

O.R.T.W.H

THE FLYNT REPORT

HALL OF INFAMY

Bush Family Values

During his unsuccessful 1992 Presidential campaign against Bill Clinton, incumbent George Bush presented himself as a superior moral choice to the challenger from Arkansas. In an address to the Catholic service group the Knights of Columbus, Bush said, "I believe that a central issue of this election year should be who do you trust to renew America's moral purpose; who do you trust to rebuild our families and restore our fundamental values?"

Bush insinuated that his fundamental family values were authentic and that Clinton's were ersatz. "If you're looking to restore America's moral fiber," concluded Bush, "why buy synthetic when you can get real cotton?"

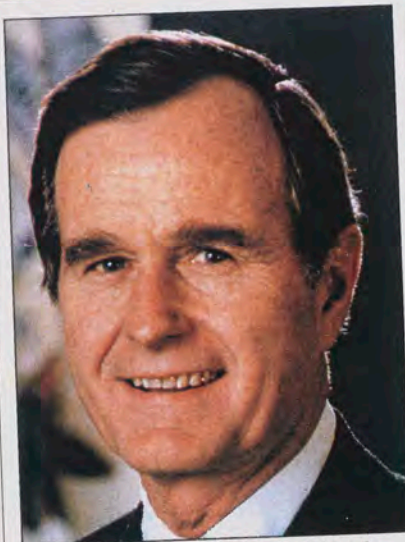
The fundamental moral fiber of the Bush clan unravels under scrutiny. Reports of sex, drugs and dirty money are entwined throughout the family tree. A week after Bush's Knights of Columbus speech a CNN reporter asked him about a *New York Post* story that presented long-standing rumors of an affair between Bush and an aide seven years earlier, when the politician was still Vice President.

"It's a lie," then-President Bush said, visibly unsettled. He claimed to be "outraged" and "disappointed" by the "sleazy question," admitting only that "in this kind of screwy climate that we're in," he had expected the inquiry.

Later that same day, Bush squashed an attempt by NBC's Stone Phillips to broach the subject of marital infidelity: "After years in public service and a very happy marriage, I am hit by a wave of questions like yours sitting here today. And I should think you'd be a little ashamed of yourself because...it just drags down the political process."

In fact, Bush himself had dragged down the political process by making an issue of Bill Clinton's private life and impugning the Democratic rival's moral worth.

The *New York Post* had based its story on a book, *The Powerhouse*, which revealed what had long been consid-



George Bush: Real moral fiber?

ered an open secret in Washington: Bush's assumed sexual relationship with his appointments aide, Jennifer Fitzgerald. Susan B. Trento, author of *The Powerhouse* and a former staff member for a Republican congressman, wrote that conservatives in the late '80s believed that, "if Bush were going to become a viable Presidential candidate in 1988, certain problems had to be addressed."

"First, Bush's longtime companion and powerful member of his staff, Jennifer Fitzgerald, had to be removed from the White House; Bush's sexual indiscretions had to be covered up if he ever hoped to be President."

Fitzgerald, born in England, was 59 during the 1992 campaign and was deputy chief of protocol in the State Department. Author Trento said that Louis Fields, a former ambassador to disarmament talks in Geneva, Switzerland, had told her in a 1984 interview that "he had made arrangements for George Bush and Jennifer Fitzgerald to use a guest house in Geneva while they visited."

Trento quotes Fields as saying, "It became clear to me that the Vice President and Ms. Fitzgerald were romantically involved and this was not a business visit."

One crucial difference between the allegations of Bush's marital infidelities and the charges leveled at President Bill Clinton is that Bush was not being hounded by a sexual-harassment lawsuit that would be ruled to have no merit, and no special prosecutor with subpoena powers was in place to drag Fitzgerald in front of a grand jury.

Historical accounts point to George Bush's father as having maintained business dealings all through World War II with German companies that were crucial to the Nazi regime. Prescott S. Bush Jr., George's older brother, apparently inherited his father's genetic predisposition for mining unsavory sources of income. For Prescott Bush, a former vestryman at the Greenwich, Connecticut, Christ Church, being the President's older brother was easy, fun and profitable.

