

# The case of Jeffrey Epstein and the depravity of America's financial elite

By David Walsh  
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The resignation Friday of Alexander Acosta, Donald Trump's secretary of labor, is the latest development in the widening scandal surrounding American financier and "money manager for the super-rich" Jeffrey Epstein. On July 6, Epstein was arrested at New Jersey's Teterboro Airport and two days later charged with sex trafficking and conspiracy to traffic minors for sex.

Acosta was forced out of office because of his role in 2007, as US attorney for Southern Florida, in organizing a sweetheart deal for Epstein, then facing a 53-page indictment and the possibility of a 45-year sentence in federal prison on sex trafficking charges involving dozens of underage girls. Federal authorities accused Epstein, according to the *Miami Herald* in November 2018, of "assembling a large, cult-like network of underage girls—with the help of young female recruiters—to coerce into having sex acts behind the walls of his opulent waterfront mansion as often as three times a day."

"The eccentric hedge fund manager," the *Herald* observed, "whose friends included former President Bill Clinton, Donald Trump and Prince Andrew, was also suspected of trafficking minor girls, often from overseas, for sex parties at his other homes in Manhattan, New Mexico and the Caribbean, FBI and court records show."

The deal agreed to by Acosta provided for Epstein to plead guilty to only two prostitution charges in state court. The plea deal included granting the multi-millionaire, along with several named co-conspirators and any unnamed "potential co-conspirators," immunity from all federal charges. The agreement, "called a non-prosecution agreement," reported the *Herald*, "essentially shut down an ongoing FBI probe into whether there were more victims and other powerful people who took part in Epstein's sex crimes."

Moreover, despite a federal law banning such an action, Acosta agreed that information about the agreement would be kept secret from the alleged victims. As a result, the deal was sealed "until after it was approved by the judge, thereby averting any chance that the girls—or anyone else—might show up in court and try to derail it."

Epstein was sentenced to 18 months in prison. Instead of serving time in a state prison, he was housed in a private wing of the Palm Beach County Jail, from which he was released—again, against regulations—to work in his office up to 12 hours a day, six days a week. Upon his release after 13 months, he went back to his financial operations without skipping a beat.

There seems little doubt that Epstein is guilty of serious crimes. This is not an instance of "over-sensitivity" on the part of alleged victims or a case involving sexually ambiguous or confusing situations, much less outright #MeToo-type witch-hunting for career advancement, revenge or other motives.

By all accounts, Epstein, to satisfy his and others' sexual or psychological needs, deliberately set out to prey on the poor and defenseless. Courtney Wild, who says she was 14 when she met Epstein, told the *Miami Herald*, "Jeffrey preyed on girls who were in a bad way, girls who were basically homeless. He went after girls who he thought no

one would listen to and he was right."

The newspaper later adds, "Most of the girls came from disadvantaged families, single-parent homes or foster care. Some had experienced troubles that belied their ages: They had parents and friends who committed suicide; mothers abused by husbands and boyfriends; fathers who molested and beat them. One girl had watched her stepfather strangle her 8-year-old stepbrother, according to court records obtained by the *Herald* ...

"'We were stupid, poor children,' said one woman, who did not want to be named because she never told anyone about Epstein. At the time, she said, she was 14 and a high school freshman. 'We just wanted money for school clothes, for shoes. I remember wearing shoes too tight for three years in a row. We had no family and no guidance, and we were told that we were going to just have to sit in a room topless and he was going to just look at us. It sounded so simple, and was going to be easy money for just sitting there.'"

Epstein, despite the seriousness of his crimes, was protected for years by his influential friends and maintained his connections to the rich and powerful.

Epstein's rise says a great deal about American society in the past four decades in particular, and what it says amounts to an ugly and harsh indictment. A fawning 2002 feature article ("Jeffrey Epstein: International Moneyman of Mystery") in *New York* magazine, a publication devoted to the worship of wealth and celebrity, provided a picture of how Epstein, from a relatively humble background in Brooklyn, made his way into America's elite.

While teaching high school physics and calculus in Manhattan, Epstein came to the attention of Abe Greenberg, a senior partner at investment bank Bear Stearns. Greenberg, observed *New York*, "has long made it clear that it's the hungry, brilliant guys lacking the fancy degrees that he favors at Bear. They even have an acronym: PSDs—poor, smart, and a deep desire to be rich. It was a description that fit Epstein to a T. He was a Brooklyn guy with a motor for a brain, and while he did love teaching, this close-up view of the rarefied Upper East Side life of his students gave him a taste for the big time."

Epstein started at Bear Stearns as an assistant to a floor trader at the American Stock Exchange. He quickly found his lucrative niche in the world of Wall Street swindling. "At the time, options trading was an arcane and dimly understood field, just beginning to take off," explained *New York*. Epstein possessed the mathematical skills to master the field. "Within just a few years he had his own stable of clients."

He founded a firm of his own in 1982, J. Epstein & Co. "The premise behind it was simple: Epstein would manage the individual and family fortunes of clients with \$1 billion or more... He would take total control of the billion dollars, charge a flat fee, and assume power of attorney to do whatever he thought was necessary to advance his client's financial cause. And he remained true to the \$1 billion entry fee. According to people who know him, if you were worth \$700 million and felt the need

for the services of Epstein and Co., you would receive a not-so-polite no-thank-you from Epstein.”

In 2002, *New York* gushed about Epstein’s wealth and his opulent life-style: “Epstein’s current residence in Manhattan—a 45,000-square-foot eight-story mansion on East 71st Street... There are other houses as well, including a sweeping villa in Palm Beach and a custom-built 51,000-square-foot castle in Santa Fe. Said to be the largest house in the state, the latter sits atop a hill on a 45,000-acre ranch.”

