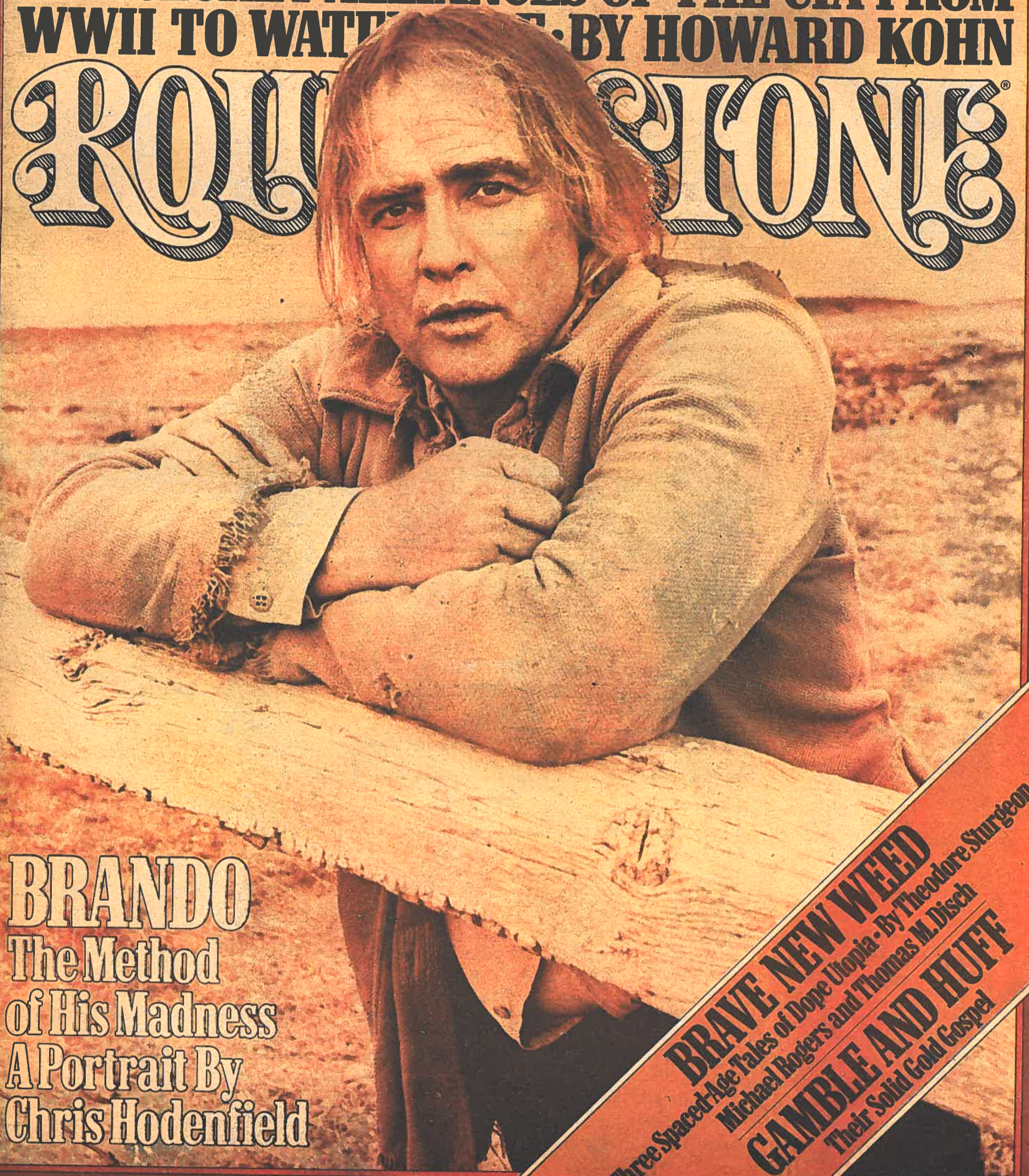


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THE HUGHES-NIXON-LANSKY CONNECTION: THE SECRET ALLIANCES OF THE CIA FROM WWII TO WATERGATE • BY HOWARD KOHN

ROVER STONE



BRANDO
The Method
of His Madness
A Portrait By
Chris Hodenfield

BRAVE NEW WEED
Three-Spaced Age Tales of Dope Utopia • By Theodore Sturgeon,
Michael Rogers and Thomas M. Disch
GAMBLE AND HUFF
Their Solid Gold Gospel



"All the News that Fits"

I N T H I S I S S U E

Strange Bedfellows • by Howard Kohn

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THE HUGHES-NIXON-LANSKY CONNECTION: The Secret Alliances of the CIA" is one of the most ambitious and intricate pieces we have ever attempted. Howard Kohn began work on it nearly a year ago, when all he had to look at was the emerging connection between the Miami-based Cuban exiles and the CIA. Early on he discovered new details about the CIA's contracts with the Mafia to assassinate Castro, but the then-exclusive information was revealed a few months later by the Senate select committee headed by Frank Church.

We have put together a narrative of these "strange bedfellows," based entirely on factual information; compelling patterns have emerged which point to a reading of postwar history that foreshadows recent revelations about the "intelligence community."

As details about the CIA were released piecemeal during the year—by the Senate committee and various investigative reporters, most notably the *New York Times* staff and CBS correspondent Daniel Schorr—so the shape and scope of our story changed almost weekly.

Webbs of circumstance and coincidence were investigated for connective details that have turned up a large and concrete pattern of alliances. These suppressed connections help to account for many of the aberrations that have pockmarked the domestic and international record of the United States since World War II.

