to consider coming to work for us." Now the moment I said that to them or any of our staff said that to 'em, that was it. We owned them. And what does that mean? Every request from our office, every request of our clients, everything that we want, they're gonna do. And not only that, they're gonna think of things we can't think of to do.

Neil Volz: Jack Abramoff could sweet talk a dog off a meat truck, that's how persuasive he was.

Neil Volz was one of the staffers Abramoff was talking about. He was chief of staff to Congressman Bob Ney, who as chairman of the House Administration Committee had considerable power to dispense favors. Abramoff targeted Volz and offered him a job.

Stahl: You're the chief of staff of a powerful congressman. And Jack owns you and you haven't even left working for the congressman.

Volz: I have the distinct memory of, you know, negotiating with Jack at a hockey game. So we're, you know, just a few rows back. The crowd's goin' crazy. And Jack and I are havin' a business conversation. And, you know, I'm-- I'm wrestlin' with how much I think I should get paid. And then five minutes later we're-- he's askin' me questions about some clients of his.

Stahl: When you look back was that the corrupting moment?

Volz: I think we were guilty of engaging in a corrupt relationship. So there were several corrupting moments. There isn't just one moment. There were many.

Abramoff: At the end of the day most of the people that I encountered who worked on Capitol Hill wanted to come work on K Street, wanted to be lobbyists.

Stahl: You're telling me this, the genius of figuring out you could own the office by offering a job to the chief of staff, say. I'm having two reactions. One is brilliant. And the other is I'm sick to my stomach.

Abramoff: Right. Evil. Yeah. Terrible.

Stahl: 'Cause it's hurting our country.

Abramoff: Shameful. Absolutely. It's the worst thing that could happen. All parts of the system.

Stahl: I'm mad at you.

Abramoff: I was mad at me--

Stahl: I'm not kidding. I'm not kidding.

Abramoff: Look I did things and I was involved in the system I should not have been in. I'm ashamed of the fact I was there, the very reason why now I'm speaking about it. And now I'm trying to do something, in recompense, is the fact that I thought it was-- it was wrong of me to do it.

One of the offices he keyed on was that of his good friend, the Majority Leader Tom Delay, eventually hiring his deputy chief of staff and his press secretary, and going into business with Delay's chief of staff.

Stahl: Did you own his staff?

Abramoff: I was as close to his staff as to any staff. I had a very strong personal relationship with a lot of his staff.

Stahl: How many congressional offices did you actually own?

Abramoff: We probably had very strong influence in 100 offices at the time.

Stahl: Come on.

Abramoff: No.

Stahl: A hundred offices?

Abramoff: In those days, I would view that as a failure. Because that leaves 335 offices that we didn't have strong influence in.

Stahl: Did he own you?

Bob Ney: Oh, I don't believe Jack Abramoff owned me. But were we involved in the culture of corruption together? Absolutely.

Former Republican Congressman Bob Ney was ambitious and looked at Abramoff as a way to build alliances with the White House and the majority leader.

Ney: I wanted to be speaker of the House and Jack Abramoff was the beautiful light of day for me to get to the person who I had had some conflicts with, Tom Delay.

Abramoff began inviting Ney on golf trips including one to Scotland and to his restaurant Signatures, where Ney was given food and drinks on the house, a violation of the congressional gift limit laws. Ney says he was hardly the only one crossing the line.

Ney: But I will still tell you, at that point in time, in order to get a drink at Signatures you had to shove White House staffers of George Bush the heck away from the bar. And it was packed with people. And there were members. Now that doesn't mean everybody did everything for Jack. But if you wanna talk about strict interpretation of violation of the-- of-- of the laws of drink and food, Katey bar the door, she was wide open, two shotguns blarin'.

After months of taking handouts, Ney was approached by Neil Volz, his former chief of staff, by then a lobbyist for Abramoff.

Volz: I let you down man and I'm sorry...

Volz asked Ney to insert some language into a reform bill that would give a backdoor license to an Indian casino owned by one of Abramoff's clients. You often hear about lobbyists getting special secret deals for their clients like this. It's an insidious technique that Abramoff perfected.

Abramoff: So what we did was we crafted language that was so obscure, so confusing, so uninformative, but so precise to change the U.S. code.

Stahl: Here's what you tried to get tacked on to this reform bill.

Abramoff: Yeah.

Stahl: "Public law 100-89 is amended by striking section 207 (101 stat. 668, 672)."

Abramoff: Right. Now isn't that obvious what that means? It was perfect. It was perfect.

Stahl: So that's what you tried to get inserted?

Abramoff: Yes.

Stahl: And that was gonna provide for a casino?

Abramoff: Yes.

Stahl: And who on earth is gonna know that?

Abramoff: No one except the chairmen of the committees.

