

MadCow Morning News

investigative reporting into drug trafficking, 9/11, and state-sponsored crime

Con man for Christ Floated 'Cocaine One' Drug Plane

Posted on [March 24, 2014](#) by [Daniel Hopsicker](#)

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Doug McClain Sr's financial fraud career as a grifter, racketeer, and flimflam man can be traced back more than two decades, and likely extends much further into his past. The so-far unanswered question about him has been where he first acquired powerful patrons whose clout could—and did—keep him out of jail despite his record for flagrant financial fraud.



John Burgess, Pres. George H.W. Bush

While the ultimate answer may not yet be clear, for sheer greed, brazen theft and raw carnality—committed with the protection and apparent blessing of former leaders in both major political parties—it would be hard to top McClain's stint during the early 1990's at International Profit Associates (IPA) in Chicago.

An introduction to hyena packs, and a drug cartel?



**John Burgess
Caught in boardroom
with 16-year old hooker**

All three of the top officers at IPA boasted felony convictions. The company chairman was a disbarred lawyer from New York, with a criminal record for larceny and patronizing a 16-year-old prostitute in a company board room.

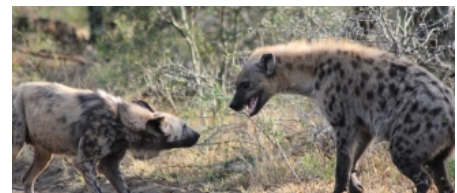
The Vice Chairman pled guilty to conspiring to manufacture a key ingredient in methamphetamine less than two years before former President George H.W. Bush, recently turned out of office, arrived to speak to the troops at the company's annual Christmas Party.

And the company was the scene of what a prosecuting attorney called "the most egregious case of sex harassment that Chicago has ever seen," that victimized 113 women employees.

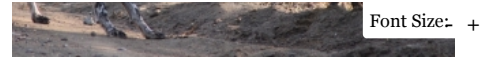
IPA was where McClain would hook up with key associates that will collaborate with him during the next two decades in a 'hyena pack' that will go from success to success in a series of lucrative financial scams.

A hyena dressed up like a shepherd

It's called "[affinity fraud.](#)" And its arguably the most egregious and degenerate crime anyone can commit against on a fellow human being. Bernie Madoff is an example. He sold his \$66 billion Ponzi scheme mostly to fellow Jews, including, some of them, Holocaust



survivors.



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Another is Doug McClain Sr., who has been preying on Christians for more than 20 years.

“Affinity fraud” refers to [investment scams](#) that prey upon members of identifiable groups, like religious or ethnic communities, or the elderly, by fraudsters pretending to be members of the group. They enlist respected community or religious leaders to help spread the word, convincing their people, or “flock,” that a fraudulent investment is legitimate and worthwhile, oftentimes for a piece of the action.

“Fraudsters who carry out affinity scams frequently are (or pretend to be) members of the group they are trying to defraud,” notes the SEC.

“Someone finds something in common — in this case religion, in other cases it may be that they are both with the Lion’s Club,” an Asst District Attorney in San Antonio, part of the team prosecuting Doug McClain Sr., explained to a reporter. “They say ‘trust me.’ ... You are trying to do the right thing and assume others are playing by the rules, and it’s not the case.”



Oddly enough, [based on his own behavior](#), Doug McClain isn’t even a Christian. Because going to church doesn’t make you a Christian, any more than going to a carwash makes you a car. McClain wasn’t shepherding his “flock.” He was circling it, like a hyena.

McClain became particularly deadly when he began leading his own ‘hyena pack.’

Suffer the little hyenas



We know where it ends...

Once Doug McClain Sr. had been connected to the [DC-9 busted with 5.5 tons](#) of cocaine, what followed— while horrific to those from whom he was [still stealing millions](#)—was basically a postscript, the twitching of half-dead nerves. Because McClain had already been “made”— by reporters, at least, if not yet by authorities.

It was only a matter of time before he was caught.

And we know quite a bit about the middle of the story. Today we’ll profile one of Douglas McClain Sr.’s “middle period” criminal frauds. Tomorrow (Tuesday) we’ll reveal the “Rosetta Stone” that illuminates Doug McClain’s long-running pack of hyenas, a mere division of a much larger politically-connected organized crime and drug trafficking group.