At several points in the narrative, it was tempting to include interpretations and conclusions. But no matter how inescapable certain theories appeared, we tried to limit the report to the facts.

We did assess motives in cases where two or three sources, who would all have reason for different points of view, could at least agree on what were major matters of policy. Where the evidence was too conflicting and could not be resolved, we left the matter hanging.

The trickiest area, of course, is the assassinations of the Kennedy brothers. So far, no direct participant has been willing or able to talk. But we have filled in the CIA and Syndicate connections that surround this whole area and let the reader evaluate the grim possibilities.

So here it is: 30 years of domestic subversion, bribery and murder—for the first time, the whole poisoned enchilada, the whole ball of wax, the whole Bay of Pigs.

J.W.

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The Gospel according to Gamble & Huff is related and folk singer Phil Ochs is remembered.

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• Cover Photograph by Mary Ellen Mark; Uranium print by Joel N. Snyder •

Illustration by GREG SCOTT

4 NEW-OLD ALBUMS FROM A&M.

1. GARY WRIGHT/SPOOKY TOOTH—THAT WAS ONLY YESTERDAY

In the late '60s, a British band called Art met up with an organ player from New Jersey named Gary Wright and Spooky Tooth was born. Later Gary left and did 2 solo albums, one in '71 and another in '72. This 2-record set includes 6 selections from those solo albums, 8 selections of Spooky Tooth featuring Gary on vocals, and more. Includes material that Wright freaks rate as some of his very best.



2 records for the price of 1

2. GRAM PARSONS/THE FLYING BURRITO BROS. SLEEPLESS NIGHTS

Nine of these 12 tracks were recorded by The "Original" Flying Burrito Brothers in early '70, shortly before Gram Parsons left the group. The remaining 3 tracks were recorded during sessions for Gram's '73 Warner Bros. album, *Grievous Angel*. Reflecting on Gram in her liner notes, Emmylou Harris says "...they came to see this young man and to hear the voice that would break and crack but rise pure and beautiful with sweetness and pain."



3. REGGAE SPECTACULAR JIMMY CLIFF AND VARIOUS ARTISTS

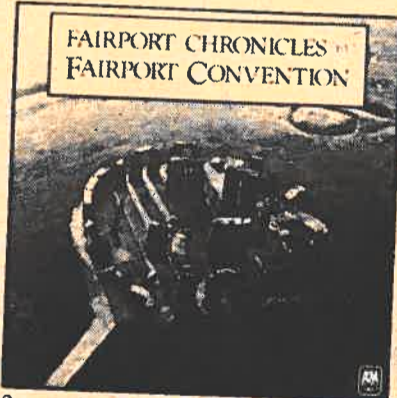
When we released Jimmy Cliff's "Wonderful World, Beautiful People" in late '69, many people thought "reggae" was a town in Jamaica. In fact, that song (included here) laid the groundwork for much of the current reggae explosion. These 2 records feature hits by Cliff along with others by Greyhound, Blue Haze, Bob and Marcia, and The Harry J. All Stars. Includes Jimmy's classic, "Many Rivers To Cross."



2 records for the price of 1

4. FAIRPORT CHRONICLES BY FAIRPORT CONVENTION

This 2-record collection traces the ever-changing Fairport Convention's evolution from 1967's underground through to their emergence as Britain's premier electric folk revivalists. Prime Fairport material by Sandy Denny, Ian Matthews, Richard Thompson and David Swarbrick, whose work made Fairport one of the best-loved groups in folk-rock.



2 records for the price of 1

EVERYTHING OLD IS NEW AGAIN ON A&M RECORDS & TAPES

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Strange Bedfellows

THE HUGHES-NIXON-LANSKY CONNECTION: THE SECRET ALLIANCES OF THE CIA FROM WORLD WAR II TO WATERGATE

BY HOWARD KOHN



HOWARD HUGHES

Hughes was the billionaire recluse who became a CIA and Syndicate front. His largess helped Nixon's ascent and descent in American politics.

RICHARD NIXON inspects a Cuban sugar plantation in 1955. The vice-president had once entertained the idea of establishing law or business connections in Havana.



MEYER LANSKY

Lansky built the Mafia into a leading multinational corporation by immersing it in banking, real estate, tourism and gambling. With Fulgen- cio Batista's help, he was able to open posh new casinos in Cuba.

BOB HALDEMAN SAT IN THE OVAL OFFICE and outlined the problem. A security guard had stumbled onto a burglary at Democratic National Headquarters six days earlier. FBI agents had been asking embarrassing questions ever since.

Richard Nixon's solution, as recorded by the White House taping system, was simple: the CIA should tell the FBI to call off its detectives. The CIA would agree, Nixon assured Haldeman, because "if it gets out that this is all involved, the Cuba thing would be a fiasco—it would make the CIA look bad—and it is likely to blow the whole Bay of Pigs thing which we think would be very unfortunate, both for the CIA and the country."

Haldeman carried Nixon's message to CIA director Richard Helms. And later he told the Senate Watergate committee of Helms's reaction to the Bay of Pigs reference: "On that one Mr. Helms jumped up very rapidly and very defensively to say, 'That is of no concern at all. We don't want to get into that at all.'"

The Bay of Pigs operation had taken place ten years earlier as a plan to overthrow the government of Fidel Castro. Among its participants had been John F. Kennedy, Robert Kennedy, Richard Nixon, Mafia leaders and hitmen, Howard Hughes, the CIA, Richard Helms, Charles "Bebe" Rebozo, Robert Maheu, E. Howard Hunt, Frank Sturgis and the Mullen Agency. Then they all reappeared in the Watergate scandal.

