

Abscam

by John Good (1957-1986)

It was no Hollywood blockbuster. There was no Bradley Cooper frantically concocting an *American Hustle*. Even after all the years since the case ended, I still don't recall any gorgeous movie stars like Amy Adams and Jennifer Lawrence anywhere in evidence. But what one of the FBI's most famous political corruption cases did have was some of the finest undercover and investigative agents I have ever been privileged to serve with.

"ABSCAM," as the case became known, actually started in 1978. It began oddly enough when Ted Foley, my SAC, called me into his office to offer me the supervision of the Hauppauge Resident Agency. For years, I had commuted four hours every day between my Long Island home and Manhattan, first as a case agent and the last ten as a Criminal Squad Supervisor. So the thought of gaining a few extra hours of "life" every day was pure joy. Ted made it clear that he wanted me to focus the RA's attention on the development of major cases. So it was with a smile on my face that I instantly accepted his generous offer. From the first day, my new job was made so much easier because the talented and seasoned staff of the Hauppauge RA was eager to get going.

Like many FBI cases, this one began with an informant. His name was Mel Weinberg. I didn't know him, but I had heard about him over the years. Mel had a history. First, he was a thief. Second, years earlier, he cooperated and furnished good information to NYO agents after his arrest. Now he was facing an indictment in Pittsburgh. The book on him included cockiness, unreliability and bossiness — but he was good. Best of all — he lived on Long Island in Suffolk County. Perfect!

There was no surprise that when Jack McCarthy contacted Mel, he quickly agreed to work with us. Mel soon passed Jack's tests leading NYO and Pittsburgh agents to a number of arrests and major recoveries.

With our informant in place, we submitted our brainchild to Foley: Abdul Enterprises — a fuzzy company fronting for a mysterious Arab sheik who was eager to invest some of his oil fortune in new American business ventures. The plan eventually landed on the desk of Dick Schwine, an interstate theft supervisor at FBI headquarters and an old friend who had previously supervised the Truck Squad in Philadelphia. Wasting no time, Dick quickly moved the paper through the bureaucracy assuring that all

the necessary signatures were in place. Soon Abdul Enterprises, our new start-up, was open for business with office space in Islip, just a short distance from both the RA and the Long Island's MacArthur Airport — a wise decision that soon produced important results. Further realism was added to the



SA Richard Farhat as the Sheik

office with the ominous presence of our "enforcer," Ernie Haradoupolis; the shady accountant, Bruce Brady and last, but not least, Steve Bursey, the sheik's faithful chauffeur. Our initial budget was \$30,000 — in the end it exceeded 2.2 million dollars.

Mel quickly hit the streets hawking the sparkling possibilities of Abdul Enterprises to anyone who would listen. It didn't take long for Mel to score a major hit with an introduction to Angelo Errichetti, the Mayor of Camden, NJ. After a couple of softening-up sessions, Errichetti visited the offices of Abdul Enterprises. As Mel looked on, Jack McCarthy, posing as a key representative of the mysterious sheik, passed a \$25,000 bribe to the mayor in exchange for finagling a casino license in Atlantic City. In an act of pure genius, which I never understood, the brilliant NYO technical agents hardwired the video from Abdul's office right into the RA, allowing us to watch the bribe in progress without leaving our desks. Errichetti soon began earning his money by introducing Mel to Ken MacDonald, a high-ranking New Jersey state gambling official, who guaranteed a casino license in exchange for a \$100,000 payoff.

McCarthy's recorded bribe to Errichetti quickly raised the stakes. Ed Korman, the U.S. attorney who later became a federal judge and the Chief of the Organized Crime Strike Force, Tom Puccio, were briefed. Puccio later prosecuted many of the Abscam conspirators. FBI Director, Judge William Webster, quickly became involved as well. One of his first moves was to personally contact Korman, and Puccio. After some lengthy discussions, Webster authorized both the \$100,000 payment to MacDonald and his walking with the money as well. Helping to play out the

charade was Ed Wood, an accomplished Bureau pilot, who flew both Errichetti and MacDonald from New Jersey to Islip, (Wood's piloting services throughout the operation significantly enhanced its success) where Jack handed him the one hundred grand in front of Errichetti and Mel, while the rest of us watched from the RA.

We soon recognized that the workload generated from this one case was beginning to overwhelm the RA staff. It was particularly onerous on McCarthy, who was managing the case, as well as our source, Mel Weinberg, and acting as the undercover agent at the same time. To streamline efficiency and avoid problems at prosecution time, Jack relinquished his undercover role concentrating his talents on managing Mel and the ever expanding case; duties that he was eminently qualified to handle.

