

The Bronfmans: rags to rackets to riches to respectability

The family history of Edgar Bronfman, honorary national vice chairman of the Anti-Defamation League, sheds light on the process of how organized crime networks were absorbed wholesale by the ADL, and covered with a veneer of respectability.

Edgar Bronfman's grandfather Yechiel emigrated to Canada from the Bessarabia region of Romania in 1889. He came as a virtual indentured servant to the Baron de Hirsch Fund, by then already closely allied with the B'nai Brith. At this time, top British Zionists, including Moses Montefiore, Baron Alfred de Rothschild and Maurice de Hirsch, had struck a deal with the Hudson Bay Company, the British Colonial Office corporate front in charge of the administration of Canada, to finance a wave of Eastern European Jewish colonization in the barren provinces of Manitoba and Saskatchewan. It was here that Yechiel Bronfman settled.

The first generation Bronfman (the name in Yiddish literally means "liquorman") to land on the shores of North America immediately got himself involved in the rackets, eventually opening up a string of whorehouses. When Canada adopted Prohibition in 1915, Yechiel Bronfman's whorehouses became illegal nightclubs, where bootlegged whiskey, smuggled across the border from the United States, was served.

Narcotics, too

Canada's experiment with Prohibition ended just as American Prohibition was beginning. Yechiel Bronfman and his sons, Abe and Sam, were already in a position to shift from purchasers to suppliers of illegal whiskey—and narcotics. In 1916, Abe and Sam Bronfman had parlayed the family's bootleg and prostitution revenues into the ownership of the Pure Drug Company. The company, according to some accounts, began importing narcotics from the Far East into Canada. It is certain that the production facilities of the Pure Drug Company began churning out cheap whiskey to flood

the American markets once Prohibition began in the United States.

The Bronfmans were the principal suppliers of bootleg liquor to the Meyer Lansky National Crime Syndicate throughout the Prohibition period. The family amassed a fortune selling "chickencock"—the name given to their whiskey. According to U.S. government records, between 1920 and 1930, over 34,000 Americans died of alcohol poisoning as a result of drinking the Bronfman brew, making the Bronfman family the biggest murderers in the history of North American crime.

When Canadian police moved against the "Bronfman Gang" in 1926, Yechiel's four sons set up the Atlas Shipping Company to ship their whiskey to the Caribbean, where it was transferred to boats owned by the Reinfeld Syndicate, the Cleveland-based "Jewish Navy" and other Lansky syndicate rum runners.

At the close of Prohibition, Sam Bronfman negotiated a deal with the U.S. Treasury Department to pay several million dollars in back taxes, a minuscule portion of the illegal profits the family derived from the Prohibition whiskey sales and drug-running. The purpose of the payment was to clear the decks for the Bronfman family's overnight transformation into leading lights of the Canadian Zionist establishment.

The road to respectability

In 1934, Sam Bronfman was made president of the National Jewish Peoples Relief Committee of Canada. In 1939, he was named director of the Jewish Colonization Committee, formerly the Baron de Hirsch Fund (the same agency that had paid his father's way to Canada exactly fifty years earlier). At the close of World War II, Sam Bronfman established the National Conference of Israeli and Jewish Rehabilitation. Despite the fancy name, the organization was principally involved in smuggling military equipment to the Haganah Jewish underground in Palestine.



Meyer Lansky

grand-daddy of the National
Crime Syndicate

By this time, the Bronfman sons had transformed their bootleg fortune into a “legitimate” business—Seagrams Distillers of Canada. In the next generation, the family would move, by marriage, into the very center of the Zionist Establishment of North America. Edgar Bronfman married Ann Loeb, thereby becoming attached to the Loeb Rhodes interests of Wall Street. Phyllis Bronfman married Jean Lambert, and suddenly the Bronfmans were in the extended Rothschild family. Baron Lambert was part of the Belgian branch of the Rothschild clan. The New York investment house of Drexel Burnham Lambert, that would play such a pivotal role in Kenneth Bialkin’s later corporate takeover schemes, was drawn into the Bronfman orbit.

Still in the rackets

Even while the Bronfman family maintained a steady march toward respectability, some members of the family could not wholly abandon the old syndicate ties.

In 1972, the Montreal Crime Commission issued a report identifying Edgar Bronfman’s nephew Mitchell Bronfman as a crime partner of one of Montreal’s leading gangsters, Willie Obront. According to the report, Mitchell Bronfman’s link to Obront “extends into illegal activities in which they have mutually or jointly indulged . . . the special kinds of favors they did for each other and the resulting advantages of each in the fields of loan sharking, gambling, illegal betting, securities, tax evasion and corruption.”