All, except the Kennedy brothers. They were dead.

Both the Bay of Pigs affair and the Watergate scandal were rooted in the cynicism of a World War II alliance.

The year was 1942. The U.S. had just entered the war. The Department of War was worried that Nazi saboteurs were infiltrating the docks and shipyards along the East Coast. Already the troopship *Normandie* had burned and sunk in her Manhattan berth.

Then a Navy officer suggested seeking help from the Mafia, which controlled an army of toughs through its influence in the dockworkers' unions. In short order, Naval Intelligence officials struck a bargain with Meyer Lansky.

Lansky had grown up in a scruffy New York neighborhood where he had learned to bootleg, loan-shark and kill on assignment. He also had gained a reputation as a business wizard and become close friends with Lucky Luciano, the Mafia's don of dons.¹ In 1931 Luciano's hitmen had carried out a bloody purge of the Mafia's old guard "Moustache Petes" to clear the way for his takeover. Then he had employed Lansky to modernize the Mafia's ingrown family structure. But in 1936 Luciano had been sent to prison with a 50-year sentence, a misadventure that jeopardized the vision of a new mafia. Other leaders in the blood-oath Sicilian fraternity still considered the Jewish Lansky an outsider and, without Luciano around, balked at his innovations.

Lansky saw the Naval Intelligence deal as a chance to improve his position among the ruling lords of organized crime by opening prison gates for the don of dons. Lansky persuaded Luciano to have Mafia henchmen patrol the waterfront. In turn Luciano was to be set free.

As New York City's Mafia-fighting special prosecutor, Thomas Dewey had catapulted to the governor's chair by putting Luciano behind bars. But Governor Dewey now agreed to the deal and transferred Luciano from Dannemora state prison, known as "Siberia," to gentlemen's quarters at a prison near Albany. Then shortly after V-E Day he signed the parole papers.

By then the Mafia had developed a larger friendship with the Office of Strategic Services (OSS), the country's first autonomous intelligence agency, set up to oversee all wartime espionage. The OSS made a pact with the Mafia, known as Operation Underworld, that included gangland assistance for the Allied armies when they landed in Sicily. Having an IOU from the OSS seemed like a shrewd investment for the Mafia.

But at the war's end in 1945 the OSS was disbanded, a move that dismayed both the Mafia and a secret circle of businessmen, politicians and espionage experts.

The men in this circle were from well-bred, well-educated backgrounds, generally Easterners with connections at the highest levels of government and finance. Allen Dulles, a Princeton graduate and former top-ranking OSS official, and Governor Dewey were two of their leaders. Both Dulles and Dewey had been Wall Street lawyers, on the opposite side of New York from Lansky and Luciano, and they both expected to reach top positions in Washington. Their mentor had been Dulles's brother, John Foster, who had represented the U.S. government in crucial treaty negotiations after both world wars.

1. According to Mafia legend, Lansky and Luciano first met on October 24th, 1918, in a New York slum. Lansky was walking home from his job in a tool-and-die shop when he heard screams. Luciano was beating up a girlfriend because she'd seduced a pubescent boy, one Bugsy Siegel. Lansky flew into the fray with a zeal that landed him in jail. But the daring of the scrawny Lansky earned Luciano's respect and formed a basis for their partnership. When Siegel grew up, he appropriately became their junior partner.

World War II had turned the U.S. into the world's most powerful nation. Dewey, the Dulles brothers and others had formed their secret circle because they saw themselves as loyal and pragmatic Americans with a duty to help shape the country's new international role. Their project was to resurrect the OSS.

No country could stay on top, they believed, without a powerful and independent intelligence agency. Allen Dulles championed this idea among his contacts at the Pentagon and in the Truman administration. Truman was so impressed that he appointed Dulles to head a three-member commission to study the U.S. intelligence system. Dewey and others in the secret circle lobbied Congress.

In July 1947 Congress passed the National Security Act. Truman signed it, as Dulles and Dewey had recommended, thereby creating the Central Intelligence Agency (CIA) as a successor to the OSS. The CIA was given a secret budget and a charter written so loosely as to grant the agency nearly unlimited power.

Outfitted in the country's finest ideological cloak, the CIA was charged with protecting America by whatever means necessary. The Cold War had started. Communists were the new enemies. The communist spread across the globe was to be stopped. To the secret circle, some of whose members became key CIA officials, that meant the CIA was to be the patron of U.S. multinational companies which had set up shop in underdeveloped countries to make money and oppose communism.

The OSS's old friend, the Mafia, was among the leading multinational corporations that emerged in the late Forties. Lansky's moxie in freeing Luciano had impressed the Sicilian dons. Even his chief rival, "Fat Albert" Anastasia, paid homage to Lansky when the Mafia boss walked out of prison—"You're the only bastard with the brains to do it." Lansky also had outwitted the don of dons. Luciano was deported to Sicily immediately upon his release. But, with Luciano's unreserved blessing, Lansky took charge of domestic operations and finished the job the two had started a decade before. Lansky merged the Mafia's rival gangs into a conglomerate known as the International Crime Syndicate, a network that Lansky estimated was "bigger than U.S. Steel" and which he immersed in banking, real estate, tourism and gambling.

At the same time, the exiled Luciano expanded the Syndicate's overseas connections. With some help from the CIA, Luciano

THOMAS DEWEY, governor of New York, ran for president in 1948 with help from CIA and Syndicate money.



