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# The Bronfman Gang

The Bronfman family is best known to Americans through its ownership of Seagram, the biggest liquor company in North America. The family's holdings stretch from whiskey, banking, mining, real estate, and — although somewhat less publicized — narcotics. Today they are regarded as respectable and outstanding "philanthropists" whose name is attached to everything important in Canada — and Israel — be it government, business, or "cultural" affairs.

This was not always the public profile of the Bronfman family. Less than 50 years ago, they were known to be the biggest bootleggers in North America and were referred to by the less prestigious title "the Bronfman gang."

The Bronfmans have always been beholden to the *Hofjuden* elite. The first member of the family to come to North America was Yechiel Bronfman, a grist mill owner from Bessarabia, Romania, who later anglicized his name to Ekiel. Yechiel emigrated to Canada in 1889 under the sponsorship of the Moses Montefiore Jewish Colonialization Committee. (1)

This enterprise had been initiated at an 1872 meeting between

Baron Maurice de Hirsch, Baron Alfred de Rothschild, and other Zionists that established a Jewish Colonialization Association to bring selected Russian and Eastern European Jews to agricultural settlements ("kibbutzim") in the Canadian provinces of Manitoba and Saskatchewan. (2) The same period marked the transfer of the Warburg, Kuhn, Loeb, and related Our Crowd migration from Germany and Britain into lower Manhattan. In 1912 William Sebag Montefiore himself arrived in Montreal where he spent the remainder of his life (d. 1950). Lord Harold Sebag Montefiore, current head of the Jerusalem Foundation (the Zionist wing of the Most Venerable Order of St. John of Jerusalem) was sent to Canada for his early education. In the same period, Baron de Hirsch established the De Hirsch Foundation in Canada as the umbrella for all Canadian Jewish "philanthropic" activities and the Montefiores created a club (named after the family) to service the resident Zionist elites. The Rothschilds, too, planted a branch of their family on Canadian soil.

Meanwhile, in Saskatchewan, the Bronfman family found little interest in eking a living out of the plains of midwestern Canada. The strenuously Orthodox Jewish family first turned to selling wood, then to horse trading, and then most successfully to the hotel business (and prostitution). (3)

In Yiddish Bronfman means "liquorman," and the hotel business put the Bronfmans in a good position to take advantage of the 1915 advent of Canadian prohibition. Bronfman hotels became "boozeriums." Prohibition — enacted on orders from the Privy Council as the prelude to the 1920s U.S. Prohibition and birth of organized crime — catapulted the Bronfmans into the multimillionaire bracket and a status as the untouchable kingpins of crime in North America.

During Canada's four dry years from 1915 to 1919, the Bronfmans established their contacts with U.S. criminal figures for illegally importing liquor into Canada. In 1916, the Bronfmans established their first link with the opium trade proper. Samuel and Abe Bronfman, two of Ekiel's four sons, collaborated with the Hudson's Bay Company — in which the Keswick family of Jardine Matheson had controlling interest — to buy the Canadian Pure Drug Company. In this way the Bronfmans rushed into the

loophole in the War Measures Act that permitted the distribution by pharmacists of alcohol for "medicinal" purposes.

When prohibition in Canada ended in 1919 and Prohibition in the United States began, the Bronfmans simply turned from whiskey importing to whiskey exporting. After it was all over, in May 1936 the Bronfmans agreed to pay \$1.5 million to settle their account with the U.S. Treasury; the sum amounted to an admission that half the liquor that came into the United States during Prohibition was from the "liquormans." (4)

The "Seagram Chickencock" the family poured across the border was pure poison — a mixture of pure alcohol, sulfuric acid, caramel, water, and aged rye whiskey that paralyzed its victim. Between 1920 and 1930, 34,000 Americans died from alcohol poisoning.

Their control of liquor flow into Prohibition USA gave the Bronfmans literally life-and-death control over American crime. Refusing to play ball with the Bronfman gang usually spelled death, and independently minded gang bosses were often known to be executed by their lieutenants on the Bronfmans' behalf. One of the buyers best liked by the gang was New York City beer baron Arthur Flegenheimer, a.k.a. Dutch Schultz, who succeeded in wiping out his competition including the notorious killer Legs Diamond. Schultz himself was later rubbed out when he took it into his head to murder the reforming New York District Attorney Thomas Dewey. (We will meet up with Mr. Dewey later in regard to the Mary Carter Paint Company.) (5)

In the first years of Prohibition, Ekiel's four boys ran all bootlegging from the prairie states of Canada to major distribution sites south like Chicago. To secure the shipment lines, Harry set up a dummy firm, Transcanada Transport Company. Transcanada was a protective cover for the Canadian Pacific Railway owned by respectable gentlemen back in London, which ran the whiskey across the border. (6) The Bronfmans also bought up stretches of barren farmland along the border and even built an underground pipeline to pump their "chickencock" into the United States.