With Errichetti and MacDonald now hooked, we decided to move to the big time. We would take our little three-act play from an off-Broadway stage and into the Theater District. Luck was on our side when Tony Amoroso stepped down as a Bureau supervisor and returned to street-work in Miami. Tony had a lot of experience in undercover work; an asset which matched well with Mel's recently acquired home in Florida and the expected relocation of his wife and son to their new residence. Using a yacht seized from some drug dealers, with Miami agent Rusty Allen serving as the captain (a licensed captain), Tony quickly set up a floating company at a flashy Miami yacht basin.

With all the parts in place and the actors on stage, Mel generously extended invitations to Tony's swanky boat party. Guests included an array of characters from the criminal element as well as Mayor Errichetti and his good friend Harrison Williams, U.S. senator from New Jersey. The FBI's mysterious sheik also made his debut appearance in the form of Richard Farhart, an agent in the Cleveland office. Dick was Lebanese and spoke fluent Arabic. The affair was considered a huge success when the sheik, who was photographed with Williams and many other notables, agreed to meet the Senator at a later date in Washington, DC.

In anticipation of major upscale meetings worthy of a sheik, we leased a lavish Atlantic City apartment bristling with microphone and video coverage. Ed O'Brien, who supervised the Bureau's undercover unit, arranged for a luxury home, worthy of a sheik, in Washington's Georgetown neighborhood complete with microphone and video coverage throughout the house and a viewing room in the basement. When the last serial was placed in the case jacket, we had accumulated more than nine hundred transcribed video and audio recordings.

Following this success, we again raised the stakes. We had Mel pitch Errichetti on the idea that the sheik was growing increasingly fearful of the political unrest and calls for revolution in his country. Eager to resettle in the United States along with his vast fortune, the sheik hoped

to secure his future by quickly acquiring his "green card" granting him "Permanent Resident Alien" status. The sheik even urged the passage of a bill in Congress guaranteeing his new status and shutting-off any legal challenges from his outraged Middle East rivals and opponents. Mel made it clear that the sheik would pay handsomely for the favor.

Without a flicker of suspicion, Errichetti introduced Mel to Howard Criden. A totally corrupt lawyer with strong political connections, Criden agreed to use his influence with some needy politicians in his stable of contacts. In order to solidify the later prosecution, we opted to slowly move Weinberg out of the chain of contacts substituting Tony Amoroso instead. We had Mel caution Criden and Errichetti about the Sheik's grave concern for security. He portrayed Tony as the sheik's closest confidant and, as such, he trusted only him to broker any negotiations. As a law enforcement officer with an impeccable reputation, Tony proved to be a powerful and compelling government witness during the many brutal legal battles that we eventually faced.

Over time, Tony secretly met with at least seven U.S. Congressmen and Senator Harrison Williams; all of whom agreed to introduce legislation on the sheik's behalf if it became necessary to do so. In exchange, Tony paid the Congressmen a total of \$50,000 in bribe money and other offers of enrichment.

As one can imagine, it would take a book to explain the challenges encountered during the protracted due process hearings, trials, not to mention the seemingly endless congressional hearings which followed. Due to the diligence, perseverance, and expertise of all involved, the challenges were overcome successfully. In all, six Congressmen, Senator Williams and Mayor Errichetti, were indicted and convicted along with thirty other lower level politicians and government employees. MacDonald's indictment was dismissed because he died of cancer prior to trial.

Curiously, Senator Harrison Williams expressed no interest in a bribe. His more imaginative idea was to have the sheik purchase a titanium mine (titanium was a critical element in the construction of nuclear submarines) in which Williams would have a hidden financial interest. He would then influence the direction of U.S. Navy contracts to Abdul Enterprises for the needed material. Tony received similar demands from Congressman John Murphy to purchase a steamship line in which he had a hidden interest.



Mel Weinberg

America's low opinion of Congress today is not a new phenomenon. Abscam surfaced ample evidence more than three decades ago that Capitol Hill is not exactly brimming over with "profiles in courage." Abscam reminded American voters that some Congressmen devalue their office by lining their own wallets first and serving their constituents second. Who can ever forget Congressman Ozzie Meyer of Pennsylvania reminding Tony (caught on tape by the way, which did not enhance his defense) that "this is how we do business in Washington. Money talks and bullshit walks. I got a lot of guys who will do business." Then there was the infamous line "I'm no Boy Scout. I know the talents I have, they're yours. I won't slack off," a telling remark which sealed Pennsylvania Congressman Raymond Lederer's conviction.