ALLEN DULLES

A cofounder of the CIA, Dulles arranged for agency backing of the Eisenhower-Nixon ticket in 1952. As CIA director in the Fifties, he supervised the agency's anti-Castro alliance with the Syndicate.



RICHARD HELMS

A Dulles protégé who helped investigate the Kennedy assassination, Helms became CIA director and feuded with the Nixon White House.



GEORGE SMATHERS

Senator and Miami playboy, Smathers was an early friend of Nixon's. Because he lobbied so aggressively for aid to Batista, he became known as the "senator from Cuba."



MURRAY CHOTINER

Nixon's campaign manager and first "dirty tricks" specialist, Chotiner wrote smear pamphlets with information provided by the CIA.

fashioned an international smuggling route for the Syndicate's booming narcotics industry. When communist strikers shut down the French port of Marseilles in 1947 and threatened to ruin American shipping, the CIA called on Luciano. He furnished hitmen while the CIA supplied money and weapons. After several murders the docks reopened for American shippers and for the Syndicate's heroin smugglers.

When the Syndicate later added Southeast Asia's "Golden Triangle" to its heroin route, the CIA again was accommodating. To fight communism the agency shipped cash and munitions to Laotian mercenaries, who happened to be opium growers employed in the Syndicate's heroin trade. CIA planes were used to provide safe passage for the first leg of the heroin's long journey to U.S. ghettos.

Like the OSS, the CIA did not shrink from making deals with the Syndicate to preserve U.S. interests. Under the CIA's charter, such arrangements were legal. But Thomas Dewey and Allen Dulles realized that the CIA needed to safeguard its own political base to avoid potential power struggles in Washington, a practical analysis that quickly carried the agency into a clandestine role in American electoral politics.

Dewey himself was the odds-on favorite to become president in 1948. To insure his election the CIA funneled more than \$1 million from its secret budget into Dewey's campaign, according to agency sources. Meyer Lansky likewise supported Dewey, marshaling Syndicate money and political clout behind the Republican nominee (although some older Mafia bosses, still resentful of Dewey's racket-busting spree in the Thirties, refused to contribute).

Truman's upset victory interrupted this scheme. But that did not concern the CIA as much as the ephemeral moods on Capitol Hill. What the CIA wanted from Congress, aside from its money, was to be left alone. In the opinion of Dulles and Dewey's secret circle, Congress posed the greatest danger to CIA autonomy. As a hedge against any difficulties, the secret circle began to buy congressional goodwill for the CIA. Congressional members found their reelection problems eased—contributions, volunteers, endorsements—and their staffs peopled with bright young assistants introduced by members of the secret circle. Most favors went to young congressional members with a promising future, politicians who someday might be Capitol Hill leaders and White House aspirants.

Richard Nixon, a member of the House of Representatives, was one recipient. Nixon had been elected in 1946. The Orange County Republican party had placed a newspaper ad to solicit a token candidate in a race against the undefeated Democratic incumbent. Nixon, just out of the Navy, applied for the job. His credentials were slim: the FBI had rejected him, his law clients had found him embarrassingly naive and his war record was mediocre. But Nixon ran with manic zest, slandered his opponent as a communist and returned a winner.

In 1947 Dewey had recruited Nixon's vote to help establish the CIA. Dewey liked Nixon's amoral pragmatism and his fierce anti-communism. So in 1948 Dewey arranged a special favor for Nixon during the celebrated Alger Hiss case.

A magazine editor had claimed Hiss was a communist. The House Un-American Activities Committee (HUAC) investigated and was about to exonerate Hiss when Nixon suddenly asked to take over what seemed a losing case. Nixon's reason for volunteering to head the investigation, according to CIA sources, was that he had inside information from Dewey.

Dewey had initially also considered Hiss innocent. John Foster Dulles, serving as Dewey's chief foreign policy adviser in the 1948 campaign, had defended Hiss and had recommended him for a job at the Carnegie Endowment where Dulles was board chairman. But then, according to CIA sources, the secret circle's friends in the agency conducted an investigation and informed Dewey and the Dulles brothers that Hiss, while a top State Department official under Truman, had belonged to the Communist party.

Dewey saw a chance to embarrass Truman, to bolster the credibility of HUAC (which Truman wanted to abolish) and to boost Nixon's career—without publicly involving himself. In late July 1948 Dewey leaked the CIA's findings to Nixon. On August 5th Hiss appeared before HUAC and denied he'd ever met the magazine editor who had accused him of communism. Nixon stood firm against Hiss while the other HUAC members accepted Hiss's version. But Nixon was uncertain about how to proceed. So on August 11th he held a rendezvous with the Dulles brothers at the Roosevelt Hotel in New York. According to CIA sources, the brothers gave Nixon their approval for a full-scale attack on Hiss, and Allen Dulles provided some ammunition: confirmation that Hiss had known the magazine editor ten years before. Five days later Hiss reappeared before HUAC and, under Nixon's questioning, began to retreat from his earlier state-

NIXON, REBOZO AND JAMES CROSBY

The presidential hopeful was an honored guest at the 1968 opening of the Resorts casino on Paradise Island.

ments. A few months later, according to CIA sources, CIA agents also played a part in leading the freshman congressman to the evidence that eventually convicted Hiss.

The scandal gave Nixon a national reputation. In 1950 Nixon left the House to run for the Senate against the popular Helen Douglas. Nixon labeled her the "Pink Lady" and his campaign literature described her as a fellow traveler of communists. Murray Chotiner, Nixon's campaign manager and his first "dirty tricks" specialist, wrote the smear pamphlets. But, according to CIA sources, Chotiner received most of his information about Douglas from CIA files that the agency provided.