But the definitive beginning of McClain’s career will continue to elude us until we understand whether or not his decade-long stint as a leader of a Christian cult called “The Move” was also his first exposure to affinity



fraud. Later this week we'll continue to examine that possibility.

Before the "cult leader" business surfaced, my earliest reference to McClain had him in Chicago, in 1991.

If McClain ever writes an "as told to" book, I imagine it will cover things like this...

'A life in crime, white-collar division'



Its cold in Chicago. It always is, in the middle of December. In a ballroom at the downtown Hyatt Regency, a party—a black-tie affair—is getting underway. The ornate invitation, from International Profit Associates (IPA), is to their lavish company Christmas party. The year is 1999.

There's an 8-piece orchestra. Acres of hors d'oeuvres: shrimp, crab, sushi. Dinner is filet mignon and lobster tail. At the head table, flanking the company's Chairman is a jaunty, very recognizable figure wearing, according to at least one published account, a lop-sided grin.

It's former President George Bush. Earlier he had even been on hand to pose for photos, radiating congeniality. He's speaking for 45 minutes after dinner for a reported \$82,000. Its well worth it, according to the company's chairman. It gives the firm "instant credibility."

We know where Doug McClain Sr. was on this night because of a lawsuit filed by [Denise Campbell](#), from Bruce Mines, Ontario, Canada, who suffered from Multiple Sclerosis. Her lawsuit against Douglas McClain Sr, and his alter ego Argyll Biotechnologies, covers one of his later frauds (which we'll get to presently.)



But because it benefited from following on the heels of a half-dozen earlier suits, it contained a succinct, and nearly complete complete, later chronology.

Campbell's lawsuit is just one of a number of lawsuits McClain chose to ignore—allowing judgments against himself in the secure knowledge that his money is safely tucked offshore and he'll never pay a cent. It showed what McClain, his son Doug Jr., and his sidekick James Miceli were up to at the dawn of the Millenium:

"On or about August 26, 1999, MICELI was convicted of felony money laundering, forgery, perjury and theft over \$100,000 in the State of Illinois. Thereafter, MCCLAIN, SR., MCCLAIN and MICELI worked together at International Profit Associates ("IPA") in Illinois."

A "gimme," as they say in golf... and armed robbery.

At a table at the Christmas Party, [a reporter for INC. magazine](#) doodled on his napkin, while listening to the former President speak. Bush, he figures, is making \$1,800 a minute. The 41st president of the United States hails

the people of International Profit Associates as bearers of "The Right Stuff."

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"When I was asked to come celebrate the success of this company," Bush tells the crowd, "that was a gimme, as they say in golf."

In fairness, the former President we now know as George H.W. Bush is far from the only public official to lend luster to IPA's reputation. Gerald Ford spoke at an earlier company Christmas party; so did Bob Dole. [And former President Bill Clinton took home](#) \$125,000 for an appearance in 2001.



None noticed, apparently, that all three of the company's top officers were convicted felons. The company chairman was a disbarred New York lawyer with a criminal record for larceny and patronizing a 16-year-old prostitute.

Then too, the Vice Chairman pled guilty— less than two years before Bush addressed their Christmas Party—to conspiring to manufacture a key ingredient in methamphetamine.

A convention of crooks



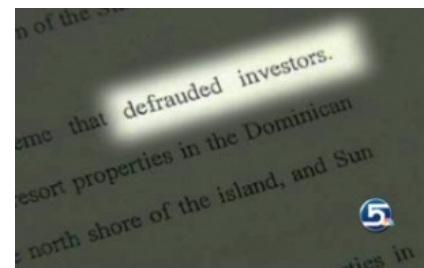
The doodling reporter was there because he was trying to figure out what a former President was doing giving a speech to a convention of crooks.

The reporter could have asked Doug McClain, Sr. Or James Miceli, one of McClain's ace partners in crime for the next decade. Both were there.

Miceli got rich as a Chicago-area real estate developer. His favorite trick was taking people's money to build custom-built homes. Then he did...nothing at all. When he was sued, he once again did, nothing at all. He didn't even bother showing up in court. Civil judgments didn't faze him a bit.

Or he could have asked Doug McClain Jr, a chip off the old block, who today is serving a 20 year sentence in a federal penitentiary.

Dougie Jr. will increasingly need to stand in, or front, for his Father as an officer of whatever public company the men happened to be looting at the time. These positions require filing a brief biography, listing convictions, and lawsuits, and such, a bio for which the elder McClain's life was no longer suitable.