During these early years, the Bronfmans were scarcely under the protective wing of their Zionist sponsors. Thus, for example,

in 1932 Bronfman brother-in-law Paul Matoff was executed gangland-style by the Chicago mob in a dispute over profit splitting. A scandal ensued, public hearings were convened, and the Bronfman crimes came spilling out into the light of day. The Bronfmans received a mild reprimand from the Canadian government and relocated their operations to Montreal.

1922 also marks the year that the Bronfmans procured their own distillery, hauled with workmen included from Kentucky to Montreal.

Since 1920 the Bronfmans had been importing British whiskey from the Distillery Company of London (DCL), which controlled more than half the world market in scotch whiskey. Owned by the higher echelons of the British nobility including Field Marshal Haig, Lord Dewar, Lord Woolavington, and others, the dispensation of distribution rights was a decision made by HM the King. In 1926, upon the request of Samuel Bronfman, the DCL agreed to go 50-50 in the Bronfmans' distillery and the Distillery Corporation Limited was formed as a holding company with Bronfman and Seagram distilleries. Headquarters were established at the Bronfmans' corporate castle in Montreal, but it was the Distillery Company of London's William Ross who was installed as president with Sam Bronfman as vice-president. The British elite had made a decision to go with the Bronfman option.

Despite the massive infusion of capital and the newly gained legitimacy the link-up with DCL afforded them, the smell of Bronfman smuggling both into and out of Canada and their wholesale bribery of Canadian customs à la Hong Kong had gotten too strong. In 1928 the Royal Commission on Customs recommended the immediate prosecution of Harry Bronfman on charges of attempted bribery. Nothing happened, but shortly thereafter the Bronfmans created the Atlas Shipping Company and moved their smuggling operations to the French islands of St. Pierre and Miquelon, 15 miles off the Newfoundland coast. With licenses in Bermuda, Saint John, New Brunswick, and Belize, British Honduras, the Atlas Shipping Company was one of the first ties laid down in the dirty money-drug underground railway between Canada and the Caribbean. (7)

A little ditty popular during the time indicates the amusement with which the British viewed the entire operation:

Four and twenty Yanks  
Feeling very dry,  
Went across the border  
To get a drink of rye.  
When the rye was opened,  
The Yanks began to sing:  
"God bless America,  
But God save the King."

## Organized crime comes of age

With Prohibition, crime became a bigtime business. It was no longer based on small-scale prostitution, loan sharking, or petty protection rackets. Now it was centralized around the marketing of one precious and outlawed commodity whose supply was controlled from London and from the British colony of Canada. Crime was reorganized from top to bottom into an integrated wholesale and retail distribution chain with well-defined marketing districts, quotas, and uniform pricing. Crime became syndicated.

Hundreds of movies spewed out of Hollywood about the "Roaring Twenties" have glamorized the truth: with Prohibition, Britain — through its Bronfman Gang cutout — had created a nationally syndicated crime cancer. Within a decade of the Roaring Twenties, the Bronfman syndicate would be peddling heroin, cocaine, and every other available poisonous drug through the same wholesaling, transporting, and retailing system that bootlegged booze.

Bronfman's counterpart in the United States was one Arnold Rothstein. Just as Bronfman made it into the bigtime under the auspices of the *Hofjuden* elite, so Arnie Rothstein was sponsored by Our Crowd Zionist investment bankers who arrived in New York as the Montefiores were setting up business in Canada.

Arnold Rothstein — the godfather of organized crime — was the son of a wealthy Our Crowd dry goods merchant.

At the turn of the century, the Russell Sage Foundation had issued a well-publicized field study of loan sharking in New York City. (8) The report's wide publicity resulted in the bankrupting, jailing, or takeover of the petty gangsters by Rothstein, who emerged as a powerful Tammany Hall figure with a fabled loan sharking business estimated at several million dollars.