Nixon won easily over Douglas and took his seat in the Senate, thanks to the assist from the CIA—and to another from the Syndicate.

In keeping with Mafia tradition, Lansky invested money in the campaigns of politicians at all levels of government. Mickey Cohen, the Syndicate's Southern California gambling chief in the Forties, later admitted to helping finance the early stages of Nixon's career. According to Cohen, the transactions were handled by Chotiner, who remained a Nixon adviser through his later ascent to the presidency. Columnist Drew Pearson reported that, in exchange for the Syndicate contributions, Chotiner used his influence to keep bookmakers out of jail in Los Angeles.²

In 1952, after only six years in politics, Richard Nixon became vice-president. His nomination was shepherded through by Dewey's backroom maneuvering. Having abandoned his own presidential ambitions, Dewey threw his support to Dwight Eisenhower. Then, at Dewey's request, Eisenhower picked Nixon as his running mate.

Allen Dulles, who had become CIA deputy director in 1951, arranged for CIA backing of the Eisenhower-Nixon ticket. Political intelligence—reports of Korean War mistakes embarrassing to the outgoing Truman administration—were leaked to the media. And agency money was slipped to the campaign through CIA front groups.

Immediately after the election Dulles was promoted to the CIA directorship and his brother was named secretary of state.

With Nixon as vice-president and Dulles as CIA director, Lansky was immune from federal laws. In 1953 the Justice Department decided not to prosecute him even though the IRS intelligence division found he was evading taxes, and in 1957 the Justice Department failed to carry through on an attempt by immigration authorities to deport him.

Throughout the Fifties the careers of Richard Nixon, Meyer Lansky and Allen Dulles prospered. Their futures seemed unlimited. But then the affairs of a little island in the Caribbean changed that outlook and inextricably bound up the collective fortunes of the CIA, the Syndicate and the White House.

2. When Pearson first aired these charges in 1959, Chotiner demanded a retraction. But after Cohen offered to supply details, Chotiner dropped his demand. Later Cohen gave a formal statement to a deputy attorney general of California. Cohen said that Chotiner and Nixon first approached him for campaign funds in 1946, and repeated the request in either the 1948 or 1950 campaign. "During that time I was running most of the gambling and bookmaking in Los Angeles County," Cohen said. "I reserved the banquet room in the Hollywood Knickerbocker Hotel on Ivar Street in Hollywood for a dinner meeting to which I invited approximately 250 persons who were working with me in the gambling fraternity. Murray Chotiner told me I should have a quota of \$25,000 for the campaign. During the course of the evening Nixon spoke for approximately ten minutes; Chotiner spoke about half an hour. At this meeting my group pledged between \$17,000 and \$19,000 but this did not meet the quota set by Nixon and Chotiner and the group was informed they would have to stay until the quota was met."

Between 1949 and 1952, Pearson reported, Chotiner and his brother, both lawyers, represented Mafia underlings in 221 cases and succeeded in keeping nearly every client out of jail. In 1952 when Chotiner was called before the McClellan Senate committee then investigating influence peddling, Nixon intervened with Senator Joseph McCarthy to soft-pedal the investigation, according to Pearson.

BATISTA, Cuban president Castillo and Nixon during a Nixon visit to Havana in 1955.



MEYER LANSKY FIRST VISITED CUBA IN the fall of 1933 on a search for molasses to use in making rum. But the island was brimming with other opportunities. Lansky befriended Fulgencio Batista, a chubby ex-army sergeant who had just ordained himself dictator. With Batista's sanction, Lansky opened several new casinos, the genesis of the Mafia's international gambling network.

Richard Nixon's first known trip to Cuba came in 1940. Roulette wheels were spinning 24 hours a day; tourists jammed the country. He was on vacation from his job as prosecutor in Whittier, California. According to Earl Mazo, Nixon's biographer, the young lawyer eagerly explored Cuba and entertained "the possibilities of establishing law or business connections in Havana."

Whatever Nixon had in mind was interrupted by World War II. The tourists stopped coming, and Lansky shut down the Cuban gambling spas.

With the Cuban economy sagging, Batista encountered political turmoil. To stay in power he had to make concessions that extended communist influence. U.S. corporations feared their Cuban investments might be nationalized. So in 1944, Naval Intelligence asked Lansky to pressure Batista into stepping down to keep out the communists.

Lansky, a staunch anticommunist, prevailed upon the dictator; elections were held, a pro-American candidate won, and Batista left Cuba for eight years of exile in southern Florida.

Southern Florida was Meyer Lansky's headquarters in the Forties. He had transferred his Cuban casino business to hotel suites and restaurant back rooms along the Miami Beach "Gold Coast." The 1950 Kefauver Senate committee discovered that a major gambling center was headquartered at the Wofford Hotel, a Miami Beach hotel run by Tatum "Chubby" Wofford. One of Wofford's yachting companions during this time was Richard Nixon.

When the war began Nixon had gone to work in Washington as a government lawyer, then joined the Navy and shipped out to Green Island in the Pacific, where he built a jungle shack, stocked it with booze and ran poker games for the other sailors. He left the Navy with a \$10,000 bankroll to invest in his new political career.

