

*The Vindication of Ron Carey*  
By Ken Crowe, Oct. 24, 2001

On Oct. 12, 2001, a Manhattan federal court jury of eight women and four men, a mixed jury of blacks, Latinos, Anglos with occupations ranging from college student to hospital supervisor, found Ron Carey, the tumbled president of the International Brotherhood of Teamsters not guilty of seven counts of perjury and making false statements to a grand jury and a variety of court-appointed monitors.

The charges against Carey flowed from a swap scheme in which \$885,000 in Teamsters funds was donated to progressive political organizations, including the AFL-CIO, in 1996 in return for \$221,000 in contributions to the then-Teamsters president's reelection campaign. Significantly, Carey was never accused of participating in the illegal plot—despite years of probing and pressure by an aggressive troop of FBI agents and prosecutors under the aegis of Mary Jo White, U.S. Attorney for the Southern District of New York.

Since the U.S. Attorney's investigators couldn't come up with proof to support any substantial charges against Carey, they resorted to accusing him of perjury for his repeated proclamations of innocence before federal grand juries and the court-appointed monitors of Teamster elections and behavior. The nub of the government's case was that Carey must have been lying when he denied being told about the contributions or that other national labor leaders had been approached to make illegal donations to his reelection war chest. Carey testified again and again that he would have stopped the scheme "dead in its tracks" had he been told about it.

The jury exonerated Carey of those "last-resort" perjury charges after a relatively brief deliberation, about 12 hours over a three-day span. The case simply came down to

who to believe, the two major prosecution witnesses--Jere Boyle Nash III, admittedly a repeated perjurer, and Monie Simpkins, whose story changed three times in the course of the investigation—or the unshakeable Ron Carey, the most distinguished labor leader of modern times with a 40-year history of achievements that few union officials at the local or international levels could match.

These same two government witnesses provided the testimony and sworn statements that a court-appointed Teamsters Election Officer (EO) and the court-appointed Teamsters Independent Review Board (IRB) used to issue decisions in 1997 and 1998 first barring Carey from running for reelection and then expelling him from the International Brotherhood of Teamsters forever with an almost medieval stricture banning all Teamsters from associating with him. Any Teamster, other than a relative who even speaks to Carey risks a similar excommunication from the union by the IRB.

The reversal of Carey's slide towards lasting disgrace came about because the jury witnessed the credibility of Nash and Simpkins shattered by the stinging cross-examinations of two heavyweight white-collar criminal defense lawyers, Reid Weingarten and Mark Hulkower, from the Washington, DC firm of Steptoe & Johnson. Bob Hauptman, Carey's former Special Assistant for Management and Budget, served as the defense team's researcher, analyst of the documents used in evidence, and a source of insight into the operations of the complex union, which was once—under Carey—the largest in the AFL-CIO. While Weingarten and Hulkower performed in the open courtroom, Bruce Bishop, another Steptoe & Johnson white collar criminal lawyer and appellate specialist, provided behind the scene backup with legal research and writing of

motion papers. The entire defense team worked pro-bono for Carey who has been drained financially by years of litigation.

The besmirchment of his character aside, Carey had earned standing as a major figure in labor history on two counts:

--In 1991, Carey, then 55, running as an upstart reformer backed by Teamsters for a Democratic Union, was elected general president of the International Brotherhood of Teamsters in a surprise victory over two “old guard” candidates in the first secret ballot rank and file election in the history of the union. Two years before, the Teamsters General Executive Board agreed to direct elections as part of a consent decree to settle the U.S. Justice Department’s civil racketeering suit designed to cleanse the union of corruption and domination by organized crime.

--Carey led the successful 15-day strike against the giant United Parcel Service in August 1997 over the issue of the steadily increasing use of part-time workers. The victory was the biggest organized labor had seen in at least three decades—and promised to stir new vigor into a union movement grown accustomed to defeats on picket lines and generally fearful of striking.

With a jury of his peers having acquitted Carey on Oct. 12, the biggest question now is whether the administrative ruling—upheld by the federal courts--that stripped him of that membership and banned him from associating with his life-long friends and supporters in the union can be reversed. Carey’s lawyers said they are considering their next moves. Immediately after the jury verdict, Carey said: “I’m just delighted. It (the

verdict) opens lots of doors and possibilities.” Carey looked happy for the first time in years.

Before getting into the details of Carey’s trial during which Weingarten said without challenge from the federal prosecutors that Nash was proven to be “a completely dishonest, untrustworthy, little thief,” let’s take a look at the two administrative decisions that slimed Carey’s reputation as a dedicated reformer and honest man. Nash’s testimony stands at their core, but to be fair neither Election Officer Kenneth Conboy nor the three members of the IRB, Frederick Lacey (a former U.S. District Court judge), William Webster (former director of both the CIA and the FBI), and Grant Crandall (general counsel to the United Mine Workers Union) were as aware as the jury of the extent of Nash’s lies.