Regionwide combines were formed up and down the East Coast for smooth distribution. The Reinfeld Syndicate — named after the Newark, New Jersey bootlegger and accused murderer Joseph Reinfeld — functioned as the middleman between the British liquor distilleries and the "Rum Rows" of Boston and New York. Its controlling shareholders were the four Bronfman brothers, Allan, Sam, Edgar, and Charles. The U.S. leg was handled by Reinfeld and Abner "Longie" Zwillman, later the boss of Atlantic City, and Rothstein's gangs in New York. (9)

In 1927, the Big Seven combine consolidated the entire East Coast distribution system. Its organizer was John Torrio — a dapper little gentleman who without benefit of family, racket, or turf had gained notoriety for eliminating any local crime bosses who stood in the way of national syndication. Torrio was a Bronfman man who had murdered his own uncle to prove it. Brought into Chicago in 1910 by his uncle, racketeer "Big Jim" Colosimo, Torrio smelled the wind on the eve of Prohibition and demanded that his uncle start making the right contacts to get into the lucrative business of bootlegging. When "Big Jim" refused, Torrio had him murdered and took over the Chicago mob as the distribution point for the Bronfman liquor. (10)

In 1925, Torrio suddenly left Chicago heading first for Havana and then landing in Italy. Returning to the United States in 1927 after he miraculously "escaped" Mussolini's purges of the Mafia, Torrio came back with one goal: to build a nationally organized crime syndicate.

While the mad killers and punks like Dutch Schultz, Legs Diamond, and Al Capone made the headlines every day and provided good material for gangster movies, John Torrio quietly continued the work that Arnold Rothstein (assassinated in 1928)

had begun, now with the aid of Rothstein's successor Meyer Lansky. Torrio could do what Lansky and the Bronfmans were prohibited from doing for reasons of ethnicity: discipline the scores of family local crime chieftains and "moustache petes" into one centralized *business* that could penetrate every sector of the economy. Known as the "assassin who never carries a gun," Torrio presented himself as the elder statesman of organized crime and commanded respect from the Mafia locals. "Cooperation is good for business" was his slogan.

The Big Seven had been Torrio's first step. The cooperative of East Coast bootleggers controlled from the top down to the local levels all prices, membership, centralized distribution points, corruption, and protection.

By 1928 Torrio was able to call a Cleveland meeting to establish a nationwide crime syndicate. (11) The gathering was unique in that it had succeeded in bringing together into one room all the crime bosses of every major organized city. There were three items on the agenda. First, how to use the huge profits of Prohibition and invest them in legitimate business that would permit a steadily increasing take for the syndicate. Second, how to deal with the Italian question. The ritual vendetta murders of the Mafioso families were good for the newspapers, said Torrio, but bad for business. Immediately after the meeting the Castellammarese gang wars broke out in New York as the test case for Torrio's syndicate. Under the auspices of Lansky and Torrio, Lucky Luciano succeeded in wiping out all recalcitrant god-fathers. During the last night of the war — the infamous "Night of the Sicilian Vespers" — over 40 people were gunned down. (12)

With cartelization came the need for more long-lasting regulation — gangland style. In the early 1930s Murder, Incorporated was formed as a regulatory commission of sorts to police any overzealous "free enterprise" advocates who might try to buck the syndicate. A special assassination bureau was set up by Meyer Lansky and Benjamin "Bugs" Siegel. The "Bugs and Meyer Gang" had been distinguished by the fact that they owed allegiance to no one (except maybe Arnold Rothstein); they had originally been used to protect Bronfman liquor shipments across the border against "freelance" hijackers. (13)

By 1932 Torrio was strong enough to pull together another meeting of the syndicate, this time in Atlantic City, where a National Commission — the board of directors of organized crime — was officially formed. Aside from the leading Italian mafiosi who had survived the transition, Meyer Lansky, now regarded as the financial and enforcement wizard of the syndicate, and Atlantic City's Zwillman were in attendance as honored guests.

Thus, for the British, Prohibition was a roaring success. What had begun as a three-way contract between Britain (the supplier), Bronfman (the cutout), and Rothstein (the distributor) had become within the space of a decade a nationally organized crime syndicate — a private, secret army under British banking and political control.