Prescott Bush specialized in Pacific Rim business development. Together with a Chinese government organization and Aoki Corporation—a Japanese construction company—Bush worked on an \$18-million project to build the Shanghai Country Club, a resort complex with tennis courts and golf course. For his role in planning the undertaking, Bush was to receive 25% of the profits. A quarter of the pie on no initial outlay, zero risk and an absence of operating costs is suspiciously lucrative.

In addition, Prescott played the middleman in a \$5-million deal that sold to West Tsusho—a Tokyo-based investment firm—a 40% slice of a company in which he held considerable stock and was a senior adviser. West Tsusho coughed up a quarter-million dollars to Bush for arranging the buy. In some businesses this type of payment has the gamy odor of a kickback.

Japanese police later fingered West Tsusho as a Yakuza-dominated company. Further ties were disclosed between Aoki Corporation—Bush's country-club partners—and the same Japanese crime syndicate.

Prescott Bush regularly presented

(OVER)

READ THIS FOR PROOF THIS WAS INVESTIGATED. THERE'S MORE.

TO WHOM IT MAY CONCERN,
SOME OF YOUR GUEST ARE
SAYING THERE IS NO PROOF.
DON'T BE TOO SURE, BECAUSE
YOUR STATION IS REPUBLICAN
DOESN'T MEAN YOUR GUYS NEVER
DO NO WRONG, READ ALL THIS
ARTICLE. [REDACTED]

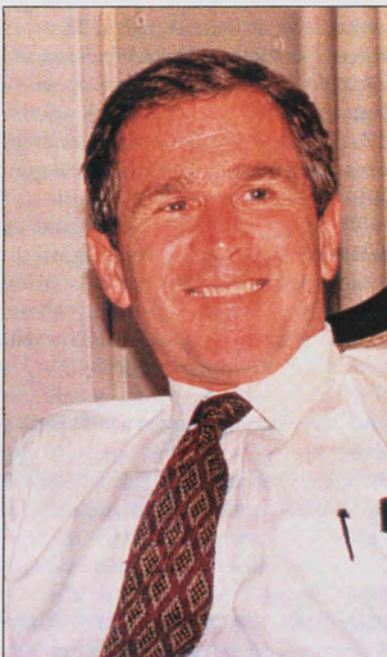
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Barbara Bush: Fidelity claimed by George.



Jennifer Fitzgerald: George Bush denies affair.



Neil, George Jr. and Jeb: The three Bush sons inherited their father's gift for denial.

himself as an expert on Asian business affairs, but he responded to the *Yakuza* revelations as if he had never heard that Japan had a Mafia. Bush maintained that he was totally unaware that his Mafia sweet deals were originating from some of the world's most ruthless, virulent mobsters.

A logical question arises: Why didn't he look a little closer? One logical answer is: Dirty money looks best from a distance.

"It doesn't hurt that my brother is the President of the United States," said Prescott S. Bush.

Neil Mallon Bush, the former Chief Executive's third son, is known in the Bush family circle as Mr. Perfect, and his record of questionable financial dealings is flawless. "The fact that he's the President's son probably hasn't simplified his life," explained George Bush Sr. in an attempt to minimize his third son's inability to distinguish right as being significantly different from wrong.

"I did nothing wrong," insisted Neil Bush in response to the Office of Thrift Supervision's initiating investigations of his self-described "incredibly sweet" deals as a director of the gutted Silverado Banking, Savings & Loan Association. The charges against him, Neil asserted, were "insignificant." In truth, taxpayers were expected to shell out a significant \$1 billion to bail out Silverado.

Neil received a \$100,000 "loan" from high-roller Ken Good, with no obligation to pay any of the money back. Good was a big-fish shareholder in JNB Explorations, Neil Bush's oil-exploration company, the one that "successfully" drilled 30 wells without ever striking black gold. Neil—forgetting to mention that the money was to be used in joint venture with his own JNB—later petitioned his Silverado board fellows to extend to Good International a \$900,000 line of credit. Good reneged on \$32 million in loans from Silverado while Neil Bush kept quiet about Good's promise of \$3 million for JNB. Good subsequently raised Bush's JNB salary from \$75,000 to \$125,000 and granted him a \$22,500 bonus. These dealings presented no conflict of interest, at least not to the interests of Neil Bush.