"In 1999, Doug McClain Jr. joined International Profit Associates, a business consulting firm," reads his bio in an SEC file, "as a Senior Executive responsible for mergers and acquisitions, and corporate finance, where he was employed until 2001."

"The boys" will be boys



Finally, company executives also had a hard time keeping their hands, well—let's just say—keeping their hands in their pockets...



“This is probably the most egregious case of sex harassment that I have ever seen,” a prosecuting attorney told reporters, when she filed the first sexual harassment lawsuit against them. She said 113 women had been victimized. The IPA office must have been quite a place.

When it was published in INC. magazine, the reporter’s article began, “International Profit Associates is a \$100-million company selling \$40,000 management consulting packages to thousands of small businesses . But before you let IPA into your company, there are some things you might want to know.”

After IPA, McClain Sr. got lucky, and hit a \$6 million score, pumping the stock of several companies that today trade for 00.000 a share. From Campbell’s lawsuit:

“Through IPA, MCCLAIN SR. became involved with a public entity known as Nextpath Technologies. MCCLAIN SR. was able to obtain and sell a large volume of shares of Nextpath Technologies to unsuspecting investors, based on false information concerning the company, for approximately \$6,000,000.

MCCLAIN SR. received funds and/or distributed Nextpath Technologies stock certificates through the US mail or other carriers interstate to unsuspecting investors, violating the Influenced and Corrupt Organizations Act (“RICO”) and committed numerous other racketeering activities.”

That takes us up to FIT Technologies, another master McClain fraud. More on that later. But we’re still barely scratching the surface.

“A hyena pack, a flock of sheep...what ‘dya expect to happen?”

But where did he acquire the powerful patrons—political and otherwise—whose clout kept him out of jail? As he became a full-time financial swindler, McClain needed partners. So he joined a “hyena pack.”

“In large publicly-held companies, stockholder fraud and looting is by people working together inside the company,” a financial fraud expert explained.

“Smaller publicly-held companies are looted by people who comprise what’s called a ‘Hyena Pack.’ Publicly each member acts as a representative of companies and entities which are supposedly independent of each other. At the same time, they are secretly conspiring together for criminal gain.”

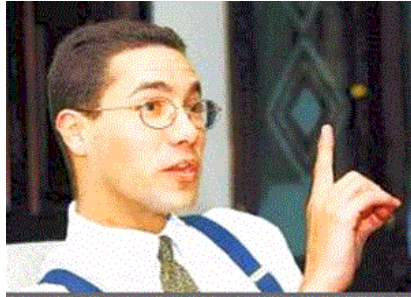
“These guys very openly looted public company after public company,” said the financial fraud expert. “I’ve seen a list of as many as seventy small public companies busted-out by this one hyena pack.”

Doug McClain Sr. was a member of a hyena pack that took down SkyWay, through his Argyll Equities’ ballyhooed-but-bogus “investment,” which made McClain’s Argyll SkyWay Aircraft’s largest shareholder.



After leaving "The Move," McClain moved to Raleigh, North Carolina to set up his own church, several sources stated. And it may be in North Carolina where Doug McClain met the man with a network of politically-connected criminals, politicians, and con men with ties to the military who ran the organized crime ring behind the DC-9 busted with 5.5 tons of cocaine in Ciudad del Carmen, Mexico, on April 10, 2006.

North Carolina is for Jesse Helms, RJR Tobacco, Wachovia Bank



Marc Harris

Doug McClain joined a hyena pack run—or 'fronted,' at least until he went to prison—by a former staffer to North Carolina Republican Senator Jesse Helms, [Marc Harris, who was involved](#) in the massive drug move on the DC-9 that ended up being busted in Mexico carrying 5.5 tons of pure cocaine.

Harris, a self-described Iran Contra insider, claimed to have learned the 'art' of money laundering while involved in Reagan-era covert operations, where his associates numbered at least three convicted drug traffickers.

His ties to the national Republican Party go back to at least 1988, when he was the Florida manager for the presidential campaign of General Alexander Haig, former White House Chief of Staff under Nixon.

According to a newspaper in Panama, where he operated while on the lam, many of Harris' biggest clients were prominent Republican politicians.

Harris is currently in Federal prison, after being extradited from Panama and sentenced to 17 years in federal prison for felony fraud and money laundering.

His ring, accused of looting dozens of publicly-held companies, operated as a textbook hyena pack. They bankrupted like SkyWay Communications, after using 'pump and dump' schemes to dupe shareholders and investors.