## The Rothstein-Hong Kong connection

To pick up the story of the modern-day Dope, Incorporated, let us return to Cleveland and John Torrio's first 1928 meeting of the syndicate. The third item on the agenda was what to do after Prohibition. The commodity, Torrio proposed, that would replace liquor as the black-market, big-profit taker was narcotics.

When Prohibition began in 1920 Arnold Rothstein had personally gone to Great Britain to establish the liquor pipeline with the British distilleries. Less known but more important is that at the same time he had dispatched his underling Jacob "Yasha" Katzenberg to Shanghai to begin negotiations for a dope pipeline from the Far East into the East Coast of the United States. (14) (The West Coast had been sewn up in the previous century with a pipeline from Shanghai straight into the Pacific Chinese coolie communities.)

It was projected that the same networks established to bootleg liquor could just as easily smuggle and retail narcotics. By 1926, U.S. narcotics agent-on-the-scene in the Far East, Ralph Oyler, wrote back to his boss Levi Nutt, chief of the U.S. Narcotics Division, that the opium market had expanded so tremendously that Britain was "even taking shipments of crude opium from the

Near East to add to her gigantic supply of Asian opium" in order to meet market demand. The traditional opium families of Keswick, Sassoon, and Inchcape were preparing for the future. (15)

One year after Oyler's report, the 1927 Shanghai massacre put an end to all challenges to the rule of opium. The Shanghai uprising had been an attempt by the nationalist factions within the Kuomintang and Communist Party to destroy the opium dealers, such as the Soong family, who had seized control over the government and had carved up China into drug-running "warlord" satrapies. The massacre was carried out by the Green Gang Syndicate, acting on orders and funding from the Extraterritorial International Settlements on Shanghai headed by Lord William Johnston Keswick. The British enclave harbored the Green Gang criminals at the time of the massacre, and the British-dominated Municipal Council (headed again by Lord Keswick) turned over trade union leaders and others to Green Gang criminals who executed them. (16) Had the Shanghai massacre occurred during the previous century, it would have been known as the Third Opium War; the consequence of the slaughter was yet another dramatic increase in British opium control over China.

The two principal Green Gang leaders involved in the massacre were Tu Yueh-sheng, "whose factories flooded the American market with narcotics" after the coup, and Huang Chin-jung, who was Arnold Rothstein's contact man. British-dominated post-1927 Shanghai was to become for the next 14 years the premier drug depot for the world.

This shift East in the production of the opium cycle has been documented by Jonathan Marshall in the *Bulletin of Concerned Asian Scholars*:

By the late 1920s, China was a net exporter of opium, and within a few years it replaced the Near East as the world's opium smuggling capital. By 1931, China produced seven-eighths of the world's narcotics. Chinese opium flooded the world markets through Hong Kong, Shanghai and Macao. . . . By the mid-1930s, Chinese heroin dominated the American market.

As documented by Marshall, Lord Keswick and the other controllers of the opium trade imposed the Green Gang dope merchants in power in China, making the production and distribution of opium the backbone of the Chinese economy. The consequences were predictable: unparalleled genocide against the Chinese population.

In early July, 1932, T.V. Soong, who had resigned (as Finance Minister — ed.) the month before after failing to raise enough money for the communist suppression campaign, hinted that he would return to office if a new source of revenue — such as opium — could be found. He picked up the support of the influential H.G.W. Woodhead, who, probably reflecting the sentiment of the British business community (i.e., Keswick, the HongShang, and Standard and Chartered — ed.) argued that only such a monopoly could solve China's financial crisis. An opium monopoly was a small price to pay to protect the stability of China's business climate. . . .

(Due to the forced cultivation of opium — ed.) millions of acres of land were taken out of food production. In food-short China, this reduced the margin of peasant survival . . . the most notorious case of famine brought on by over-cultivation of opium occurred in Shaanxi province between 1928 and 1933. It took as many as six million lives in four provinces, wiping out perhaps a third of the entire population of Shaanxi province. (17)

Let us now stand back and review — in light of this history — the jigsaw puzzle pieces that fall into place with Yasha Katzenberg's trip to Shanghai and the sealing of an opium pact.

First, Arnold Rothstein, Yasha Katzenberg's employer, was a product of the Rothschild "dry goods" empire that included the Seligman, Wannamaker, and Gimbel families. During Prohibition, according to the Bronfmans' own testimony, Rothstein, Meyer Lansky, and Lucky Luciano were the Bronfmans' main distributors. As Prohibition came to a close Bronfman associates traveled to Shanghai and Hong Kong to streamline and

expand the drug trade into the United States, negotiating with the foremost Chinese drug-runners who were not only encouraged but pressured by the British "business community" to pull together an opium cartel.