In the 1996 Teamsters election, Carey won reelection to the Teamsters presidency by defeating challenger James P. Hoffa, a Detroit lawyer and son of the legendary Jimmy Hoffa, 233,369 to 217,802—a margin of 15,567 votes. But a flurry of investigations by a federal grand jury in New York and then-Teamsters Election Officer Barbara Zack Quindel revealed that \$221,000 in illegal contributions had been pumped into Carey’s reelection campaign from non-Teamsters. Quindel issued a report saying that the money came from a complicated swap scheme, engineered by Jere Nash, Carey’s campaign manager, and Martin Davis, a principal of the November Group, a Washington, D.C.-based direct mail firm that distributed Carey’s campaign literature. The first round of investigations showed that \$735,000 in Teamster funds was donated to various progressive organizations for get-out-the-vote drives in the 1996 presidential and

congressional elections in return for contributions to Carey's campaign. As the probes continued, investigators uncovered another \$150,000 in Teamster funds given to the AFL-CIO's, which in turn contributed \$150,000 to one of the same progressive organizations.

Carey swore in testimony to the election officer, IRB investigators, and the federal Grand Jury that he knew nothing about the swap scheme, a position that his interrogators found hard to believe because so much money was involved from a union treasury that was in dire straits—and the political contributions had to be okayed through his office. Carey contended that as soon as he discovered the dirty deal early in 1997, he ordered the \$221,000 returned to the non-Teamsters and told his staff to cooperate with the investigators.

Carey was still glowing from the UPS victory when Quindel on Aug. 22, 1997 overturned the 1996 election on the grounds that the \$221,000 spent on mailings for Carey—done by the November Group—were enough to have unfairly tipped the election to him. She ordered a new election, which everyone including Hoffa's adherents assumed Carey would win easily. After all, he had handed organized labor a heady win over Corporate America with public opinion staunchly on the side of the Teamsters.

Within a month, Nash, Davis, and another participant in the swap scheme, Michael Ansara, a Boston-area telemarketer, pleaded guilty to felonies involving false statements to the election officer, embezzling union funds, and mail fraud. All three cut deals for lighter sentences in exchange for cooperating with the feds.

The stage was now set to tumble Carey from power. Carey Teamsters partisans, some pro-labor academics and Carey himself suspect a linkage—as paranoid as that may

seem to others--between his UPS triumph, his aggressive leadership of the Teamsters turning the union into an activist force, and the decisions rendered against him by the court-appointed officers and the Manhattan U.S. Attorney's office. At the time, Stanley Aronowitz, who specializes in labor at the City University of New York's graduate center in Manhattan, said: "The social forces underlying all of this is that when labor raises its head and begins to fight they get beaten down."

X On Nov. 17, 1997, Kenneth Conboy, serving as Quindel's interim successor as election officer, disqualified Carey as a candidate in the rerun on the grounds that he participated in an illegal scheme to divert union funds into his campaign. Conboy said: "It is now apparent that Mr. Carey tolerated and engaged in extensive rules violations in broad furtherance of his re-election campaign. Specifically, Mr. Carey misused his union power in the course of his election by authorizing the use of union funds for his personal interest. Mr. Carey engaged in self-dealing and breach of trust of the rank-and-file of his union."

A key to Conboy's decision was Nash's testimony that Carey had turned down a request from Bill Hamilton, the Teamster's director of government affairs for a \$475,000 contribution to Citizens Action, a national grassroots consumer and environmental activist group, for its campaign against conservative Republicans in the 1996 Congressional elections—until he was told it would help Martin Davis raise money for his own reelection campaign. "Mr. Nash stated that Mr. Carey then approved the contribution," Conboy said. And, Conboy had an affidavit from Carey's executive secretary Monie Simpkins saying that the Teamsters president approved four separate

requests for political contributions in cryptic telephone conversations in which she mentioned Jere Nash's involvement.

Almost a year later, the United States Court of Appeals for the Second Circuit upheld Conboy's decision, but said he could have decided either in Carey's favor or against him based on the testimony before him. It was a question of who to believe: Ron Carey or Jere Nash. The appeals court ruling said: "Because EO Conboy's conclusion that Carey knew of and participated in his campaign's violation of the 1996 Election Rules rests heavily on conversations Carey is alleged to have had with Nash and Simpkins, Carey challenges EO Conboy's decisions to credit their testimony."

