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Giuliani Donor Linked to Russian Mob

By Jen Tracy

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A Russian emigre in New York who has lined up campaign funding for New York Mayor Rudolph Giuliani and given campaign donations to leading U.S. politicians has suspected links to organized crime, The Associated Press reported Wednesday.

Together with his family and various businesses, Semyon "Sam" Kislin, 64, sank $46,250 into Giuliani's 1993 and 1997 mayoral campaigns. He also helped organize key fund-raising events for the New York mayor.

The Kislins or their businesses have also donated thousands of dollars to the election campaigns of President Bill Clinton, Democratic Senator Charles Schumer and former Republican Senator Alfonse D'Amato, and to the National Republican Congressional Committee, AP reported Wednesday.

The White House had no comment as of press time Wednesday, while the FBI refused to comment, AP reported.

Kislin is a member of New York City's Economic Development Board. He is also a commodities trader with his own company - Trans Commodities Inc. - and a prominent figure in the Russian-Jewish emigr? community in Brooklyn.

"I did a lot of fund-raising for Giuliani," Kislin was quoted as saying by the Center for Public Integrity, a nonprofit, nonpartisan group based in Washington, D.C., which interviewed him as part of its own investigation. "He's a good man, doing a good job for the city of New York."

But a 1994 FBI intelligence report claims Kislin is a "member or associate" of a Brighton Beach crime operation headed by Vyacheslav "the Yaponchik" Ivankov. The Yaponchik got 10 years in prison in 1997 for extortion and for a marriage deemed fraudulent and aimed only at preventing his deportation.

And a 1996 Interpol report obtained by the Center for Public Integrity claims that Trans Commodities Inc. was used by Lev and Mikhail Chernoi, two Uzbek-born brothers who have taken over much of Russia's metals business, for fraud and embezzlement. The Chernoi brothers have been accused by some Russian media of involvement in organized crime. They have never been convicted of a crime.

According to AP, Kislin has publicly denied any criminal activity or other wrongdoing. He could not be reached for comment Wednesday.

According to the Center for Public Integrity, Kislin said he hired Mikhail Chernoi to manage Trans Commodities Inc. from 1988 to 1992. "Mikhail Chernoi is the best man I ever knew," Kislin told the Center, in remarks quoted as part of an investigative report posted on the Internet at www.publicintegrity.org.

Kislin also told the Center he had worked with the late Babeck Seroush, an Iranian-born communist. When Giuliani was a crusading U.S. attorney for New York's south district, he indicted Seroush in 1984 on charges of conspiring to smuggle semiconductors and night-vision goggles to North Korea.

"I used to do business with Babeck Seroush," Kislin told the Center. He said he met Seroush through Seroush's former wife, a friend. "I used to go to their house on the Westside in New York City," Kislin said - adding that Seroush had also trafficked in narcotics at that time.

Kislin told the Center that one of his business deals with Seroush involved shipping 40 low-powered computers to the Soviet Union via Germany in the 1970s. Kislin said he obtained the required State Department license for such a shipment to the then-Soviet Union - but added that during transit the computers were illegally replaced with more powerful ones not covered by the license.

"They were caught in Germany and they were put in jail," Kislin said, in remarks reported by the Center. "But [the authorities] never called me; they never asked how I did business with him."

The Center, citing the 1994 internal FBI report, also reported that Trans Commodities - along with Blonde Management Corp., a Manhattan-based company run by Kislin's nephew Arik - co-sponsored a visa for one Anton Malevsky, a man the report alleged to have been a Russian

hit man for Moscow's Izmailovo crime gang.

Kislin told the Center that Blonde Management was owned by Mikhail Chernoi and employed his nephew Arik. Asked if it could have sponsored a hit man named Malevsky for a U.S. visa, Kislin told the Center, "That I have no clue about."

In addition to doing business with the Chernoi brothers and arms dealer Seroush, Kislin has worked hard for Giuliani.

He and his wife, Lyudmila, have given Giuliani a total of at least $14,250 in direct campaign contributions, the Center reported. And when Giuliani's 1997 campaign was approaching spending limits, Kislin was one of several people who supported the Liberal Party, which endorsed the mayor and helped finance his campaign further, according to The Village Voice newspaper. One of Kislin's companies gave $30,000 to the Liberal Party, the Center reported.

Kislin has also hosted Giuliani fund-raisers - including a 1996 event at a Brooklyn restaurant, and a 1998 fund-raiser at the Sheraton New York Hotel and Towers that raised $2.1 million for Giuliani's probable Senate run next year.

Giuliani's likely Democratic opponent for that Senate seat, first lady Hillary Rodham Clinton, returned a $1,000 campaign contribution last month when U.S. News & World Report magazine disclosed it had come from the family of a man alleged to be one of Bulgaria's top racketeers.

"I'm not aware of any of the allegations [against Kislin]," Giuliani said at a news conference Tuesday, in remarks reported by AP. "[The Kislins] have not contributed to the federal [Senate] campaign ... They have not raised any money [for me] since, I think, September 1997."

The head of Giuliani's exploratory Senate campaign, Bruce Teitelbaum, echoed that in remarks to AP Tuesday.

"Obviously, we didn't know any of this," Teitelbaum said of the allegations against Kislin. "[Kislin] has not contributed in over 2 1/2 years."

Kislin also donated $8,000 to Schumer's 1998 election campaign.

"Our campaign policy was to do background checks on our donors," said Cathie Levine, a spokeswoman for the Schumer campaign. "Our research raised no red flags [about Kislin]. If any of the allegations prove true, we will absolutely return the money."

The Center's exhaustive report documented other questionable campaign contributions - among them $2,000 from the Kislins in 1995 to the Clinton-Gore campaign, and $2,750 in 1996 and 1997 contributions from the president of YBM Magnex to the National Republican Congressional Committee.

U.S. authorities say YBM Magnex was a money-laundering vehicle for Semyon Mogilevich, a Hungarian-based figure alleged to be an organized-crime boss.

Newspapers have linked Mogilevich to Bank of New York accounts through which billions of

dollars flowed, in what may be one of the largest U.S. money-laundering schemes uncovered.

"Underscoring these questionable campaign contributions is the demonstrable failure by [U.S.] campaign staffs to ferret out good money from bad when the donors ... are immigrants whose alleged criminal associations are well-publicized in their countries of origin but have never been reported in the United States," concluded the author of the Center's report, Knut Royce, a former Newsday investigative reporter and a Pulitzer Prize winner.

The Center says it has been investigating how billions of dollars of money whisked out of Russia may have ended up in U.S. safe havens - and also, how "political campaigns ... end up with equally questionable contributions as suspected Russian organized crime figures seek to move into the U.S. political mainstream."

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