The man dictating the opium policy to China in this period, the man who sired the T.V. Soong opium monopoly, was **Sir William Johnston Keswick** of Jardine Matheson and the Hongkong and Shanghai Bank. From the period of the Shanghai massacre to 1942 when he was interned by the Japanese, Keswick directed the International Settlements of Shanghai — the period of gross expansion of Shanghai heroin into the United States. The same Sir William Keswick was until very recently the director of the **Hudson's Bay Company of Canada**, the same company, it will be recalled, that collaborated with Sam and Abe in 1916 to found the Pure Drug Company for illegal distribution of whiskey into Canada.

Working for Hudson's Bay along with Keswick is Sir Eric Drake, who not only sits on the board of several Bronfman-run banks and companies, but is also an employee of the Inchcape family and presently the deputy chairman of the Inchcapes' Peninsular & Orient Steamship Company. The current chairman of the board is the son of the Lord Inchcape who in 1923 called for the expansion of "that most valuable source of revenue" — the opium trade.

Sir Eric Drake is also a member of the board of Canadian Pacific, which plays a most vital role in the transshipment of drugs through Canada into the United States, just as they did with alcohol during the Prohibition. Along with Lord Trevelyan, who heads up the HongShang's "gold-for-dope" exchange from his position at the British Bank of the Middle East, and Lord Inchcape, Sir Eric Drake sits on the board of British Petroleum, as does Sir William Johnston Keswick.

Sitting on the board of the Bank of Montreal along with Charles Bronfman and two Seagram directors are J. Bartlett Morgan, William Arbuckle, and F.S. Burbridge, who in turn sit on the boards of Hudson's Bay, Canadian Pacific, and a host of other banks and corporations in which the drug families of the HongShang nexus play a policy-making role.

We are not charging "guilt by association" but rather making note of the fact that the series of "legitimate" enterprises the Bronfmans moved into toward the close of Prohibition are indistinguishable from and intermeshed with companies controlled by Keswick, Inchcape, and other leading opium traders. During the same period, these gentlemen openly supervised the drug trade into the United States. This association not only continues to this day but is the mainstay of the Bronfman empire.

## Going legit ain't necessarily kosher

With the repeal of Prohibition and with the Shanghai opium deal in operation, the Bronfmans, like so many of their partners across the border, "went legit." Organized crime sunk its millions in legitimate businesses that both acted as cover for illegal activities and set up the laundry networks for dirty money. The new phase of respectability signaled that the most successful bigtime whiskey bootleggers were switching to bigtime narcotics.

In the early days, the Bronfmans had to run all the risks of the smuggler's profession. They had to dodge the law, stay one step ahead of the desperadoes on the other side of the border, and whenever things went wrong, face the humiliation of public exposure and scandal. As a result, the family acquired a considerable reputation.

Looking expectantly toward the fast increase in drug trade in America, the British could not afford to leave their leading cutout in such an exposed and precarious position. Nor could they simply dispose of the Bronfmans after Prohibition. The family had become irreplaceable due to its in-depth control over the syndicate. Yet, they would be a liability if they continued to work as openly with their distributors in narcotics trafficking as they did running Prohibition.

The problem was resolved by bringing the Bronfmans into the lower rungs of the *Hofjuden* caste. Almost overnight, the Rothschilds, Montefiores, de Hirsch, et al. took "Mr. Sam," the crime czar of North America, and transformed him into a rising star of the Canadian Zionist movement.

\* In 1934, Mr. Sam was given his first "respectable post" as chairman of the National Jewish People's Relief Committee (Canada).

\* By 1939 he had been appointed head of Baron de Hirsch's Jewish Colonization Association, the same Association that had brought Yechiel to Canada.

\* In the same year, the Canadian Pacific Corporation invited Mr. Sam to establish a new refugee organization for Eastern European Jews.

\* Within five years, the prince of crime was transformed by the good grace of His Majesty's oligarchists into a Zionist "philanthropist." One post followed after another. He became head of the Canadian Jewish Committee, replacing Lyon Cohen, the son of Lazarus Cohen, the founder of the Jewish Colonialization Association and the official agent of the de Hirsch family interests.