"It is of course the case that a different factfinder might not credit Nash's and Simpkin's accounts over Carey's denials and as a result, might not conclude that Carey knew of the improper conduct," the appeals judges said, adding, "In turn then, we are presented with no basis on which to disturb the factual conclusion that rests on those credibility determinations—namely that Carey was aware of his campaign's misconduct."

Carey's lawyers, Weingarten and Hulkower, were denied the opportunity to cross-examine Nash or Simpkins before Conboy reached his decision. But four years later at the jury trial that ended on Oct. 12, 2001 with Carey's acquittal, Weingarten and Hulkower put Nash and Simpkins through cross-examinations that devastated the two prosecution witnesses' credibility.

X The next and most staggering blow to Carey's esteem began on Nov. 25, 1997 when the court-appointed Independent Review Board issued a 46-page investigative report charging him:

“In breach of your fiduciary obligations, you authorized IBT contributions in October, 1996 to Citizen Action, Project Vote and the National Council of Senior Citizens, totaling \$735,000, knowing the contributions would result in a personal benefit to you in money to pay expenses for your re-election campaign. You failed both to disclose that benefit and to give it to the IBT, as your fiduciary duties required. You also failed to exercise your fiduciary obligation to inquire into the circumstances surround your co-fiduciary’s (meaning Hamilton’s) recommendations of those transactions.”

A chilling aspect of being charged by the IRB was the realization that the board had 100 percent conviction rate. Over the previous five years, the 217 Teamsters charged by the board were found guilty by the board, admitted to the charges or just quit the Teamsters. Carey reiterated his innocence and said at the time: “It is a sad day when the word of a convicted criminal prevails over the word of a man who has stood for integrity all his life and has not yet had his day in court.” The Teamsters president took an unpaid leave of absence from his two presidencies, of the International Brotherhood of Teamsters and Queens Teamsters Local 804 starting that Nov. 25.

This time, Carey got his day—of sorts—in court. The IRB held an open hearing on the charges two months later in Washington, D.C. Carey took the stand to testify under oath, once again, that he knew nothing of any swap scheme and that none of his aides told him about the most controversial of the deals, a \$475,000 contribution to Citizen Action, until the scheme unraveled four months later. Lacey, obviously not believing him, said at the hearing: “With the heat that was going on around this money, it is beyond my comprehension you heard none of this”

In a sworn affidavit Monie Simpkins said that she had discussed each of the contributions with Carey, mentioning that these were items Nash was interested in and got Carey's assent before she put both his and her initials on them (RC/MS) to indicate they had been approved. Strangely, Simpkins continued as Carey's executive secretary until September 1997 when she took a disability leave for stress-related health problems—around the time that Nash pleaded guilty. Carey said that he had assumed he did indeed give Simpkins the go-ahead to put his initials on the documents approving the contributions but changed his mind during the course of the IRB hearing as he listened to the testimony of people who worked in his office. One, Teresa Marie Sherman, Carey's administrative secretary, testified that Simpkins tearfully told her in October, 1996 that Nash had pressured her into putting Carey's initials on the documents without obtaining Carey's approval. Carey was out of the office campaigning for reelection. Simpkins said that Nash told her about the swap scheme, and although Carey didn't want to know about it, he claimed Susan Davis, the campaign attorney, said it was legal, according to Sherman's testimony.

Weingarten complained that he wanted to cross-examine Simpkins, but was denied the power to subpoena her and her lawyer refused to produce her voluntarily.

The defense had better luck in getting Nash onto the stand. At first the Manhattan U.S. Attorney's office appeared to be unwilling to produce the man who promised to be the star witness for any criminal prosecution of Carey—and perhaps major fund raisers for the Democratic Party and even AFL-CIO Secretary-Treasurer Rich Trumka for his purported role in washing \$150,000 of Teamsters money through the federation to Citizen Action. But when the IRB indicated Carey's testimony, which was subject to

cross-examination by Charles Carberry, the IRB's chief investigator, could outweigh Nash's unexamined statements, the star witness was produced.

Nash testified that after Hamilton told him that Carey had turned down the requested \$475,000 for Citizen Action, he called Simpkins at Teamster headquarters on Oct. 16 or 17, 1996. She patched his call through to Carey. Nash said that after Carey "voiced some objection about it" he pointed out to him: "Well, it will help Martin Davis in the fund-raising that he is doing for our campaign." He testified Carey's response was "Hell, no one ever told me about it." The contribution was approved.

