



Written by [Alex Newman](#) on July 12, 2011

U.S. Taxes Bought ATF Guns for Cartels; Holder Lied

As the scandal surrounding the Obama administration's operation to put high-powered guns in the hands of Mexican drug cartels continues to grow, new revelations suggest that American taxpayers might have actually paid for the weapons through the stimulus bill and multiple agencies. On top of that, Attorney General Eric Holder apparently lied about his knowledge of the scheme.



The federal Bureau of Alcohol, Tobacco, Firearms and Explosives (still known as ATF) is facing growing pressure after whistleblowers exposed "[Project Gunrunner](#)" and "Operation Fast and Furious" to public and congressional scrutiny. It turns out many of the guns shipped to Mexican crime syndicates with ATF permission have ended up at crime scenes on both sides of the border. And at least three of the weapons were [involved](#) in the slaying of U.S. federal agents.

But despite the Obama administration's frantic efforts to cover up and minimize the fiasco while demonizing guns, the furor continues to grow. And more federal agencies are now coming under scrutiny for their roles in the plot.

Acting ATF boss Kenneth Melson (standing right in picture above), recently [threatened with contempt of Congress charges](#) for obstructing the investigation, revealed a startling new twist to investigators late last week. At least some of the criminals supposedly being armed with ATF permission for "investigations" were actually working for the FBI and the DEA — unbeknownst to the ATF. Or so the story goes.

Melson may have been pressured by the Department of Justice not to disclose details of the operation, and some members of Congress believe he was being set up as a fall guy to avoid investigations of higher-ups. But in testimony last week, the embattled ATF boss claimed his agency was not aware of the other agencies' involvement because information was not properly shared.

His recent statement sparked a widening of the congressional investigation, according to a source close to the probe cited in the *San Francisco Gate*. "We know now it was not something limited to just a small group of ATF agents in Arizona," the congressional source [explained](#).

Members of Congress leading the inquiry into the scandal are getting very suspicious. "The evidence we have gathered raises the disturbing possibility that the Justice Department not only allowed criminals to smuggle weapons but that taxpayer dollars from other agencies may have financed those engaging in



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such activities," [wrote](#) Rep. Rep. Darrell Issa (R-Calif.) and [Sen. Chuck Grassley](#) (R-Iowa) in a letter to Attorney General Holder.

"It is one thing to argue that the ends justify the means in an attempt to defend a policy that puts building a big case ahead of stopping known criminals from getting guns," they added. "Yet it is a much more serious matter to conceal from Congress the possible involvement of other agencies in identifying and maybe even working with the same criminals that Operation Fast and Furious was trying to identify."

Even more explosive was a recent statement by one of the founders of a top Mexican drug cartel, Los Zetas. In a [taped interrogation released to the public](#), Jesús "El Mamito" Aguilar told Mexican police earlier in July that his crime syndicate was getting weapons directly from the U.S. government. Similarly, a top operative in the Sinaloa drug cartel [explained](#) to a federal court earlier this year that he was trafficking drugs with permission from the U.S government.

Beyond the question of whether or not the U.S government has been deliberately aiding gun and drug trafficking, however, there's still more. Top administration officials — and even Obama himself — have made headlines in recent days after reportedly getting caught in blatant lies.

Attorney General Holder, for example, is under intense fire. He [told Congress](#) in May of this year that he had "probably" learned about the government's involvement in gun running only in "the last few weeks."

But a couple of years ago, he was bragging about the scandalous program by name during a speech in Mexico. "My department is committing 100 new ATF personnel to the Southwest border in the next 100 days to supplement our ongoing Project Gunrunner," he [boasted](#) to an anti-gun crowd outside of Mexico City in 2009.

Similarly, Obama said he neither approved nor had knowledge of the program to arm the cartels. But the so-called "stimulus" bill, which the President signed, contained an explicit appropriation of tens of millions of dollars in funding for the scheme.

"The evidence suggests that [Border Patrol] Agent [Brian] Terry's death was financed by the president's stimulus package with the full knowledge and support of Attorney General Holder," charged the *Investor's Business Daily* in a scathing editorial entitled "[The Stimulation of Murder](#)" about the ATF program. "President Obama needs to man up about Gunrunner and either take responsibility for this tragedy or admit, under oath if need be, that even he didn't know what was in the stimulus bill."

Critics of the administration have for weeks been raising the possibility that federal officials may have been deliberately arming the cartels for ulterior motives. But even as the gun trafficking scandal explodes, the Obama administration is making good on threats to [impose more unconstitutional restrictions](#) on Americans' Second Amendment rights by executive decree.

As the public outcry over the federal gun smuggling operations intensifies, blame will eventually be pinned on someone. The media frenzy has been steadily growing for months as new revelations continue to shock observers. Where it will all end, however, remains to be seen.

Photo: Acting Drug Enforcement Administrator (DEA) Michele Leonhart and Acting Bureau of Alcohol, Tobacco and Firearms (ATF) Director Kenneth Melson listen as Attorney General Eric Holder (out of picture) speaks during a news conference at the Justice Department on Oct. 22, 2009, to announce the largest single strike at a Mexican drug cartel operating in the U.S.: AP Images

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