After World War II, Mr. Sam established the National Conference of Israeli and Jewish Rehabilitation, using his considerable smuggling skills to run guns to the Haganah.

Similar posts were awarded to the other Bronfmans. Allan Bronfman was named president of the Zionist Organization of Canada, a member of the board of trustees of the Federation of Jewish Philanthropists and of the national council of the Canadian Jewish Congress. Abe Bronfman was posted to the Joint Distribution Committee and also to the national council of the Canadian Jewish Congress.

Finally, in 1969 the Bronfmans were given the highest reward issued by Her Majesty. Sam was made a Knight of Grace of the Most Venerable Order of St. John of Jerusalem — Her Majesty's official chivalric order. His brother Allan and his son Charles were appointed to the highest rank, Knight of Justice of the Order. These appointments are emphatically *not* ceremonial, but are only bestowed on those who have carried out the most dangerous and fruitful missions for the British Crown.

The Bronfmans' time had truly come. Sam's children were welcomed into the *Hofjuden* elite by intermarriage. Minda married Baron Alain de Gunzberg, himself an extension of the Rothschild family tree. De Gunzberg sits on the board of Seagram, is managing director of the Banque Louis Dreyfuss, and controls the Selig-

man-Louis Hirsch investment house which has close Rothschild ties. Edgar Bronfman's first marriage was to Ann Loeb, bringing him instantly into a command position within the Wall Street house of Loeb, Rhoades, and Co. While taking over the Seagram main branch in New York, Edgar's marriage clinched the tie to Our Crowd that had begun during Prohibition. His second marriage, to Lady Caroline Townshend, as we have seen, was unsuccessful. Phyllis Bronfman married Jean Lambert of the Belgian banking and mining interests.

Yet, despite their mountains of wealth, despite their hard-won entry into the realms of good breeding, it would be a mistake to think the Bronfmans were a power in their own right. When it comes to the question of control, they are treated as if the money were not their own.

Take, for example, the case of "Trizec," the holding company through which the Bronfman brothers ostensibly run their various corporations, including Seagram. Since it was formed in 1960, **the Bronfmans have never held a majority position within Trizec!** Trizec is run by Eagle Star Ltd. of London, a holding company whose directors have been described by one author as "the most notable of the British aristocrats." (18) Evelyn de Rothschild, the earls and dukes who control Lloyds of London and other banking and insurance firms, and leading lights of British intelligence such as Sir Kenneth Strong and Sir Kenneth Keith all converge on the board of Eagle Star. (See Part II, Section 8.) This extraordinary company in turn owns English Property Corp. Ltd. — whose principal individual shareholder Laurie Marsh has gained notoriety in Britain as the "Prince of Pornography" for his ownership of the majority of pornographic movie theaters, massage parlors, and "red light district" real estate in London. (19) English Property Corp. Ltd. owns majority holdings in Trizec.

Neither are the brains behind the Bronfman empire situated between the ears of members of the Bronfman family. The source lies elsewhere — in the family's law firm of Phillips, Bloomfield, Vineberg, and Goodman (now Phillips and Vineberg).

The personage of family arbiter and attorney Lazarus Phillips,

in particular, was a constant sore to Mr. Sam. Born into the upper crust of the Zionist elite, Lazarus Phillips succeeded in gaining all the *yeckus* — publicly recognized respect — that Mr. Sam could never seem to win. Phillips was a holder of the Order of the British Empire, a senator in the Canadian Congress, a member of the board of directors of the Royal Bank of Canada, invited into the exclusive Mount Royal Club as a member, and was a power-broker for the Liberal Party.

But without Phillips the Bronfman family empire could not survive. It is likely that through him the Bronfmans received the input of cash that allowed them to proceed steadily from bootlegging to the legitimate bigtime. Certainly it was Phillips who unfroze enough funds under export control from the grip of the Bank of Canada to finance Seagram's wartime expansion into the United States. As the final judge in all family matters — legal and otherwise — Phillips has sat on the board of Seagram since 1940 and on every other company and philanthropic front nominally run by Mr. Sam. He is still the codirector of Trizec and the other major Bronfman holding company Edper (named after Edgar and Peter Bronfman). Phillips is also the expert who managed to get the Bronfmans off every legal hook they ever got caught on. (20)

Phillip F. Vineberg is part of the Vineberg family of Abraham Moses Vineberg, chairman of the Moses Vineberg Investments firm and the de Hirsch Institute. Cochairman of all the Bronfman holding companies, Vineberg runs the Canadian Israeli Bond Drives and the Canadian Council of Christians and Jews. He is also a member of the *Hofjuden* elite's Montefiore Club.