Carey in his testimony denied that conversation ever took place. And, Mark Hulkower in cross-examining Nash at the IRB hearing drew from him the admission that the conversation lasted only 15 seconds. Under Hulkower's questioning, Nash admitted that while he was getting \$2,500 a month as Carey's campaign manager, the November Group was paying him \$18,000 a month over a six-month span—and then blessed him with a \$50,000 bonus for his supposed work on behalf of Democratic candidates. The November Group got all or most of the money from the scheme as part of a \$700,000 get-out-the-vote mailing for Carey. Hulkower drove home that point when he asked: "The big winner was Martin Davis?" Nash replied: "One can come to no other conclusion." Carey said he had no idea that Nash was on the November Group's payroll.

The three members of the IRB were faced with the same dilemma as Conboy: who to believe? Ron Carey, who had slashed his salary as Teamsters general president from \$225,000 and declined to take cost of living increases based on the full increase in the inflation rate—costing him an estimated \$400,000 in salary over the span of his six years in office, according to his staff—along with slashing Teamster pensions in 1995,

including his own—at an estimated lump sum cost to him of \$325,000 or to believe Simpkins and Nash, who had promised to tell the truth in return for serious consideration at the time of his sentencing. Nash was facing ten years in prison for admitted lies and other crimes. The IRB said it didn't rely on the testimony of Simpkins, a mother of two who professed a profound loyalty to Carey, because she was not subjected to cross-examination. So, the IBT chose Nash as the believable witness.

In their majority decision issued on July 27, 1998, Webster and Crandall wrote: “Given all of the facts and circumstances surround the IBT contributions...and having in mind our incredulity as to Carey’s denial regarding those contributions, we must conclude that a conversation did take place as Nash testified. While the information provided to Carey was not sufficient to establish Carey’s knowledge of the nature of the scheme, it was sufficient to impose on Carey a fiduciary duty to inquire further about any relation or tie between Carey’s own campaign fundraising and the IBT’s payment to an advocacy group like Citizen Action.

In their conclusion, Webster and Crandall said: “We find that Carey was less than credible in denying knowledge of the contributions to the advocacy groups. A fair inference to be drawn from all the facts is that Carey closed his eyes because he knew or suspected that those contributions were to generate a personal benefit for him, i.e., benefits to his Campaign.” Lacey issued a concurring—but tougher—opinion. He said, “I find Carey was not a credible witness...I am convinced that he did authorize the contributions.”

All three agreed to strip Carey of Teamsters membership and to ban him from any connection to the union or its members in the future. And the federal courts upheld their

decisions. Carey had been a member of the Teamsters since 1955 when UPS hired him at age 19 after his discharge from the U.S. Marine Corps.

In a footnote, the board dealt with the conflicting accounts of Nash, who said he spent 15 seconds on the phone with Carey on Oct. 16 or 17, 1996, and of Carey, who said that the conversation never happened. The footnote said: “Nash’s account is the only direct evidence that the alleged conversation with Carey took place. The parties have argued at length as to whether or not Nash’s cell phone bill and the IBT’s phone bills for October 17 document that a phone conversation in fact occurred. A call was made from Nash’s cell phone to one of Carey’s numbers in Washington at 1:24 p.m. during the same time as a 45-minute phone conversation (12:51 – 1:36 p.m.) between one of Carey’s headquarters office numbers and a Los Angeles hotel. There is no showing of who the participants in the forty-five minute phone conversation were, but Nash could have been patched into the ongoing conversation.”

What a difference a real trial makes: Nash testified that he “vividly remembered” going into the hallway outside the Carey Campaign headquarters to make that phone call on either Oct. 16 or 17, 1996. Using the government exhibits of Nash’s phone records and expense accounts at the criminal trial, Weingarten proved Nash couldn’t have been outside that hallway at the time of the call, because phone records show no calls for Oct. 16, but a three-minute call to Simpkins’ number at 1:24 PM on Oct. 17. Nash’s expense records show he paid \$33.22 for lunch for two a block away at 1:49 PM at the Holiday Inn. Who was his luncheon companion? What did that person hear? Why wasn’t that person called to testify? Weingarten’s conclusion in summation to the jury was that the

phone call—that supposedly included the famous 15-second-long exchange--was never patched through to Carey.