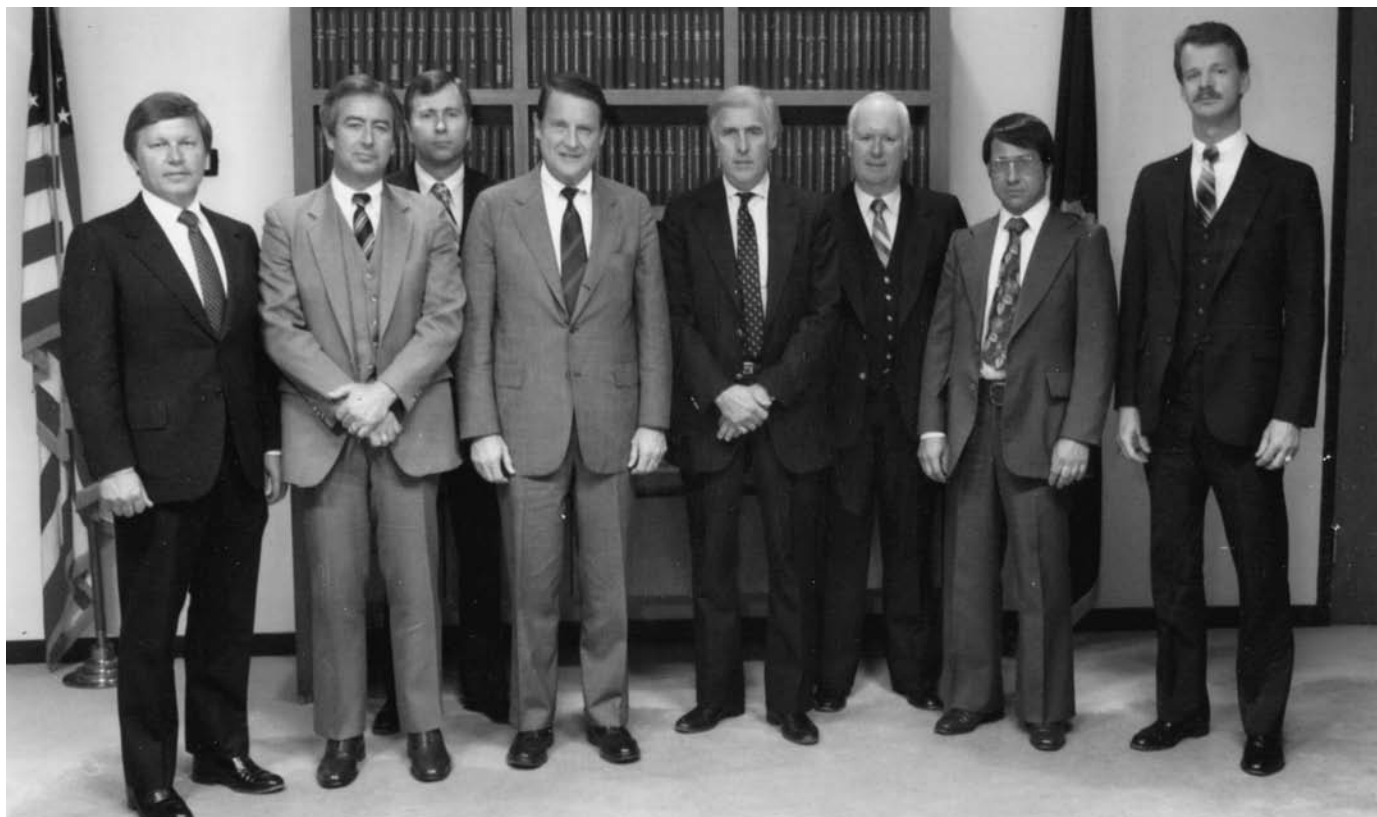
Senator Harrison Williams

In my twenty-nine years as an FBI agent, this investigation was without a doubt a unique experience. The close coordination among investigators and prosecutors was extraordinary. Cooperation included agents and support personnel from the Miami Office, WFO, Philadelphia, Newark, in particular the Atlantic City RA, the NYO, and, of course, the terrific crew of the Hauppauge RA. The names are too numerous to list. But you know who you are. And in the end, everyone was convicted. I would be lying if I said that we didn't feel pride in what we had accomplished. We were then and still are proud of our work and the history we made.

But in the end, it was Judge Webster who reminded us that this was no ordinary case. We were raising new legal questions on issues like "entrapment," which would resonate for many decades to come. As we faced what we knew would be a lengthy series of street-fight like legal battles, the Director sobered us all with the warning that success was our only option. History's judgment of acquittals would be harsh. "The future of the Bureau would depend on it," he said. "Taking such a risky step and involving so many elected politicians must be successful, leaving no doubt in the minds of Congress."

Today in this new world of "lone-wolf" terrorists it is interesting to note how right he was.

In next month's *Grapevine*, Edward Appel will tell the story of Charley Appel, the founder of the FBI Laboratory. Edward is a retired Agent and the son of Charley Appel.



Bob Ricks, Mike Wilson, Bill Deaton?, Judge William Webster, John Good, Jack McCarthy, Ralph Ianuzzi and Bruce Brady. (Missing ADIC Mullen and Tony Amoroso)