The magazine also included testimonials from one future US president and one past one. Donald Trump and Bill Clinton were true to their selves in their comments. Trump boasted, “I’ve known Jeff for 15 years. Terrific guy ... He’s a lot of fun to be with. It is even said that he likes beautiful women as much as I do, and many of them are on the younger side. No doubt about it—Jeffrey enjoys his social life.” In light of the allegations and indictments to come, the sinister implications of Trump’s remarks are obvious.

Bill Clinton, through a spokesman, offered *New York* this pompous and suspect tribute: “Jeffrey is both a highly successful financier and a committed philanthropist with a keen sense of global markets and an in-depth knowledge of twenty-first-century science ... I especially appreciated his insights and generosity during the recent trip to Africa to work on democratization, empowering the poor, citizen service, and combating HIV/AIDS.”

Epstein may have been predisposed to certain forms of anti-social behavior, but it is safe to assume that the “irrational exuberance” of the Wall Street boom, with its accompanying uncontrolled egoism, greed and callous indifference to other human beings, amplified and “perfected” his inclinations. The filthiness and corruption of the financial and political circles, their conviction that they could do anything to anyone and get away with it, no doubt influenced his outlook and psyche.

This was the moral universe, after all, in which Enron electricity traders in 2001, as the transcripts of taped conversations later disclosed, laughed about all the money they “stole from those poor grandmothers in California,” and “when a forest fire shut down a major transmission line into California, cutting down power supplies and raising prices ... celebrated, singing ‘burn, baby, burn.’”

“Force works,” the *Wall Street Journal* gloated in the aftermath of the first Gulf war, aimed at stealing the oil and energy reserves of the Middle East.

These were the conditions and atmosphere that gave birth to Epstein’s assembly line of sexual abuse and degeneracy, and later safeguarded it.

The financier counted among his friends many prominent figures, based on his ability to make more than a few of them tons of cash. To what extent Epstein might have entangled some of his powerful acquaintances in his sex activities and perhaps had a hold on them is unknown, but ill-gotten gains and “friendship” alone may not explain the extent to which very high-placed people protected Epstein.

And it was a bipartisan affair. Prior to Acosta’s resignation Friday, congressional Democrats postured as defenders of Epstein’s alleged victims and called for the labor secretary to step down. But Epstein had extensive ties to Clinton and Harvard law professor Alan Dershowitz, a Democrat, and was a generous contributor to primarily Democratic Party candidates, including John Kerry, Hillary Clinton, Charles Schumer, Richard Gephardt and Joseph Lieberman.

Ironically, one of the members of Epstein’s heavy-hitting team of lawyers back in 2006, in addition to Dershowitz, was Kenneth Starr, the former Whitewater special prosecutor who investigated Clinton’s sexual relationship with Monica Lewinsky and produced a prurient and detailed report to Congress, fueling the impeachment vote by the House in December of 1998.

In a statement, Senator Lamar Alexander, Tennessee Republican, asserted that Acosta’s plea deal with Epstein was reviewed when Trump

nominated him to be labor secretary. The agreement “was a prosecutorial judgment that was made by Secretary Acosta and was vetted by our committee,” Alexander said in his statement. He added, pointedly, “The Justice Department under the last three presidents—Trump, Obama, and Bush—have all defended his handling of the case.”

The social and political implications of the Epstein case are making some people nervous. The *New York Times* on Thursday editorialized against making politics out of it. Prior to Acosta’s resignation, the newspaper criticized House Democrats for “bringing their oversight authority to bear,” which they described as a “mistake.”

The *Times* went on: “Congress digging into this case, however, is a poor use of lawmakers’ limited time and resources. More dangerous, in the midst of the Trump administration’s war on congressional oversight in general, such hearings carry a high risk of turning the Epstein case into a partisan battle—and Mr. Acosta into a political martyr around whom the president and his followers feel moved to rally.”

A peculiar and, taken at face value, thoroughly cowardly stance. “Some outrages are best kept as free of partisan politics as possible,” the *Times* lectured. This from a newspaper that published the most lurid accounts of Trump’s sexual adventures during the 2016 presidential campaign as a central theme in its drive to elect Hillary Clinton, and has authored and led the #MeToo witch-hunt as part of its promotion of Democratic Party identity politics.

The *Times* is clearly anxious about anyone looking too deeply into the Epstein affair and drawing political conclusions.

The *Times’* Michelle Goldberg argues that the “Epstein case is a reminder of the depraved milieu from which our president sprang,” and that the “Caligula Administration Lives On,” forgetting that the disgraced financier is a Democrat and that Bill Clinton, according to flight logs obtained by Fox News, “took at least 26 trips aboard Epstein’s Boeing 727, nicknamed the ‘Lolita Express,’ from 2001 to 2003.”

Helaine Olen makes a stronger case in the *Washington Post* that the Epstein scandal tells us something more far-reaching and important about “how our current age of wealth excess might come to an end.” She suggests that the affair “will come to be viewed in future years as one of the defining events that brings our age of excess to a close,” and that people will study it in years to come as they now do the conduct of Marie Antoinette and Rasputin on the eve of the French and Russian revolutions.

“Our era is one of exploding and all but unpunished crime by the wealthy and connected,” she writes. “The Epstein scandal blows holes through the foundational myths of our time, revealing them for the empty and sickening bromides used to justify obscene wealth and power and privilege that they really are.”

Strong words, whose implications Olen has undoubtedly not thought through. The issue is not so much individual retribution against Epstein, although he deserves punishment if he is found guilty, as it is the organization of mass political action by the working class to do away with the entire rotten social order.

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