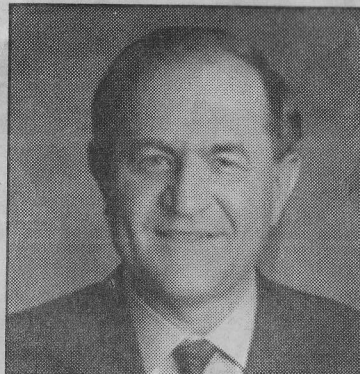
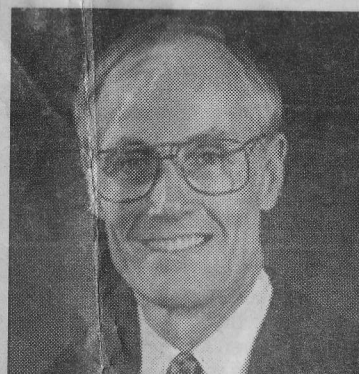


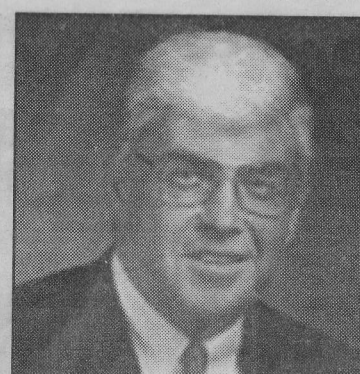
Rudy Boschwitz.



James S. Gilmore III.



Thomas Slade Gorton III.



Jack Kemp.



Jeane Kirkpatrick.

5 top GOPers accused of bribery quit telecom board

By Lucy Komisar

NEW YORK, Nov. 6, 2006 — Five nationally prominent U.S. Republicans, inde-

pendent board members of a corporation that has been charged with paying hundreds of thousands of dol-

lars in bribes to get a sweetheart telecom deal in Haiti, are leaving its board.

The company is IDT, the

world's third-ranked international phone company.

The Republicans are Rudy Boschwitz, former senator

from Minnesota; James S. Gilmore III, former Virginia governor; Thomas Slade Gorton III, former senator from Washington State; Jack Kemp, former congressman from New York and 1996 vice presidential nominee; and Jeane Kirkpatrick, the former U.S. ambassador to the U.N.

They are not included among nominees on the IDT proxy statement filed with the U.S. Securities and Exchange Commission (SEC) Oct. 30. Two other independent board members, Warren Blaker and Saul K. Fenster, are also leaving, and four company board members are stepping down, whilst three others are coming on, reducing the board from 15 to seven members, with the independents at a one-person majority.

IDT is run by James Courter, a former Republican congressman from New Jersey. The company is under investigation by the SEC, the United States Attorney in Newark, New Jersey, and a U.S. federal grand jury for allegedly paying bribes to Jean-Bertrand Aristide, former president of Haiti

want business people with public company board experience."

IDT spokesperson Gil Nielsen said that the company two weeks ago had told the SEC it planned to reduce the size of its board "as part of a cost-saving and restructuring plan".

He said, "Clearly, the fact that several board members will not stand for re-election is only a result of the proposed reduction in the number of board seats." Nielsen did not explain why IDT, while removing some members, added three new people to its board.

He said, "As far as any allegations concerning Haiti, IDT continues to maintain that any such claims are false and without merit and are the result of a former disgruntled employee."

Bribery allegations were first raised by a former IDT executive, Michael Jewett, who said that IDT made a deal to pay off Aristide in return for a lucrative contract to provide phone service to Haiti, paying nine cents a minute, instead of the

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The five board members either declined or did not respond to requests for comment. The Oppenheimer Fund, the largest institutional investor in IDT, also chose not to comment.

However, Herb Denton, president of Providence Capital, a New York investment firm with stock in the company until March, said, "Kirkpatrick, Gordon, Gilmore, Kemp and Boschwitz were pals and friends of James Courter," he told IPS. "Why do you put very powerful politicians on your board? Because you like them, you think they're capable, and they buy you protection."

Of the independents, only Marc J. Oppenheimer, president of Octagon Associates, Inc., a banking and financial strategy firm, currently serves on the board. The new members will be James R. Mellor, former CEO of General Dynamics; Alan Claman, former president of an aerospace company; and Judah Schorr, who owns an anesthesia supplier.

Denton noted that other than Mellor, the new board nominees had never sat on other company boards, which was unusual. He explained, "You

want business people with public company board experience."

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Bribery allegations were first raised by a former IDT executive, Michael Jewett, who said that IDT made a deal to pay off Aristide in return for a lucrative contract to provide phone service to Haiti, paying nine cents a minute instead of the legally mandated 23 cents.

He said that the money was paid to a secret offshore bank account controlled by Aristide and listed in the name of a shell company in the Turks and Caicos Islands. Jewett says that when he refused to go along with the deal, he was fired. In Oct. 2005, he sued the company in U.S. court for wrongful dismissal.

Following the Jewett allegations, in Nov. 2005, the government of Haiti and the phone company, Teleco, filed a RICO (Racketeer Influenced and Corrupt Organisations Act) lawsuit in Miami against the former president and his alleged collaborators. It says that in one six-month period, Feb. to April 2004, IDT paid \$302,588 in kickbacks to the Aristide group.

Through his lawyer, Ira Kurzban, Aristide has denied all charges and described them as a "political investigation".

The IDT's shareholder's meeting will be Dec. 14 at the company's headquarters in Newark, New Jersey. Denton said he would be there. He said, "I wouldn't miss this for the world." (IPS/GIN)