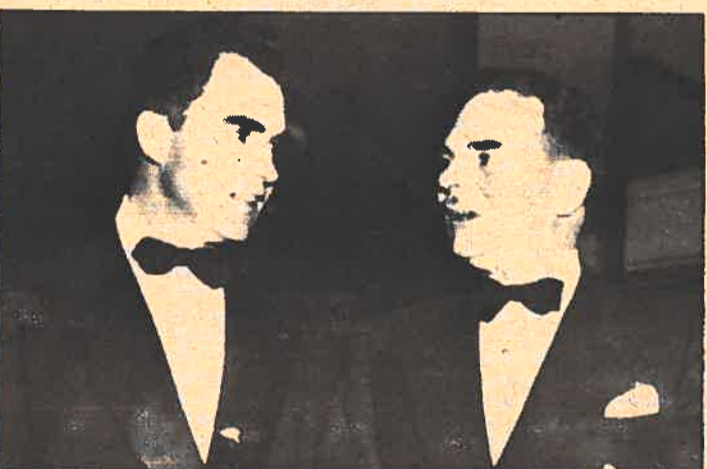
On Capitol Hill the freshman Nixon was befriended by fellow congressman George Smathers, a Miami playboy who introduced him to Richard Danner, Smathers's 1946 campaign manager. Danner, a former FBI agent, had been fired as Miami's city manager in 1948 after the city council accused him of "playing both sides against the middle" in a gangland dispute over control of the city police department. Later, Danner went to work for Howard Hughes, as Hughes's liaison to Nixon, and became a pivotal character in Watergate, but in the late Forties he was best known as a guide to Lansky's "Gold Coast."

Nixon began socializing with southern Florida's fast-buck entrepreneurs. Among them was Charles "Bebe" Rebozo. Danner said he introduced Nixon to Rebozo in 1948, when the congressman vacationed in Miami on "the verge of a physical breakdown" after weeks of tension in the Hiss case.

Rebozo, a Cuban-American, had attended elementary school with Smathers and, like Nixon, had made his first big money during World War II. Rebozo had cornered the wartime market for recapped tires in southern Florida, then had lent that money to poor families at high interest rates. Both Rebozo and Smathers—who became partners in several questionable real estate ventures—shared Nixon's earlier fascination with Cuba.

In March 1952 Batista returned from exile and resurrected his

RICHARD NIXON AND THOMAS DEWEY in 1953. The governor was Nixon's first political patron.



RICHARD DANNER
A former FBI agent, Danner introduced Nixon to Rebozo. He was known in the Forties as a guide to Lansky's "Gold Coast," and later worked for Hughes.



MICKEY COHEN
Cohen headed the Syndicate's Southern California gambling operations in the Forties and admitted to helping finance the early stages of Nixon's career.



"BEBE" REBOZO
Nixon's best friend made his first big money by cornering the wartime market for recapped tires, then lending the money to poor families at high interest rates.



FRANK STURGIS

Watergate burglar Sturgis had smuggled guns and supervised gambling for Castro, but when the casinos were closed he defected to the CIA.



FIDEL CASTRO

By 1960 Castro had deported all Syndicate members, padlocked the amusement parlors, razed the dope labs and expropriated all other American business holdings.



JOHN F. KENNEDY

After the Bay of Pigs fiasco the president said he wanted to "splinter the CIA into a thousand pieces and scatter it to the winds."

Cuban dictatorship in a bloodless coup set up by Lansky's \$250,000 bribe to the elected president in return for his abdication. Nixon and Smathers joined Lansky as ardent fans of Batista. Smathers, who had been elected to the U.S. Senate in 1950, lobbied so aggressively for aid to Batista that he became known as the "senator from Cuba."³ One month after Batista's return, Danner took Nixon on a tour of the Havana casinos. (Also along was Dana Smith, soon to become infamous as administrator of the slush fund that almost knocked Nixon out of the 1952 vice-presidential race.)

Nixon, Smathers and Rebozo used Cuba as an investment property as well as a playground. According to a law enforcement official familiar with American holdings in the Caribbean, the three held joint interests in Cuba during the Fifties.⁴

Batista had turned into a hard-line anticommunist and his Cuban regime provided a safe haven for American entrepreneurs. None were more successful than Lansky and Luciano.

According to the Federal Bureau of Narcotics, Luciano hoped Cuba would "become the center for all international narcotics operations." Luciano had arrived in Cuba in 1947 to lay the groundwork. For years there had been factories in Cuba that processed cocaine. Luciano added laboratories for heroin. Then, with Batista's return, Cuba mushroomed into a major narcotics headquarters.

Under the new Batista regime Lansky also rejuvenated gambling in Cuba. He had persuaded the other Syndicate leaders to invest heavily in a new concept: the hotel-casino. High-rolling gamblers were flown in and bedded in plush rooms an elevator ride away from dice and poker chips. Lansky and Luciano's junior partner, Bugsy Siegel, had in 1945 pioneered this concept on a dusty stretch of Nevada desert that became known as the Las Vegas Strip. But Havana's midway was even more dazzling. In a few years the Syndicate's hotel-casinos there were earning an estimated annual profit of \$100 million.

Batista arranged for legislation that guaranteed a gambling license to anyone investing \$1 million in a hotel. The Cuban government not only matched such investments dollar for dollar, but it also waived corporate taxes on all hotel-casinos.

Nixon was among Batista's frequent and well-received guests during the Fifties. In 1955 Nixon pinned an award on Batista and the two posed grandly in the dictator's palace.