Neil approved \$106 million in Silverado loans to another heavy JNB investor, Bill Walters. Neil never formal-

ly disclosed his relationship with Walters, who defaulted on the entire outlay.

"[Barbara Bush, George Sr.'s wife] hates it when people beat up on her kids," said then-35-year-old Neil. "I'm not going to be bullied by an overzealous agency of the United States government."

Neil Bush had been stung by a government request that he agree not to violate thrift regulations in the future. "It's inconceivable Neil Bush did anything wrong," proclaimed Representative Jim Leach (R-Iowa), a member of the House Banking Committee. How overzealous is that?

Neil's brother John Ellis "Jeb" Bush is now the Republican Governor of Florida, but his future was not always free from doubt. A Secret Service agent assigned to the Bush family detail told a reporter for *Mother Jones*, "We can't keep these [Bush] kids from associating with someone they want to be with. All we can do after warning them is to sweep these guys with metal detectors when they come around."

In 1986, Camilo Padreda hired Jeb as the leasing agent for a commercial-office building that Padreda had built with \$1.4 million in federal loans from the Department of Housing and Urban Development (HUD). Four years prior to his association with Jeb Bush, Padreda had been accused of looting a savings-and-loan in McAllen, Texas. A federal indictment charged Padreda and his then-partner of embezzling more than \$500,000 from the thrift. Padreda's partner was also charged with drug-smuggling, money-laundering and gun-running.

These taints on Padreda's character did not stop Jeb Bush from enthusiastically pursuing tenants for Padreda's HUD-financed office building. In 1989, Padreda pleaded guilty to defrauding HUD of millions of dollars during the 1980s.

Miguel Recarey provided Jeb Bush's next brush with the underworld. Recarey, who reputedly carried a pistol under his jacket and kept assault rifles at his Miami estate, hired Jeb as a "real-estate consultant." Bush would never close a single real-estate deal. His real value to Recarey was to lobby U.S. Department of Health and Human Services officials for a special exemption for a

Recarey health-maintenance organization. Recarey received the waiver, which allowed his HMO to carry an unusually large proportion of Medicare patients. At its height in 1986, Recarey's HMO collected more than \$30 million a month in Medicare payments; in all the company received \$1 billion from Medicare.

A Health and Human Services special agent determined that Recarey was defrauding Medicare through overcharging, false invoicing and outright embezzlement. Recarey exiled himself to Venezuela, and Jeb Bush went on to become Governor of the Sunshine State.

During the 1998 election-campaign season a number of calls came to HUSTLER from different sections of Florida. The callers provided matching information about gubernatorial candidate Jeb Bush. Whistle-blowers told of a woman who had been having an adulterous affair with him. She supposedly possessed and had displayed photographs of Jeb in compromising sexual positions and engaged in consumption of narcotics. When contacted by HUSTLER investigator Dan Moldea, this woman became extremely agitated, alternately frightened and angry, and demanded that she not be contacted again.

Jeb's older brother George Walker Bush, Governor of Texas, is being groomed as a Presidential candidate. George has admitted to partying in his younger days, but claims he quit drinking 12 years ago and has been "loyal to my wife." His forthright demeanor cracked when a reporter from a New Hampshire TV station asked the Governor if he had ever used drugs. "Marijuana? Cocaine?"

George admitted he had once drank too much, but refused to discuss drugs. "I'm not going to talk about what I did as a child," he said. "What's relevant is that I have learned from any mistakes that I made."

What's relevant is that George Jr. has been unable to deny that the Bush family history includes substance abuse, which lends some credence to the stories about his brother Jeb in Florida. When President George Bush was visiting Desert Storm troops in Saudi Arabia, he indicated that the soldiers were "just like" his sons. It's not too late for the former Commander in Chief to apologize to our servicemen. ★

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