

US Seizes on FIFA Corruption to Pursue Campaign against Russia

By Robert Stevens and Chris Marsden Global Research, May 29, 2015 World Socialist Web Site Region: <u>Russia and FSU</u>, <u>USA</u> Theme: <u>Law and Justice</u>, <u>US NATO War</u> <u>Agenda</u>

Seven top FIFA officials were arrested in Zurich on Wednesday, the result of indictments handed out by the US government against fourteen individuals. They are charged on 47 counts, including racketeering, fraud and money laundering, linked to footballing activities in North and Central America and the Caribbean.

The arrests are bound up with a network of corruption in which sums of money were allegedly transferred as part of efforts to manipulate the location of World Cup games and win lucrative marketing contracts. They are also connected to the strategic interests of the American ruling class, including the ongoing campaign against Russia, which was selected by FIFA to host the 2018 World Cup.

The indictments have provoked the biggest crisis in the 111-year history of the Fédération Internationale de Football Association—the World Football Federation. They were prompted by two investigations: one by the US Department of Justice, FBI and the Internal Revenue Service, and another by the Swiss government, which made the arrests and is preparing extradition to the US.

Several of those charged were seized in a military-style operation, as Swiss police raided a luxury hotel in Zurich where FIFA officials had gathered ahead of the governing body's annual congress.

It is alleged that bribes and kickbacks totalling more than \$150 million were paid to influence FIFA decisions. Two current FIFA vice presidents were arrested: Eugenio Figueredo and Jeffrey Webb, along with Jack Warner, a former vice president who is charged with vote selling connected with the selection of South Africa to host the 2010 World Cup.

Also indicted were a number of sports marketing executives, including José Margulies, who allegedly served as an intermediary to facilitate illicit payments between the sports marketing executives and football officials.

The fraud also implicates major corporations, including one unnamed multinational sports company—identified in the media as Nike—that agreed to pay \$40 million to the affiliate of the Brazilian football team to become its sole provider of equipment and gear.

Given the sordid history of FIFA, the allegations will likely have a solid foundation. Four other people and two companies have already pleaded guilty to charges in the case. Allegations of bribery have long dogged FIFA. Vast fortunes are at stake when it comes to hosting prestigious sporting events, such as the World Cup and Olympics. Bribery has become endemic in the allocation of these events. Mass sporting events, which are backed and sponsored by gigantic corporate interests, are fundamentally managed no differently than anything else organised by big business and the imperialist powers.

The decision by the Obama administration to pursue and file the charges, however, is both hypocritical and politically motivated. Indeed, the sums cited in the criminality within FIFA are dwarfed by the corrupt practices associated with the US and global financial system.

Following the arrests, FBI Director James Comey said,

"If you corrupt our shores with your corrupt enterprise, whether that is through meetings or using our world-class financial system, you will be held accountable for that corruption. Nobody is above or beyond the law."

Loretta Lynch, the Obama administration's attorney general, spoke of a culture of "rampant, systemic and deep-rooted" corruption. In the attempt to justify action against individuals residing in and largely operating outside of the US, Lynch said, "In many instances, the defendants and their co-conspirators planned aspects of this long-running scheme during meetings held here in the United States."

Comey and Lynch speak as representatives of a US elite that is guilty of criminality on a much larger scale. Their "world-class financial system" is one that allowed a parasitic elite to indulge in financial skulduggery that collapsed the world's banking system in 2008, leading to a global recession. And they rewarded these same people for their criminal behaviour with trillions of dollars of public money.

"Rampant, systemic and deep-rooted" corruption is an apt description of the daily operations of US banks, yet no executive of a major bank has been arrested or prosecuted.

The well-documented financial corruption within football's ruling body is being utilised by the US primarily as a propaganda weapon against Russia.

The arrests were timed to coincide with FIFA's presidential elections. Its current chief, Sepp Blatter, was expected to win a fifth term at FIFA's annual congress in Zurich in a vote scheduled for today.

The raid and arrests are only the opening shot. Ten other members of FIFA's executive committee were questioned by Swiss prosecutors Thursday over the ballot in December 2010 for the 2018 and 2022 World Cups, which were awarded to Russia and Qatar. The final bidders to host the 2022 World Cup included the US.

The main target of the operation is Blatter, the figure most closely associated with the Moscow and Qatar decisions, who has been president of FIFA since 1998. One federal official told the *New York Times* that Blatter's fate would "depend on where the investigation goes from here."

The decision in favour of Qatar met with immediate allegations that the World Cup had been bought. Qatar, which has no historical connection to the sport, and which had publicly spent millions on securing the lucrative deal, was widely suspected of bribery. It was, in addition, regarded as an inappropriate venue—with political and sporting figures from rival bid countries shedding crocodile tears over the deaths of hundreds of construction workers and over the fact that players would have to compete in excruciating summer temperatures.

In the aftermath of the 2010 announcements, US authorities began an investigation into the allegations of corruption. However, notwithstanding Qatar having triggered the inquiry, the decision to make mass arrests and to attempt to scupper Blatter's election is primarily motivated by the mounting hostilities between the US and Russia.

Moscow's hosting of the 2018 World Cup has been turned by figures with the US ruling elite and their allies internationally into a question of paramount importance.

Senator Robert Menendez, who in April was indicted on federal corruption charges, said he was "especially pleased that Swiss and US authorities are investigating FIFA's granting of the World Cup to Russia in 2018 and Qatar in 2022", as he had "long been concerned about FIFA's selection of Russia."

He was supported by Senator John McCain, who jointly authored a letter to FIFA declaring,

"In light of President Blatter's continued support for Russia hosting the 2018 FIFA World Cup—despite Russia's ongoing violations of Ukraine's territorial integrity and other challenges to the post-WWII security architecture—we ask that you reconsider your support for President Blatter's fifth term as FIFA President."

This follows a letter to FIFA last month from 13 US senators requesting that Blatter step in to take the World Cup away from Russia.

It should be recalled that at the height of the Ukraine crisis, the <u>US led an attempt</u> to undermine the 2014 Winter Olympics in Sochi, citing the existence of Russia homophobic laws and its record on human rights.

In April, Blatter met Russian President Vladimir Putin in Sochi, following a call by Ukraine's President Petro Poroshenko for a boycott of the 2018 event. Blatter went on record to confirm that whatever sanctions were in place against Moscow by the US and the European Union would have no impact on 2018.

In a televised interview, Putin said of the arrests, "This is clearly an attempt to block the reelection of Blatter as president of FIFA and is an extremely serious breach of the principles of how international organisations work."

Europe's football federation UEFA has withdrawn its support for Blatter's election. Former UEFA president Lennart Johansson, who lost the 1998 FIFA presidential election to Blatter, said that the UK should now step in and host 2018. The federation is also considering boycotting the 2018 World Cup if it is held in Moscow and Blatter is re-elected.

UK Culture Secretary John Whittingdale has said, "We're not yet at the stage of boycotting the World Cup...but there is no question that something has got to be done." Prime Minister David Cameron supported Blatter's removal, he added.

Sunil Gulati, the president of US Soccer, said yesterday that he would instruct the US delegation to vote against Blatter in today's elections, supporting instead Prince Ali bin al-

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