BY THE MID-FIFTIES, HOWARD HUGHES, SOLE owner of the country's largest privately held corporation, also was deeply enmeshed in the dynamics of money and politics. Hughes's involvement dated from World War II. His aircraft company had not taken off financially, despite his brilliant innovations in aviation, until the war broke out. Then, due in part to a recommendation from Franklin Roosevelt's son, Colonel Elliott Roosevelt, Hughes won a \$70 million government contract for his personally designed F-11 photo-reconnaissance plane. According to Senate testimony from former Hughes aide John Meyer, Colonel Roosevelt made his recommendation after Hughes's money had helped finance the colonel's romance with an actress.

Senator Owen Brewster, a grandstanding Maine Republican angry with Hughes over an unrelated business dispute, accused him of influence-buying. But Hughes survived a wide-open congressional investigation headed by Brewster by attributing the investigation to Brewster's personal vendetta. Hughes then destroyed Brewster's career by pumping \$60,000 into the election campaign of a political opponent.

Hughes considered himself a patriot and felt he'd been unfairly singled out for practices standard to most defense firms. He turned bitter and cynical. He decided that—for his own good and for the good of the country—he needed powerful allies. The CIA was an obvious choice, as he later explained in a burst of candor. According to sworn testimony in 1974 from former aide Robert Maheu, Hughes believed that "if he ever became involved [again] in any problem with the government, either with a regulatory body or an

³ Smathers also rose quickly up the political ranks. Like Nixon, he was a World War II veteran first elected to the House in 1946 and then elected to the Senate in 1950. And, like Nixon, Smathers was a beneficiary of the CIA's intrusion into electoral politics. In Smathers's 1950 primary race against Democrat Claude Pepper, the CIA told his campaign about Pepper's alleged communist ties. The information was used to nickname his opponent "Red" Pepper.

⁴ Nixon, Rebozo and Smathers may have begun working together as early as World War II. During the early Forties, Smathers was in court defending a client accused of smuggling American-made tires through Cuba and thereby circumventing the tire-rationing laws. When Smathers encountered a delay in the case, he sent a letter to the Office of Price Administration in Washington, where Nixon was a lawyer in the tire-rationing section charged with preventing such profiteering, a job Nixon later chose to cover up in his official *Congressional Directory* entry. Smathers's father held a similar job on a local rationing board in southern Florida, where Rebozo was the area's top supplier of recapped tires. Investigators have tried—and so far failed—to prove that the trio first met during this period.



LUCKY LUCIANO, the Mafia's exiled don of dons, expanded the Syndicate's overseas connections with CIA help.

investigative arm, it would be beneficial for him to be in the position of being a front [for the CIA]."

Hughes was a tough-minded opportunist and an intensely private man, with no stockholders to question his decisions—an ideal ally for the CIA. As early as 1949 Hughes was designing and manufacturing special equipment for the spy agency. During the Fifties, Hughes began hiring ex-CIA employees as top administrators and he eventually became the country's leading CIA contractor, a position that effectively shielded him from federal prosecution.

Hughes, like the CIA and Lansky, also understood quid pro quo and electoral politics. "Everyone has a price," he told Noah Dietrich, who later recalled that the billionaire contributed up to \$400,000 each year to "councilmen and county supervisors, tax assessors, sheriffs, state senators and assemblymen, district attorneys, governors, congressmen and senators, judges—yes, and vice-presidents and presidents, too."

Among them was Richard Nixon.

Hughes and Nixon shared the same anticommunist pose. During the McCarthy era Hughes closed down his movie studio for three months to check his payroll for patriotism, and he tried to destroy Elizabeth Taylor's career because she was dating a supposed communist.

In early 1956, according to a former Hughes aide, the tycoon furnished Nixon with a secret \$100,000 to help the vice-president fight a dump-Nixon move by fellow Republican Harold Stassen. Then, in December 1956, Hughes loaned \$205,000 to Nixon's brother Donald for a hamburger restaurant. The "loan" was never repaid.

In the following months Hughes received several special dispensations from the White House. A Justice Department antitrust suit was settled by a consent decree. And the Hughes Medical Foundation, which technically owned the aircraft company, was granted a tax-exempt status that had been denied twice before, a tax dodge that saved Hughes an estimated \$36 million a year.⁵

During the next decade Hughes's interests continued to merge with Nixon, the CIA—and eventually with the Syndicate.

IN 1958 A BEARDED EX-LAWYER DESCENDED FROM Cuba's Sierra Maestra mountains with a Yankee-Go-Home revolution. Three Lansky lieutenants smuggled in a planeload of arms, stolen from a National Guard armory, to help Batista stop the advance of Fidel Castro. But Castro seized Havana on New Year's Day 1959 and Batista and Lansky fled Cuba the same day.

Lansky's brother Jake stayed behind to try salvaging the Syndicate's gambling and narcotics operations. But Castro

⁵ In 1969 Congress closed the tax loopholes enjoyed by such foundations. But the Hughes organization asked for an exemption and so far has been able to delay compliance with the new law, thus depriving the U.S. Treasury of another \$180 million.

threw Jake in jail for 25 days and, by 1960, had deported all Syndicate members, padlocked the amusement parlors, razed the dope labs—and expropriated all other American business holdings.

At CIA headquarters in Langley, Virginia, meanwhile, the agency began hatching a plan to retake Cuba.

Under Allen Dulles's leadership, the CIA had become the strategic arm of his brother's foreign policy at the State Department—promoting U.S. investments abroad and stopping the spread of communism. In 1954, for example, the CIA helped overthrow a communist-leaning Guatemalan government that had expropriated 225,000 acres from United Fruit, a U.S. company with ties to the Rockefeller family.

