



Written by [Bob Adelman](#) on May 24, 2016

Virginia Governor Terry McAuliffe Being Investigated by the FBI, Again

Anonymous “U.S. officials” [informed CNN on Monday](#) that the FBI has been investigating Virginia Governor Terry McAuliffe (shown) for possibly violating campaign finance rules. Even though it was said to be “ongoing,” McAuliffe’s attorney, Marc Elias, said neither he nor the governor knew anything about the investigation but they “will certainly cooperate” if and when they are contacted about it.



One of the specific donations under scrutiny is a \$120,000 contribution from one Wang Wenliang, characterized by CNN as a “Chinese businessman” but later revealed to be a member of China’s ruling party. U.S. election law prohibits foreign nationals from donating to any federal, state, or local elections. But, according to CNN, Wang holds a U.S. “permanent resident” status, which would allegedly make him eligible to donate to McAuliffe’s campaign.

An Internet search for details on the company making the contribution, West Legend Corp, turned up a single-page website with contact information listing it as located in New Jersey. The site claims that it provides building materials for the housing industry.

Wang has also been busy funneling funds from another of his private companies, Rilin Enterprises, to two of McAuliffe’s good friends at the Clinton Foundation. According to the *Wall Street Journal*, Wang/Rilin has donated between \$1 million and \$5 million to that highly questionable entity, as have McAuliffe and his wife (having donated between \$100,000 and \$250,000 of personal funds to the foundation), confirming the insider connection between the three.

McAuliffe has a long history of turning business contacts into donors to the Clintons, generating a reputation that caused Al Gore once to declare McAuliffe as “the greatest fund-raiser in the universe” while making himself wealthy in the process. And those dealings have in turn generated FBI investigations, none of which, so far at least, has landed him behind bars.

The Department of Justice first began investigating McAuliffe’s deals back in 1995 when Prudential Insurance Company promised to pay McAuliffe, then in the real estate business, a \$375,000 fee for arranging for the Pension Benefit Guaranty Corporation (PBGC) to lease a building belonging to Prudential. On the surface nothing was wrong with that, except that at the time McAuliffe was also running the Business Leadership Forum, a fund-raising arm of the Democratic National Committee (DNC). Under federal law, all such fees in deals involving federal agencies such as the PBGC are restricted in order to prevent politically-connected people such as McAuliffe from having a special advantage over potential rivals. Said Neil Levy, a lawyer who specializes in such deals, “There is not supposed to be any contact with the government to influence the transaction after best and final offers have been submitted.”

In another example, a disaffected associate of McAuliffe’s filed suit against him and his company, The Borland Group, claiming that he had been cut out of a deal (and the commission) that he had helped



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arrange and that generated a \$2.4 million commission.

A more recent example serves to illustrate just how McAuliffe manipulates people for his own, and the Democrat Party's, benefit. Global Crossing, a telecommunications company, was founded in 1997 by Gary Winnick. Winnick raised some \$35 million in startup capital, presumably with the help of McAuliffe, who got a cut of the action. The company rose and fell like a July 4th pop bottle rocket. In March 2000, the company's stock traded at \$61 a share, but in January of 2002 the company filed for bankruptcy. Ranked by assets, it was the seventh largest such filing in U.S. history.

But the corrupt nature of Winnick, and McAuliffe, was revealed when it was learned that managers were granted special permission to receive their accumulated pension plan assets in one lump sum the day before the filing. This left thousands of the company's employees stranded, never receiving either their severance-pay packages or their own pension benefits. McAuliffe, however, saw his modest investment in the company of \$100,000 skyrocket to \$18 million.

An entry at [DiscoverTheNetworks.org](#) summarized the strategy nicely:

The New York Times reports that McAuliffe earned yet additional millions from trading the stock and options after the company went public in 1998. Press reports indicate that McAuliffe also did "political work" for Global Crossing CEO Gary Winnick, and even arranged a golf outing for Winnick with then-President Bill Clinton. Winnick would later contribute \$1 million to Clinton's presidential library.

Shortly after Winnick made this contribution, the Pentagon awarded Global Crossing a \$400 million contract. Moreover, GC soon became the Democratic Party's biggest corporate donor.

The appearance of impropriety in this chain of events is unmistakable.

McAuliffe, the personal friend of Bill and Hillary Clinton, raised an astounding (for the time) \$275 million for Bill Clinton's causes while he was president. After Clinton left office, McAuliffe extended and strengthened that relationship by guaranteeing the \$1.35 million mortgage on the Clinton's new home in Chappaqua, New York.

So the current investigation into McAuliffe's fundraising gaffes by the FBI is nothing new. He is likely to survive this one as he has all the others, no doubt because he is another FOB ("Friend of Bill's").

Photo: AP Images

A graduate of an Ivy League school and a former investment advisor, Bob is a regular contributor to The New American magazine and blogs frequently at [LightFromTheRight.com](#), primarily on economics and politics. He can be reached at badelman@thenewamerican.com.



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