After being expelled from the Teamsters, Carey dropped into the limbo of the banished. But the intervening years were not uneventful:

x Hoffa, who had never really earned his living as a Teamster or held a union office, was elected general president in the 1998 rerun election beginning another era in the union: the neo-old guard with a return to country club outings, multiple salaries, and, if the IRB is to be believed Hoffa insiders selling out union members in Las Vegas and at least one associating with organized crime figures.

x Jere Nash was back in federal court in Manhattan on April 20, 1999 to plead guilty to two more felonies for lying to the feds. In his plea bargaining deal in 1997 he promised to reveal all and always tell the truth in exchange for a lighter sentence. Then he went on to lie to FBI agents who came across a transaction in which he billed the Teamsters treasury for about \$21,000 in the summer of 1996—to be paid to the November Group—for a Carey Campaign expense. His excuse: “I didn’t remember that particular activity.” When an FBI agent asked him about the invoices late in 1998, he lied at first, and then admitted what he had done. “I panicked,” he testified. The Manhattan U.S. Attorney’s office, however, was understanding. Nash was given a new plea bargaining agreement with the prospect of a lighter sentence if he promised again to tell all and always tell the truth.

x Nash got another chance to perform for the government at the trial of Bill Hamilton, the ex-Teamsters government affairs director, in the fall of 1997. Monie Simpkins, looking very much like a successful businesswoman, took the stand too. The result was that Hamilton was convicted of embezzlement and fraud for his role in fostering the swap scheme. On March 14, 2000, Hamilton was sentenced to three years in prison.

x The federal prosecutors in New York kept the grand jury grinding, digging for evidence to link Carey and other national labor leaders to the scam. They seemed destined to come up empty before the statute of limitations ran out. Then lightning struck: On Jan. 25, 2001, U.S. Attorney Mary Jo White announced the indictment of Carey on seven counts of lying to the grand jury and court-appointed Teamsters overseers some 63 times. Carey's enemies were confident he would be convicted at trial marking him forever as a traitor to his union and a hypocrite who claimed to be a reformer. Teamsters President James P. Hoffa violated the long-standing rule of the old guard hierarchy that the union stands behind Teamsters presidents when they are indicted, then when they are convicted, and finally when they are sent to prison. He certainly stood with his dad, Jimmy Hoffa, in those circumstances many years ago when he was convicted of sharing in a million dollar payoff for his role in engineering a \$25 million loan from the Teamsters Central States Pension Fund. When Carey was indicted last January, Hoffa set a precedent for the neo-old guard by criticizing his

predecessor: “The members of the Teamsters union have paid a terrible price for the misdeeds of Mr. Carey.”

x Three months after Carey’s indictment, the Hoffa administration filed a \$3-million civil racketeering law suit against Carey, Hamilton, Nash and Martin Davis among others. The action sought to recover the \$885,000 in contributions to the progressive organizations and about \$2.2 million that the union spent on the rerun election. Manhattan U.S District Court Judge Laura T. Swain tossed out the \$3-million suit on Oct. 1, 2001 saying that the facts didn’t support a racketeering action.

On Aug. 27, 1991, the jury that was to decide Ron Carey’s guilt or innocence was seated in a richly paneled courtroom on the 20<sup>th</sup> floor of the new federal courthouse on the edge of Chinatown in lower Manhattan with U.S. District Court Judge Robert L. Carter presiding over the trial.

The two prosecutors, Asst. U.S. Attorneys Deborah E. Landis and Andrew Dember, launched a case with three lines of attack: the testimony of Nash; the testimony of Simpkins; and the large sums contributed to the progressive groups for political purposes when the Teamsters’ treasury was in dire straits.

Nash had been an effective witness against Hamilton despite the revelation of his two sets of guilty pleas for telling falsehoods. But his value as a witness was totally destroyed by the Carey defense team’s revelations drawn from his own mouth that lying and cheating were woven into the fabric of his life.

Defense attorney Mark Hulkower led Nash through a series of questions, which illustrated how devious he could be about his finances, raising a question on whether he ever paid taxes on his \$50,000 bonus from the November Group, filing false affidavits, and talking other people into lying to investigators. And then, Hulkower asked with almost boyish innocence: “Would you steal money from the (Carey) campaign?” Nash responded “No sir.” Hulkower produced invoices showing that Nash had billed the November Group and the Carey Campaign \$262 each for the same Delta Airlines flight on Oct. 15, 1996. “Double billing?” Hulkower asked. “It appears that way...it was an accident,” Nash said. The defense attorney produced expense records for six more flights, which showed that Nash double-billed the November Group, and the Carey Campaign. “I have no memory of doing this on purpose,” Nash said.

From the expressions on jurors’ faces, the coup de grace to Nash’s believability came as Hulkower produced yet another packet of expense invoices for cab fares proving he double billed the November Group and the Carey Campaign for short taxi rides around Washington. “There are numerous cab fares that are double-billed?” Hulkower said in the form of a question. Nash responded: “I don’t know.” Hulkower said, “There are pages and pages more.” Nash interjected: “It’s accidental.” Hulkower came back: “More than \$200 in cab fares double-billed.” In response to Hulkower’s question of whether the \$1,500 in extra income taken as a result of the double-billings was declared on his income tax returns, Nash said that he didn’t know. Jurors shook their heads.