In the mid-1970s, Obront and another Mitchell Bronfman

cronie, Sam Rosen, were both jailed for drug-money laundering. One joint venture of Obront and Bronfman, the North Miami nightclub Pagoda North, was identified by American law enforcement authorities as a syndicate hangout frequented by Vito Genovese, the New York City mafia boss.

Bronfman takes over

Edgar Bronfman, the president of the World Jewish Congress, the honorary vice chairman of the Anti-Defamation League and the chairman of the ADL’s key fundraising arm, the Northeast Appeal, was a major beneficiary of the Skadden Arps law firm’s expertise in corporate takeovers.

In the mid-1980s, Irving Shapiro, the chairman of the board of the DuPont Company, one of America’s oldest and largest industrial concerns, retired from his corporate post to become a partner in Skadden Arps. Shortly after his arrival at the law firm, Edgar Bronfman’s Seagrams Corporation began buying up stock in the DuPont Company, eventually taking over a controlling interest. Shapiro, who worked closely with Bronfman during his tenure as president of the Business Roundtable, was reportedly a key inside player in the Bronfman takeover of DuPont.

Parenthetically, after his shift from DuPont to Skadden Arps, Irving Shapiro helped recruit his son Isaac to the firm as well. Isaac brought with him the lion’s share of Japanese real estate investors in the United States, who had been his clients at his previous firm, the blueblood-run Milbank, Hadley, Tweed and McCoy.

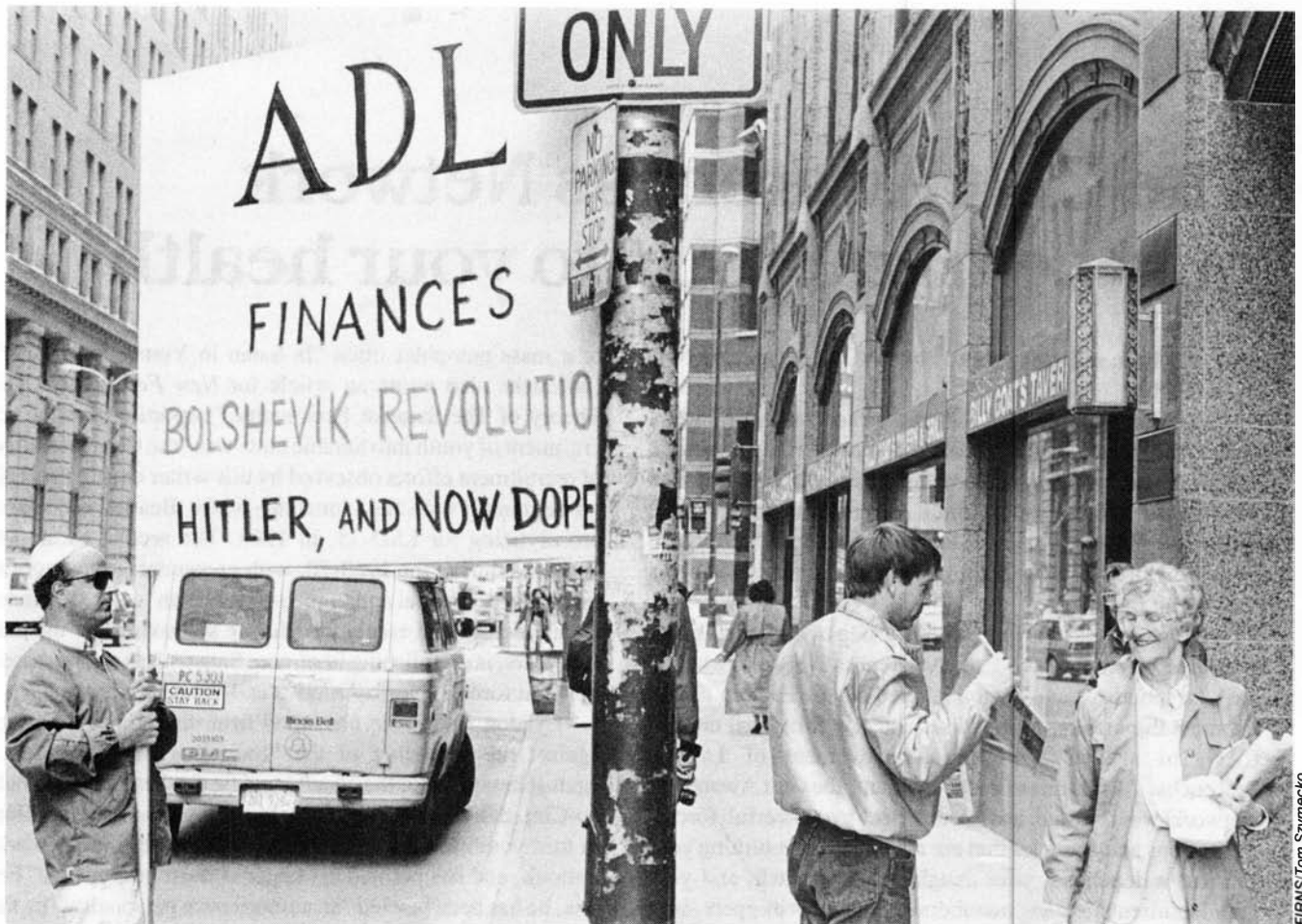
Armed with a string of prestigious titles as a leading Zionist philanthropist and corporate billionaire, Edgar Bronfman launched a systematic effort in the mid-1980s to implement Meyer Lansky’s second dream—the syndicate takeover of Israel.

