

DoJ ruled guilty of 'trickery, fraud'

by Kathleen Klenetsky

In a potentially important setback to the U.S. Justice Department's consistent propensity for disregarding the Constitution and carrying out politically motivated vendettas, a federal bankruptcy judge ruled Sept. 29 that the Department had employed "trickery, fraud, and deceit" to steal a computer program developed by a Washington company and then attempted to drive the company out of business. Judge George Bason ordered the government to pay stiff penalties to the company, which could amount to nearly \$6 million.

The case involved Inslaw, Inc., a computer software company, which had contracted with the Justice Department to develop a software program, called Promis, that was used by U.S. attorneys' offices to track legal cases. Contending that Inslaw had not lived up to the contract, Justice stopped payments to the company; as a result, Inslaw was forced to file for bankruptcy in February 1985.

Inslaw then sued the DoJ, claiming that the department had illegally appropriated the software, and had then deliberately driven the company into bankruptcy. Inslaw further charged in its suit that Justice Department officials had been biased against the company. The company singled out C. Madison Brewer III, who had been fired from his job as Inslaw's general counsel, and subsequently joined the Justice Department, where he eventually became the department's point man for the Inslaw contract.

Bason ruled that Brewer was indeed biased against Inslaw; had made several attempts to break the contract between Inslaw and the DoJ; and had stolen enhanced versions of Promis for use by Justice.

Bason's decision was extremely critical of the DoJ's actions in the case. Comparing it to a car thief, the judge ruled that Justice "stole Inslaw's enhanced Promis by trickery, fraud, and deceit," and noted that, "It would have amounted to corporate suicide for Inslaw to have allowed the Department of Justice to have unlimited rights to those enhancements."

Bason also assailed Justice for ignoring Inslaw's allegations that Brewer and several other Justice Department officials had been fired by the company: "The failure even to begin to investigate is outrageous and indefensible and constitutes an institutional decision by the Department of Justice at the highest level simply to ignore charges of impropriety," he said. "It was obvious to me . . . that the entire Department of Justice was in a circle-the-wagons defensive attitude."

Like 'Communists and Fascists'

The Bason ruling is just the latest in a string of public attacks against the Justice Department. In the wake of Ab-scam, the General Dynamics/James Beggs case, the prosecutorial vendettas against prominent political figures, such as Lyndon H. LaRouche, Jr. and former Congressman George Hansen, there is a growing perception throughout the country that the Justice Department has run completely amok, and now serves principally as a political hit squad for various corrupt political interests.

Public outrage at the Justice Department's flagrant disregard for the Constitution is also evident in a recent series of attacks on its planned takeover of the Teamsters union. On Sept. 6, the union ran a full-page ad in the *Washington Post*, denouncing the DoJ's plan. "Takeovers of unions are nothing new," read the ad. "Communists and Fascists have been doing so for decades. It's a sad day in the history of the United States and the American labor movement when such tactics are even considered. AMERICA . . . it can't happen here. Or can it?"

The Teamsters followed that up with a rally in Cincinnati, Ohio, Sept. 15, where 3,000 members protested against the plan to put the union in receivership. Justice has already taken over one New Jersey local, but is reliably rumored to be planning action against the entire national organization because of alleged organized-crime connections. The effort is expected to be sped up, now that U.S. Attorney Rudolph Giuliani has been put in charge of the case.

Teamster President Jackie Presser addressed the Cincinnati rally, arguing that the government takeover is totally unjustified, and would put the government in charge of appointing local officials, carrying out local negotiations, and controlling funds.

Three presidential candidates also showed up to express opposition to the Department's takeover. It was no surprise that Democrat Jesse Jackson should be one of them, but that Republicans Jack Kemp and Alexander Haig should defend the rights of labor—combined with the fact that the conservative Manchester (New Hampshire) *Union-Leader* should have run an editorial assailing Justice on the Teamsters—suggests that it has now become politically *de rigeur* to attack the DoJ.

Justice has also drawn fire for its prosecution of New York Congressman Mario Biaggi and longtime Brooklyn Democratic leader Meade Esposito. The two were acquitted last month on the government's major charges, although they were convicted of lesser counts. In a lead editorial Sept. 24, the *New York Post*—a strong supporter of the Reagan administration—castigated the government with pursuing a "weak case" against the two men, while ignoring the "genuine and far-reaching scandal . . . gripping the political life" of New York City. The jury's verdict proved that the government "didn't have a strong case," argued the *Post*. "[S]haky cases can shake popular confidence in the criminal justice system."