

Bankruptcy Fraud Laid to Lobbyist By LA Grand Jury

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I. Irving Davidson, a well known Washington lawyer, publicist, and foreign lobbyist, was indicted Wednesday by a federal grand jury in Los Angeles on charges of concealing \$500,000 in assets during a bankruptcy proceeding.

Indicted along with Davidson, 51, was Leonard L. Bursten, 55, of Beverly Hills, a real estate developer.

Davidson was unavailable for comment.

Davidson, whose offices are at 1612 K St. NW, is currently a registered lobbyist for the governments of Haiti, Santo Domingo, and the Dominican Republic, and once represented the governments of Israel, Nicaragua, and Guatemala.

He is also a close associate of former Teamsters Union President James R. Hoffa, who was recently paroled from federal prison after serving three years on jury-tampering charges.

Convention Activity

Davidson figured prominently in a 1963 Senate investigation of foreign lobbyists, when he testified that he worked at the 1960 Democratic National Convention in Los Angeles for Lyndon B. Johnson (who lost the nomination to John F. Kennedy), and then went to Chicago to work on behalf of the Republican nominee Richard Nixon. He paid \$400 in hotel bills for Nixon workers, he testified.

At that time, Davidson was a registered foreign agent for former Nicaraguan President Luis A. Somoza. He told the committee that shortly before the two conventions he wrote Somoza that "You can be sure that if it is not Johnson, it will be Nixon, and we will be the winner."

The transcript of testimony

by Davidson before a Senate Foreign Relations Committee investigating the efforts of foreign lobbyists to influence U.S. foreign policy also revealed that Davidson worked through several federal officials to win a \$350,000 U.S. grant for a self-help pilot housing project for Somoza, and that he used Somoza money to buy five tickets to a \$100-a-plate "Salute to (former President) Eisenhower Dinner" in 1956.

Bankruptcy Action

The Los Angeles grand jury charged Davidson, who resides at 2919 Ellicott St. NW, with two counts of fraud in a 1969 bankruptcy action involving the Beverly Ridge Estates Corporation.

The indictment charged Davidson and Bursten with concealing from the bankruptcy court approximately \$500,000 in assets held by Interstate Excavation, Inc., a subsidiary corporation.

The Beverly Ridge Estates Corp., the Justice Department charged, was set up to develop an expensive residential community and golf course in the Beverly Hills area and received a loan of more than \$11 million from the Chicago Teamsters Union Pension

Fund, but no homes were ever built.

At the time of the bankruptcy case in May, 1969, Bursten was vice president of the corporation and Davidson was secretary-treasurer and principal stockholder.

Maximum penalty for conviction on each count of bankruptcy fraud is five years in prison and a \$5,000 fine.

In 1965, before Hoffa's trial, Davidson came to The Washington Post with documents he claimed supported attempts by Hoffa's lawyers to have the judge in the jury-tampering case disqualified.

In 1967, in an affidavit to the U.S. Supreme Court, Davidson said that the special prosecutor in the Hoffa case, John Hooker Sr. of Nashville, had told him of government wiretapping and bugging and that Hooker regretted ever participating in the case.

Hooker has denied the allegations.

In the 1963 Senate hearings, which were headed by Sen. William Fulbright (D-Ark.), it was revealed that among Davidson's assignments for foreign powers were to arrange the stabling of thoroughbred racing horses for former Nicaraguan President Somoza during a visit he made to the U.S.; the sale of Israeli weapons to foreign nations, and the use of his influence to establish an import-export quota on sugar favorable to Ecuador.

\$44,000 account
The sugar account netted Davidson \$44,000 in four months from October, 1962, to January, 1963. At that time, he listed expenses of \$500 against the new account.

In 1964, Davidson said he was hired by the late Haitian dictator, "Papa Doc" Duvalier, as a public relations man "because of the way I stuck up for my clients" during the Senate foreign lobbying investigation.

Davidson said when he was interviewed by Duvalier in the Presidential Palace in December, 1963, a copy of the Senate Committee transcript was on the President's desk.

"They liked my testimony about how we (the United States) have been shaking hands with our enemies and kicking our friends in the teeth," he told a reporter.