Undermining Monie Simpkins was a much more difficult task. She came into court wearing a dress reminiscent of a 1950s housedress adding to the impression that

this was a simple, innocent, unsophisticated attractive woman moving towards middle-aged plumpness who was caught up in the complicated swap scheme because of her loyalty to Carey.

On direct examination, Simpkins said that “around mid-October” 1996 Nash arranged to meet her at Carey campaign headquarters to discuss a delicate matter. Nash told she would be receiving memo regarding political contributions—and he needed her to expedite approvals for the donations. “He said the attorneys had approved this and it would be fine. I just assumed he was referring to the campaign attorneys,” Simpkins testified. She said that when the plan was carried out, Nash would call to say that the request was coming and needed to be expedited. Then in her next phone conversation with Carey, who was on the road campaigning, she would briefly describe the request and say: “It was one Jere Nash called about.” Then Carey would give his approval.

Simpkins said she had such conversations with Carey on Oct. 17, 1996 involving \$85,000 for the National Council of Senior Citizens (to turn out retired union members) and \$75,000 for Project Vote (to turnout minority voters in North Carolina). Again on Oct. 23 for \$475,000 for Citizen Action and on Oct. 24 for another \$100,000 for Project Vote. She said that Carey wasn’t interested in details—just the bottom line—so each matter she brought to his attention, including the Nash requests—was dealt with quickly. The chronology, the dates of Simpkins’ meeting with Nash and the dates of the telephone approvals by Carey would become very important as the defense case unfolded.

Still on direct, Simpkins told the prosecutors that she thought she had done nothing wrong, but became concerned when she read a newspaper story about a possible illegal swap scheme early in 1997. The story prompted her to arrange a meeting with

campaign attorney Susan Davis (no relation to Martin Davis) on March 12, 1997 expecting Davis to assure her everything was hunky-dory. Instead Davis was surprised by what she heard. She told Simpkins that she knew nothing about the swap scheme, “I got scared,” Simpkins said. “I told her he (Carey) didn’t know anything about it. I had approved the requests.” She later testified in the courtroom with her voice breaking that she gave Davis that account exonerating Carey because of her loyalty to him. “It was not true. I was very loyal to him.”

Two days later, Simpkins met with Teamsters General Counsel Earl V. Brown Jr. and Mike Smith, a Washington, D.C. attorney, retained by the Carey Administration as outside counsel to investigate the burgeoning scandal. She testified: “I told them Mr. Carey did not know (about the scheme.)” When Smith showed her the paperwork for the requests suggesting that she would be in a lot of trouble if she didn’t tell the truth, she told him Carey approved one of the requests.

“They advised me to retain counsel...I felt I was in trouble.”

Simpkins testified at the criminal trial that Carey had approved all of the requests despite her changing story first to Susan Davis that she had approved all the requests herself and then to Smith that Carey had approved one request.

In the cross examination, Weingarten drew from Simpkins that her two daughters were 6 and 7 years of age during the election campaign—and that she had worked for a decade as a legal secretary for one of Washington DC’s major law firms. The implication was that this was a woman with more experience and knowledge than the prosecution would have liked the jurors to believe.

At a meeting at LaGuardia Airport on Oct. 21, 1996, Nash, in the presence of Susan Davis, told Carey that a lot of money had to be raised quickly for a series of mailings to overcome Hoffa's growing momentum. Alluding to testimony by Susan Davis and Smith that Simpkins told them Nash recruited her to accelerate the donation requests after the LaGuardia meeting, Weingarten noted that the only conclusion to be drawn was two of the contributions—to the National Council of Senior Citizens and Project Vote--were approved before that meeting, before Simpkins was drawn into the scheme by Nash? Simpkins responded in a shaky voice: "I know I got Mr. Carey's approval. I know I would never help Mr. Nash do anything wrong."

Under Weingarten's questioning, Simpkins confirmed that within two weeks after her conversations with Davis, Brown and Smith, she had gone back to her old law firm to get a lawyer to represent her and then cut a deal with the New York U.S. Attorney's office. Under a "proffer" signed April 1, 1997, the prosecutors agreed that they would not use anything she told them against her in a criminal case. While Simpkins was refusing to go to Carey's IRB trial to be subjected to cross-examination because of her health problems, she was meeting with FBI agents and prosecutors. "I never felt I had a choice, I could say no," she told Weingarten. He asked: "But you felt you had a choice when we requested your testimony?" Simpkins answered, "Yes."