**5-term Republican Senator
Jesse Helms**

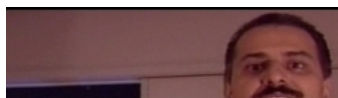
"Iran Contra...was that before Oliver North got "War Stories" on Fox?"

Harris boasted of his association with Iran Contra stalwarts like General Jack Singlaub, and had extensive connections to figures in global organized crime, including Peruvian spymaster Vladimiro Montesinos, who escaped arrest by fleeing that country after the exposure of the CIA's role there in Marc Harris' jet.



Vladimiro M: Our man in Lima

[Others participating in the company's](#) demise included its own Chairman, Glenn Kovar; his son, Skyway's President Brent Kovar; Saudi arms dealer (and CIA fixer) Adnan Khashoggi; his chief lieutenant and fellow



Saudi Ramy El-Batrawi, who was the former President of Jetborne, a CIA proprietary airline in Miami which flew Oliver North's TOW missiles to the



Iranians during the Iran Contra Scandal; [and Jonathon Curshen.](#)

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Curshen, an American con man from Sarasota Florida, [ran Red Sea Management](#), which generously provided—in return for [28,000,000 shares of stock](#) in SkyWay worth less than the cost of the ink on the certificates—another of SkyWay’s two eventual DC-9’s.

“You know, the DuPonts. Better living through chemistry.”

There is no better example illustrating the continuing history of the organized crime and drug trafficking organization we call “The New American Drug Lords” than the fact that the group successfully used the same exact scam on two separate occasions more than 20 years apart.

At the same time, SkyWay was putting out a [press release](#) heralding a major new investor in the company, with a clunky headline that reads like old Soviet propaganda about tractor factories:

“The DuPont Investment Fund 57289, Inc. Satisfies \$7 Million Funding Agreement with SkyWay Communications Holding Corp.”

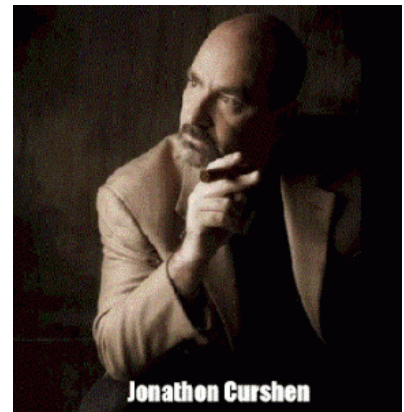


Announcing that the DuPont family had just made a big investment in SkyWay pumped the company’s stock for a few days, allowing insiders to sell their shares and cash out.

“They wrote it up in a press release, touting how they’d just received a big investment from the DuPont Foundation,” a former SkyWay executive explained. “It turned out to be bogus. No DuPont’s, just some guy (Jonathon Curshen) at a desk in Costa Rica.”

Not coincidentally, twenty years earlier the same group, or Drug Trafficking Organization (DTO) a phrase only the DEA uses, but never applies it to any group north of the Rio Grande), used the exact same tactic.

After Barry Seal’s assassination in 1986, his attorney sold “Trinity Energy” to “Miami Jack” Birnholz, another member of the same organization, who then announced with a flourish that he had a new investment partner, [“Sloan DuPont.”](#) a member of the “DuPont Family.”



Sloan DuPont, in reality, turned out to be a con-man from Oklahoma named James Rice.

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About Daniel Hopsicker

Daniel Hopsicker is an investigative journalist dubious about the self-serving assertion of U.S. officials that there are no American Drug Lords.

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[Howard Lewis](#) says:

March 24, 2014 at 11:10 pm

People on the Big Island of Hawai'i are oblivious to incoming radiation and at least 5 Mormons are in denial that their criminal activity is not blessed by God. Their Salt Lake City temple is totally devoid of Christian symbols on the exterior and is festooned with freemasonry designs paying homage to British royalty.

This is Rockefeller country and 'Do what thou wilt' is standard practice if Jesus or his replacement is tied and scourged until absolution is extracted. They have been eyeballing me recently so I occasionally cuss and spit to prove my unworthiness as someone to take the spiritual rap for their crimes. Good to see you still with the efforts to clean the American dream of those who deny it for all except themselves.

Obama was recently granted a Native American name during an event in Oklahoma or thereabouts. "Walking Eagle", because he is so full of shit he can't fly.

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