Major Louis Mortimer Bloomfield, also of the firm Phillips, Vineberg, and Bloomfield, is however, without a doubt the most colorful of the Bronfman brains-behind-the-scenes and this may explain why his name was left out of Peter Newman's 1978 book *The Bronfman Dynasty* (rumored to have been commissioned by the Bronfmans themselves). In addition to his position up to the late 1960s as a Bronfman family lawyer, Bloomfield remains a close banking associate. The Major's Zionist activities are numerous: he is involved in a nest of corporations including the Israeli Continental Company, he is chairman of the Canadian

Histadrut Campaign, and a former president of the Israeli Maritime League. He also holds the post of Consul-General in Liberia, under whose flag vast quantities of opium and narcotics are shipped. He is a high-ranking member of the Most Venerable Order of St. John of Jerusalem and runs its subsidiary Canadian Red Cross Ambulance Corporation.

Major Bloomfield also runs Britain's International Assassination Bureau, an entity we will soon examine in detail.

## Are they really clean?

The answer, of course, is no. Since the days they sent their "chickencock" across the border to their claim as the world's finest whiskey blenders, the Bronfmans' ties to North America's crime syndicate have never been broken but merely undergone corporate reorganization. In Section 3 on the Bronfman company of Permindex, we will analyze their criminal activities in length. At this point a few examples will suffice.

Take the case of Bronfman family intimate Murray Koffler. A leader of the Jerusalem Foundation in Canada, Koffler was the subject of a major scandal in 1976 when his business associates, Starkman stores, were busted by Canadian police after its pharmacists were caught manufacturing illegal amphetamines and funneling them into the black market. (21)

Charles Bronfman's sister Phyllis Lambert was the subject of a simultaneous scandal for her involvement in Heritage Canada, a government funded "social service" program that got caught conduiting drugs onto Canadian college campuses. (22)

In 1975 the Bronfmans again made the front pages when Edgar Bronfman's eldest son, Samuel II, was reported kidnapped. The case revealed the kidnapper to be Sam II's homosexual lover. When the police found them, Sam's kidnappers pleaded that the Bronfman youth had blackmailed them into the hoax as a way of extorting money from his father. The jury agreed; the two abductors were declared innocent of kidnapping, but found guilty of the lesser charge of extortion. The press also aired the kid-

nappers' pleas that their lives were now in danger for having sung about Sam II.

Since he took over the reins of Seagram's New York branch in the 1950s, Sam II's father, Edgar, has built the Seagram distilleries network into a multinational global empire. The Bronfmans, for example, have entered into a most profitable business partnership with the Cuban rum Bacardi family. After Fidel Castro took over the island in 1959, the Bacardis switched their base of operations to Puerto Rico and Miami, taking along with them a small army of anti-Castro Cuban exiles. The Bacardis, headed by Manuel Cutilla Bacardi, have been pinpointed by law enforcement agencies as the funders and political controllers of entire networks of Cuban exiles. The "gusanos," as they are called, are not only involved in terrorism (Orlando Bosch's September 1976 bombing of a Cubana airlines plane killed over 70 people). Drug runners in the Bacardi-Cuban exile networks, José Medardo Alvero-Cruz and Antonio Cruz Vasquez, have been recently arrested for drug trafficking in the Caribbean and Mexico. (23)

Seagram has also staked a conglomerate empire in Mexico. Bronfman's contact is former Mexican President Miguel Aleman, who owns and operates Acapulco. Today Aleman is demanding the revival of casino gambling in Mexico; in the 1930s nationalist President Lazaro Cardenas threw the casinos, and with them Meyer Lansky, out of the country.

In short, wherever Seagram branches appear on the map, they are thoroughly intermeshed with narcotics runners, gambling, and crime.