The defense team in the cross examinations of two other prosecution witnesses, former Teamsters accounting director Joseph Selsavage and Hal Malchow, another principal in the now defunct November Group, blew away one of the myths that the

contributions were so large and the Teamsters treasury so thin that Carey had to know what was going on.

Dember, the prosecutor, had asked Selsavage for his opinion on whether the Carey Administration should be dipping into the Teamsters General Fund to make such large political contributions, the \$475,000 etc., when the union was down to a net of \$16 million in the treasury. Selsavage said certainly not. He thought it was inappropriate to be spending large sums of money on political contributions when the IBT was in financially hard times

Weingarten stepped up to do the cross-examination. He led Selsavage through a series of questions that showed how enormous the IBT was with 16 divisions and 23 departments (parallel to the divisions not under them) and over 550 locals across the country, 1.5 million members, and more than 330 people working in the headquarters building alone. The international had an annual income in excess of \$90 million from dues. The thrust of cross was that no one man could keep a close watch on that big an organization, that Carey relied on those heading the divisions and departments.

Selsavage testified that he didn't raise objections when the IBT spent \$500,000 on the Detroit newspaper strike and \$200,000 for organizing Latino workers in California. He admitted that the 1996 election was considered of critical importance not only to the Teamsters, but all union members because of conservative Republican Newt Gingrich's grip on Congress. Weingarten in the cross developed the point that Hamilton, the political director, had laid a plan to spend \$5 million to defeat the conservatives in Congress a full year before Carey's reelection campaign. He testified that the net figure of \$16 million in the treasury at the time the union was pouring money into politics was not the real sum in

the bank, but \$70 to \$80 million was. The \$16 million was a paper figure. Later in his summation, Weingarten told the jury: “\$800,000 in campaign contributions was not going to bankrupt the union. They weren’t going broke.”

As far as fiscal responsibility went, Selsavage testified that Carey cut the president’s salary twice from \$225,000 to \$175,000 and then another \$25,000 to \$150,000, and didn’t take any of the COLAs coming to him. He testified that Carey sold off the union’s two corporate jets and used the money for organizing. He said that Carey eliminated the Teamsters area conferences and with them the second and third pensions that many local leaders collected. Years of deficit spending and a decision to almost quadruple strike pay from \$55 a week to \$200 before Carey assumed office were the factors that drained the treasury. Under Carey deficit spending was ended and the union was put in the black, according to Selsavage.

Hal Malchow, a co-owner of the November Group with Martin Davis, was used by Weingarten to confirm invoices showing Nash was the November Group’s account executive negotiating with himself as Carey’s campaign manager for deals and payments in a blatant conflict of interest. He said that in the 1996 political campaign season the November Group expanded to a staff of 30 to 40 employees and had sales of \$11 million—with Davis getting about \$1 million as his share of the profits.

Weingarten asked: “Did you know in ’96 he (Martin Davis) was involved in a conspiracy, working with Jere Nash to commit all these crimes?” The answer of course was no. Weingarten wanted to know how this could be since Martin Davis had an office right down the hall from Malchow and they conferred on a regular basis? Malchow’s answer put Ron Carey’s situation in context: “In the process of handling \$11 million

there's a lot going on. I don't think I looked at ten invoices. To operate a big business like that you have to trust and delegate responsibility.”

Then the zinger: In his summation, Weingarten said: “The government bought that. They didn't prosecute Hal Malchow. Ron Carey ran a union with 1.5 million people and a \$90 million budget and he's got to know everything.”

Every prosecution witness who had a working knowledge of the Teamsters was turned into a character witness praising Carey for his dedication and honesty—to the chagrin of the prosecutors. For example, Aaron Belk, a Teamsters international vice president and Carey's executive assistant, described Carey “as the most honest Teamsters officer who ever held the general president's office. I never saw him do anything that was not in the best interests of the union.”

The underpinnings of a key issue in the case against Carey—whether he first rejected a contribution to Citizen Action and then reversed his decision to help finance his reelection campaign—was traced to the distaste that Hamilton and Belk felt for one another. Belk sometimes tabled or delayed Hamilton's requests for donations, because he didn't agree with political director's funding strategies. And that was apparently what happened to the original request for a contribution to Citizen Action. Hamilton said that when he told Nash “your candidate” had turned down the request, he suspected Belk was sitting on it—not that Carey had rejected it. Kathleen Morrone, Belk's assistant, testified that indeed he boss told her to stall on the original Citizen Action request, which she did.