Stahl: Who stuck it in there?

Abramoff: Yes.

Stahl: And that's one of the things you used to do?

Abramoff: Yes.

Stahl: And it was deliberately written like that?

Abramoff: Precisely. Yes.

Stahl: And that's done a lot?

Abramoff: Members don't read the bills.

Stahl: You didn't even know what it was for?

Ney: Had no idea. And then when we got the written language--

Stahl: Well-- why didn't you know what it was for?

Ney: I didn't-- I didn't care.

Stahl: Oh!

Ney: It was a great big shell game. And I was in the middle of it, whether, you know, knowing or not. I-- I was dumb enough to not say, "What's this thing do?"

Ney would eventually serve 17 months in federal prison, the only congressman who was ever charged in the scandal. But Abramoff says that there were many other members that did his bidding that could have been charged.

Stahl: Was buying favors from lawmakers easy?

Abramoff: I think people are under the impression that the corruption only involves somebody handing over a check and getting a favor. And that's not the case. The corruption, the bribery, call it, because ultimately that's what it is. That's what the whole system is.

Stahl: The whole system's bribery?

Abramoff: In my view. I'm talking about giving a gift to somebody who makes a decision on behalf of the public. At the end of the day, that's really what bribery is. But it is done everyday and it is still being done. The truth is there were very few members who I could even name or could think of who didn't at some level participate in that.

Abramoff prided himself on being a man who did good. He was devoutly religious and exorbitantly charitable and he says he gave away 80 percent of his earnings. When he fell from grace, his reputation was in tatters because it was not just that he had corrupted Congress - it was found he had cheated his clients, like the Indian tribes.

Abramoff: Most of the money I made I gave away, to either communal or charitable causes. So I thought frankly I was one of the most moral lobbyists out there.

Things began to unravel for Abramoff when the Washington Post published a largely unflattering portrait of him in 2004, reporting that he charged his clients 10 times more than any other lobbyist in town.

Abramoff: My first response was, "What's the big deal? I don't understand what this is about. This is what lobbyists do.

What he didn't understand was the part that said he and a former aide to Tom Delay had overbilled four of his Indian casino clients by \$45 million.

In the end, he was brought up on federal charges of tax evasion and ripping off Indian tribes. On the day he went to court and pled guilty, Abramoff looked grim. The judge sentenced him to four years.

Stahl: I really think what you were doing was-- was subverting the essence of our system.

Abramoff: Yes. Absolutely right. But our system is flawed and has to be fixed. Human beings populate our system. Human beings are weak.

Stahl: And you preyed on that?

Abramoff: I did. I was one of many who did. I did. And I'm ashamed of that fact.

He was sent to a medium security facility in Cumberland, Maryland. When he was released last June, he began working as an accountant at a kosher pizza parlor. Turns out Jack Abramoff was broke, partly because he is paying off nearly \$24 million in restitution to the Indian tribes. Today he lives in his old house in Maryland with his wife, five children and the two doberman pinschers Mrs. Abramoff bought to protect the family while he was away.

After the scandal, Congress instituted a package of reforms, making what Abramoff did - like plying members of Congress with free expensive meals - illegal. But he doesn't see the new reforms as being very effective.

Abramoff: The reform efforts continually are these faux-reform efforts where they'll change, they'll tweak the system. They'll say, "You can have a meal with a congressman if they're standing up, not sitting down."

Stahl: Is that serious? Or are you joking?

Abramoff: Oh no, I'm not joking at all.

Stahl: So, it's okay if you pay for lunch as long as you stand up?

Abramoff: Well, it's actually worse than that. You can't take a congressman to lunch for \$25 and buy him a hamburger or a steak of something like that. But you can take him to a fundraising lunch and not only buy him that steak, but give him \$25,000 extra and call it a fundraiser. And have all the same access and all the same interaction with that congressman. So the people who make the reforms are the people in the system.

Stahl: Could you do the same thing today? I'm asking you whether you think the system's been cleaned up?

Abramoff: Could do the same thing that I? Yeah. No, the system hasn't been cleaned up at all.

Stahl: At all.

Abramoff: There's an arrogance on the part of lobbyists, and certainly there was on the part of me and my team, that no matter what they come up we, we're smarter than they are and we'll overcome it. We'll just find another way through. That's all.

He says the most important thing that needs to be done is to prohibit members of Congress and their staff from ever becoming lobbyists in Washington.

Abramoff: If you make the choice to serve the public, public service, then serve the public, not yourself. When you're done, go home. Washington's a dangerous place. Don't hang around.

Former Congressman Bob Ney now works part-time as a radio host.

His former chief of staff Neil Volz is currently working as a night janitor at a Florida restaurant.

And Jack Abramoff has written a memoir called "Capitol Punishment."

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