On the public record, the Bronfmans' gutter connections are most visible in the case of Mitchell Bronfman. The son of Knight of Justice Allan Bronfman, Mitchell is reportedly never without his automatic strapped to his shoulder and his stiletto strapped to his left calf. He is on record with the Montreal Police, the Quebec Provincial Justice Ministry, and the Royal Canadian Mounted Police as a kingpin of organized crime in Montreal. (24)

A 1972 report by the Montreal Crime Commission names one Willie Obront as the head of the syndicate in the area and

describes the relationship between Obront and Mitchell Bronfman as "almost a brotherly relationship." (25)

This relationship 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. (26)

Everything was on a strictly "friendly basis," claims Mitchell.

Obront first came to the attention of the authorities after two of his Quebec nightclubs used as hangouts for Montreal's underworld were raided. It was revealed that Mitchell's friend was one of Montreal's top movers of dirty money from narcotics, prostitution, and loansharking.

Together with Willie, Mitchell Bronfman is a minority partner in the Pagoda North, a Miami restaurant that has been identified by U.S. and Canadian law enforcement agencies as the headquarters for a continentwide illegal bookmaking syndicate run by Vito Genovese.

Willie Obront was convicted in 1976 of "tax evasion" and put behind bars. Mitchell Bronfman narrowly averted the same fate.

Another one of Mitchell Bronfman's business partners is Sidney Rosen, who was also arrested and convicted in 1975 for looting 35 Canadian and American companies of \$7 million through an asset-stripping clearinghouse called Value Trend Holding Company. Value Trend in turn laundered these stolen assets, along with other dirty revenues from illegal gambling, extortion and narcotics, through Corporate Bank and Trust Company of Freeport, Grand Bahamas and Flendon Ltd., of the same address. Both companies are jointly owned by Rosen and Mitchell Bronfman through another holding company called the "Milton Group." When Rosen went off to jail (again leaving Mitchell Bronfman scot free), the \$7 million passed unscathed into offshore accounts in Barclays Bank in Freeport. (27)

But the two major corporations that Mitchell operates out of

are the mysterious "Securex" and "Execaire Aviation." The former was disbanded in 1977 by Quebec Provincial Justice Minister Delard. While the Official Secrets Act has kept the reasons behind this hidden, it can be stated with reasonable certainty that Mitchell Bronfman and the company were discovered to be up to their necks in the wave of FLQ (Front pour la Libération du Québec) terrorism that had plagued the province since 1970 — not to mention the narcotics trade.

The two directors of Securex at the time of its banning were Donald McCleary and Gilles Brunet, formerly RCMP sergeants in charge of the G-4 (Secret Service Division) of the Mounties. Both were fired from the Service in 1972 when it was discovered that they were close associates of Mitchell Bronfman. (28) McCleary and Brunet were in charge of the counterterror efforts in 1970 when the FLQ kidnapped a provincial official and a British government officer, an affair which led to the declaration of a state of emergency. The emergency period was used as a pretext to go after the French Canadian networks that had been built up by de Gaulle in conjunction with the Vatican to liberate Quebec from British colonial status.

In point of fact, the FLQ was itself funded by Bronfman family networks as an extension of earlier efforts to assassinate French President de Gaulle (the story will be told below). The Bronfmans' FLQ option was the North American version of the British Special Air Service's control over both the Provisional Wing of the Irish Republican Army and the British Army's counterterror efforts.

Securex advertises itself as a security "consulting firm specializing in anti-terrorism, anti-kidnapping, and guerrilla warfare training." (29) All things considered, it would have to be regarded as both a semi-official covert branch of British intelligence in Canada and as a bridge to the criminal underworld.

Its affiliated Execaire Aviation emerges as yet another scarcely concealed front for crime. Execaire is the largest private charter airline service in Canada specializing in jet service for business executives . . . and narcotics.

Is Mitchell Bronfman just the black sheep in the Bronfman family? It is unlikely. Cemp, the Bronfman family trust, signed a

guarantee for part of Exequire's line of credit at the Bank of Montreal.

Nevertheless, the high publicity the Bronfmans have received over the years for such exploits as Mitchell's has prevented the family from receiving that degree of respectability they have always coveted. In the 1950s Mr. Sam looked across the fence at the status of his friend Senator Jacob Javits and decided that he would buy the ultimate title to confer respectability to his name: he sought to become a Senator of the Canadian Congress. All told, he spent \$1.2 million in bribes. The Liberals took his money but wouldn't give him a seat. The Bronfman name was still too dirty to be permitted in the ranks of Canadian politics.

In this regard, the Kennedy family fared much better.