Another issue of contention in the Carey case was a report that the Teamsters president told Bob Muhlenkamp, former organizing director of the Teamsters, AFL-CIO Secretary-Treasurer Richard Trumka “wasn’t delivering.” At the trial, on cross-examination, Muhlenkamp said that the remark had nothing to do with fund raising. He said Carey had played a central role in getting Trumka elected to his post, and he was disappointed in the AFL-CIO’s lobbying performance on issues important to the Teamsters in Congress. Throughout the trial witnesses who dealt directly with Carey described how the Teamsters president was in excruciating pain because of two bad knees. Muhlenkamp said, “It was hard to get Ron’s attention by the fall of ’96. Ron had very little energy. He was emotionally, physically and intellectually weakened by serving five years in that office.” Muhlenkamp said that over the years Carey moved from being the best questioner in his experience to an executive who wanted his trusted underlings to do their jobs with as little input as possible from him.

Muhlenkamp was reference to the toll taken on Carey stemmed from the constant attacks on Teamsters president by the Hoffa neo-old guard contingent from his earliest days in office. Hoffa operatives relentlessly criticized him and planted stories of imaginary corruption and ties to organized crime in newspapers, stirring up constant investigations, and undermining him at every turn—no matter what the cost to union-- including a refusal to permit members they controlled to participate in the one-day strike against UPS in February, 1994.

By the time the summations were made, Nash had been so damaged as a witness that prosecutor Deborah Landis told the jury: “They turned up some good stuff to show Jere Nash was a liar.” She indicated that Nash could expect to be punished for his failings, exposed on the witness stand. Landis said: All of this conduct will be brought to the attention of the judge who sentenced him. Jere Nash will have his judgment day.” She urged the jury to remember Simpkins testimony when they sat in judgment of Carey.

Weingarten’s counter thrust was that Simpkins deserves sympathy: “I don’t believe for a second Monie believed she was engaging in wrong doing and (she was told) Susan Davis blessed the scheme. Those pieces make her a victim. Here’s where we take issue with Monie. This is really important. LaGuardia is Oct. 21 and the first two applications approved were on Oct. 17 and that blows up the government case...I don’t want to get lyrical, but if the time line don’t fit, you must acquit.”

“Why did she do this? Monie realized (after talking to Susan Davis and Smith) she had the potential for serious trouble. She was concerned about going to jail. She had two little kids. From that point on: Ron approved it,” Weingarten said. He added: “Bottom line on Monie. From her own words, she is capable of untruths. Nash manipulated her. She makes a decision to protect her family and lay it off on her boss. Under no circumstances can you rely on her beyond a reasonable doubt. Not when there’s Monie Simpkins one, Monie Simpkins two, and Monie Simpkins three.”

Weingarten ended his summation with a warning: “Don’t think you are doing us a favor if you compromise and give them (the prosecution) one count.”

Fortunately for Carey, the jury's mindset was innocence not compromise. In the first tally, the vote was 11-1 for acquittal—and the one quickly joined the others making the decision unanimous in favor of finding Carey not guilty on any of the seven counts. The juror who briefly considered conviction said her mind was changed by “Monie’s credibility.” Four other jurors standing nearby chimed in: “That’s what it hinged on, Monie’s credibility. We were all in agreement.” The five jurors said Jere Nash had no credibility at all.

A sixth juror (a refrigeration engineer in Montefiore Medical Center in the Bronx and a member of 1199, the hospital workers union) said too that Monie’s credibility was the issue. He didn’t believe her when she said that she mentioned Nash’s name in her phone conversations with Carey: “When she was talking to Ron, he was a type, boom-boom, just give me everything that’s important. When she was trying to talk to him, he was going on to the next subject. If she mentioned his name Nash’s, he (Carey) would know it was not right and he would have stopped it dead.” He added: “Monie one, two, three.”

When the jury filed into the courtroom to announce the verdict of “not guilty” seven times, only 16 people were sitting in the audience: Carey’s three daughters, a couple of reporters, two members of the defense team, some courtroom buffs, an observer for Hoffa, some assistant U.S. Attorneys, and one Teamster: Tim Sylvester, a member of Local 804, Carey’s home local in Queens. Sylvester, a long-time Carey supporter and Teamster for 22 years including three as an international organizer, studiously avoided

any contact with Carey, a demonstration of how successful the IRB's administrative decision is in keeping the former Teamsters general president beyond the pale. Sylvester watched at a safe distance as Carey hugged his lawyers and his daughters and Bob Hauptman, who barely could hold back the tears in his eyes.

At age 65, Carey had chalked up another major victory in his long labor career. A victory that Weingarten described as "a little bitter sweet." Hulkower's observation: "A Greek tragedy with a happy ending."

The end may not be in sight. Carey would like to get his union card back along with the restoration of his reputation. "It's been in my blood for 40 years," he said.