

DUKE CUNNINGHAM BRIBERY RING: TWO DOWN, TWO TO GO

Tommy K has now joined Duke Cunningham in prison, with Tommy K being sentenced to more than eight years and more than a million dollar fine. That leaves Dusty Foggo—presently due to be tried for bribery and then some in the fall in Virginia and currently squabbling over discovery with the government. And Brent Wilkes, who is trying to negotiate bail while he prepares to appeal his conviction.

These guys were all indicted for the gaming of our defense and intelligence contracts using bribes. But the housing crisis has added a nice touch of irony to the equation. Brent Wilkes has had trouble making bail because his southern California real estate has declined in value so much it's no longer enough to back the \$2 million he originally posted for bail.

Burns reinstated the \$2 million bail, but wanted current appraisals of any real estate Wilkes would put up to secure \$1.4 million of that amount.

Wilkes was short about \$600,000 at first. The crash in the real estate market had devalued property previously used to secure the bail.

And Judge Larry Burns was none too happy that—after Tommy K signed a plea deal with the government—he continued to engage in massive mortgage fraud.

Burns also took into account that Kontogiannis continued breaking the law after he pleaded guilty.

“Here you are with your rear end on fire over this Cunningham thing, and you’re out there making bad loans?” Burns said. “I think that’s just brazen.”

So two and a half years after this little bribery ring first became public, its perpetrators are beginning to go to jail.

Howie's got a good post on the secrecy surrounding Tommy K's sweet plea deal. Like Howie, I hope that we begin to learn why the government almost gave Tommy K a pass on bribing a Congressman because—they claim—he was cooperating on some counter-terrorism investigation. We saw how Chiquita Bananas similarly got a pass on their crimes, courtesy of Michael Chertoff. I just wonder how many of the folks ripping off middle class home owners in the last several years will, like Tommy K almost did, similarly get a pass.