If there was a single official of the ADL equipped to convince the Soviet government to open the floodgates of Jewish emigration and to ensure that the Russian Jews landed in Israel, it was Edgar Bronfman.

Through his Seagrams distributorships, Edgar and his brother Charles had cultivated a cozy relationship with some of the most powerful and brutal figures in the Communist world, beginning with East German Communist Party chief Erich Honecker. Through the West German branch of Seagrams, the Bronfmans had arranged to supply the East German Communist Party with unlimited quantities of Seagrams liquors, which were doled out free of charge to the most senior ranking members of the party.

By 1986, a Bronfman emissary in East Berlin had established close ties with Klaus Gysi, the East German minister of religious affairs and the father of Honecker’s successor as head of the the Communist Party (SED), Gregor Gysi. The Gysis are Jewish.

In 1988, Edgar Bronfman himself traveled to East Berlin to meet with Honecker and East German Communist Party official Herman Axen. During that visit, Bronfman pledged



EIRNS/Tom Szymeko

The Anti-Defamation League's unsavory political and organized crime connections are the topic of a rally outside the offices of the ADL in Chicago.

that he would arrange a state visit for Honecker to Washington, D.C. A year later, on the eve of Honecker's ouster and the overthrow of the communist dictatorship in East Germany, Bronfman received the highest civilian award given by the state, the "Peoples Friendship Medal in Gold."

Even as the Berlin Wall was on the verge of collapsing, Bronfman began an ambitious diplomatic drive on Moscow, paralleling his successful courting of the East Germans.

On Jan. 23, 1989, according to a report published by syndicated columnists Evans and Novak, Edgar Bronfman held a secret meeting at his New York City penthouse to plan out the Soviet Jewish exodus. In attendance at the session was Dwayne Andreas, the chairman of the grain cartel Archer Daniels Midland (ADM), who was identified in the *Wall Street Journal* as Gorbachov's "closest pal" in the West. Bronfman's plan was simple: in return for assurances that the United States would supply urgently needed grain shipments to the Soviet Union, Moscow would allow Soviet Jews to move to Israel.

To assure that the Soviet Jews who arrived in the West would have no alternative other than immediate migration

to Israel, Bronfman's World Jewish Congress had already launched a vicious slander campaign against Austrian President Kurt Waldheim, branding him as a wartime Nazi collaborator who had participated in the extermination of the Jews of Eastern Europe. Bronfman's campaign was aided by forged documents allegedly provided by the Soviet KGB and other Soviet bloc secret police agencies. The scandal led to a serious rift in American-Austrian relations. As a result, Austria, which had previously been the major transit point for Soviet Jews fleeing to the West, was shut off to Soviet Jewish emigres. Alternative routes were established through Hungary and Poland—with the caveat that the Soviet Jews would only be allowed to emigrate to Israel.

Evans and Novak denounced the Bronfman scheme as a cynical effort to trade "Jews for grain." The harsh words did not bother Bronfman in the least. As the heir to the "Bronfman Gang," his family had been called worse. Besides, the ADL man realized that he was personally repaying a long-standing family debt to Meyer Lansky—and was fulfilling the second grand dream of the crime czar: the takeover of Israel.