

SHELDON ADELSON SHOULD HAVE SAVED HIS CASH

When Mike Allen asked Sheldon Adelson in September why he had dumped so much money in what would be an unsuccessful attempt to help Republicans win in November, Adelson's first reason was that he was being unfairly treated by DOJ.

Self-defense: Adelson said a second Obama term would bring government "vilification of people that were against him." He thinks he would be at the top of that list and contends that he already has been targeted for his political activity.

Adelson's Las Vegas Sands Corp. is being scrutinized by federal investigators looking into possible money-laundering in Vegas, and possible violation of bribery laws by the company's ventures in China, including four casinos in the gambling mecca of Macau. (Amazingly, 90 percent of the corporation's revenue is now from Asia, including properties in Macau and Singapore.)

The country's leading megadonor is irritated by the leaks. "When I see what's happening to me and this company, about accusations that are unfounded, that kind of behavior ... has to stop," he said.

Adelson gave the interview in part to signal that he intends to fight back in increasingly visible ways. Articles about the investigations appeared last month on the front pages of The Wall Street Journal and The New York Times. He maintains that after his family became heavily involved in the election, the government began leaking information

about federal inquiries that involve old events, and with which the company has been cooperating.

The aim of the leaks, he argued, is “making me toxic so that they can make the argument to the Republicans, ‘This guy is toxic. Don’t do business with him. Don’t take his money.’ Not all government employees are leakers, but most of the leakers are government employees.”

Asked to respond to Adelson’s comments, the Justice Department said it does not comment on, or confirm, investigations.

While Adelson blames DOJ for leaks, much of the outlines of his corrupt business doings came from public court filings.

One thrust of the investigation pertains to whether the fixer Adelson’s casino company used in China, Yang Saixin, had engaged in bribery. Another involves evidence that a Chinese-born Mexican businessman with ties to the Sinaloa cartel, Zhenli Ye Gon, laundered drug profits through the Venetian casino in Las Vegas (using HSBC). And while Adelson himself has not been implicated in those and other money laundering and bribery allegations, the breach of contract suit brought by his former Macau CEO, Steven Jacobs, alleges that Adelson was personally involved in orders that Jacobs extort Chinese officials and sustain a “prostitution strategy.”

And while there were hints just before the election that Adelson and his company would be treated just like every other MOTU—given a wrist slap—the WSJ yesterday described the signs of the inevitable settlement. There’s the hiring of former US officials to internally police money laundering (and, probably, to turn the Sands into an espionage asset).

Sands has recently hired three former FBI agents to strengthen anti-money-laundering efforts and improve the

background checks the company does on VIP customers and junket operators, the people familiar with the matter said.

And there's the promises to stop allowing customers to hide their identity.

The casino operator also will no longer allow gamblers to transfer funds from their bank accounts under an alias, according to a person familiar with the matter.

[snip]

Sands and other casino operators have allowed important clients to deposit money—on occasion millions of dollars at a time, in the case of Sands at least—in accounts in one country and use it in another for gambling, according to casinos executives and documents reviewed by The Wall Street Journal. The casinos say their systems are safe against money laundering.

But law enforcement authorities say they are concerned about the use of these types of transfers across international borders, particularly from junkets; without the more specific source-of-funds and other requirements that banks provide, those fund exchanges could carry a high risk of money laundering, they say.

As well as generalized compliance improvements.

In addition, the casino operator is retraining its staff on U.S. antibribery laws and on ways to avoid doing business with people and entities on the U.S. sanctions list, which includes alleged terrorists, narcotics traffickers, and other perceived threats with whom U.S. firms are banned from doing business, according to another one of the people.

This is, in short, precisely what we see every time the DOJ lets a big financial entity off of money laundering charges that small fry like check cashing store managers would get indicted and go to prison for.

So Adelson need not have spent those millions to try to defeat Obama. Obama's DOJ was always unlikely to go after his company aggressively.

I could be wrong, but it appears as if Lanny Breuer is about to declare the Sands casinos systematically important and therefore too big to jail.