Castro's government in Cuba piqued the CIA for several reasons. The CIA's Soviet counterpart, the KGB, could use Cuba to launch revolutions in Central and South America against U.S. interests there. Dulles's Wall Street friends already had suffered huge reverses in Cuba: Castro had confiscated the Freeport Nickel mine, affiliated with the Rockefellers, and a score of lesser industries.

There also was the loss of the Syndicate's casinos. The casinos had been an open-ended money funnel for both the Syndicate and the CIA. Lansky had masterminded a system that allowed the Syndicate to skim winnings, evade taxes and launder illicit funds at the gaming tables. The CIA, according to agency sources, had been using the same system and the same casinos to hide its payments to the underworld figures it sometimes employed.

So the CIA planned to topple Castro with a surprise invasion. About 1200 Cuban exiles would land at the Bay of Pigs, steal through the jungle and establish a renegade government, thus providing a ruse for a full U.S. military assault against the Castro regime. The invasion plan was developed almost entirely behind President Eisenhower's back, according to author Haynes Johnson, who wrote a definitive inside account of the operation. Colonel L. Fletcher Prouty, an Air Force liaison to the CIA between 1955 and 1963, reached the same conclusion. "Eisenhower had never ever contemplated an invasion," Prouty said in a recent interview. "We had pretty specific instruction from Eisenhower on the limits of our authority. What we were allowed to do was land five or six people on a beach and have them blow up a sugar refinery, stuff like that."

But four days before the 1960 presidential election, according to Johnson, the CIA circulated a memo saying the invasion was going ahead. Two days later, Prouty recalled, "We were told to get B-26 bombers ready and to get transport aircraft ready." According to Prouty, approval for the moves came from Vice President Nixon.

Nixon was then head of the 54/12 Group, a National Security Council subgroup that supervised covert activities. E. Howard Hunt, the CIA agent who recruited Cuban exiles for the invasion, later reported that Nixon was the Bay of Pigs "secret action officer" in the White House.

Hunt had been the CIA's chief political action officer during its successful coup in Guatemala. At every opportunity he promoted the same tactics for Cuba.⁶ Through the long fall of 1960 Hunt mustered a secret army of exiles. They were run through makeshift boot camps and shaped into a strike force. Secret training sites were set up in the Florida Everglades, on the Louisiana delta and in the Caribbean. The CIA-installed government in Guatemala also provided a surreptitious guerrilla base.

Another was on Cay Sal, a rocky outcropping off Florida owned by Howard Hughes. Not only had Hughes given the CIA temporary custody of the island, but, according to one former CIA operative, he'd furnished the guerrillas with an alibi: if discovered, they could say they were rehearsing for a Hughes movie. Gerry Hemming, a hulking ex-Marine who conducted drills at one of the training sites, later recalled that he helped unload crates labeled "Toolco," then the name of Hughes's parent company. Inside the crates were camp gear and machinery for the invasion.

Hughes had a purpose for his patriotism. According to a former aide, Hughes intended to rush into Cuba once Castro fell and develop a series of resort parks on the beach front, build his own jumbo airport and buy up a block or two of casinos and set himself up as a tourism magnate. Because of the manipulative qualities of casino accounting, the aide said, Hughes hoped to turn the entire venture into an enormous tax dodge that would banish tax bills forever. Hughes apparently expected to reach an accommodation with the Syndicate. "Hughes had a lot of respect for the Mob, especially Lansky," the aide recalled.⁷ "My guess is that he hoped to form some sort of partnership with Lansky."

For Lansky and the Syndicate, the Bay of Pigs plan held far greater significance. Four ex-casino bosses—Russell Bufalino, James Plumeri, George Levine and Salvatore Granello—used trusted

6. Hunt became personally attached to the anti-Castro cause. He became close friends with Manuel Artime, the CIA-designated replacement for Castro, and Artime became godparent to one of Hunt's children. Artime also knows Bebe Rebozo: Artime's partner in a meat company, Edgardo Butlari, is a business partner of Rebozo's.

Cuban contacts to supply the CIA with scouting reports on Castro's troop and naval positions.⁸ Richard Cain, a policeman on the Syndicate payroll, also helped recruit Spanish-speaking mercenaries for the CIA army.

The Syndicate's primary representative in the Bay of Pigs preparations was Santo Trafficante, a Florida businessman who had belonged to the ruling circle that administered gambling and narcotics in Cuba.⁹ Trafficante had risen to that position partially because of a power struggle between Lansky and "Fat Albert" Anastasia, known as the Lord High Executioner of Murder Incorporated. Anastasia had tried in 1957 to recruit Trafficante into a scheme to undercut Lansky's control of the Cuban operations. Instead, according to a Justice Department account, Trafficante betrayed Fat Albert to Lansky's hitmen; Anastasia was shot five times as he sat down for a haircut.

Trafficante's contact in the Bay of Pigs operation was Frank Sturgis, then known as Frank Fiorini. Sturgis was an American soldier of fortune who had enlisted with Castro in the Sierra Maestra, smuggled guns for Castro, paraded with him into Havana and, for a short time, served as Castro's supervisor of gambling.

When Castro decided to eliminate the casinos, Sturgis defected and claimed he had been working undercover against Castro all the time.¹⁰ The CIA quickly recruited Sturgis. He led several small pre-invasion raids against Castro and, according to his own account, joined the Operation Forty assassination squad, a special CIA unit set up to assassinate Castro loyalists in post-invasion Cuba.

Richard Whattley, a fellow mercenary hired for the invasion, later recalled that Sturgis had several visits from Trafficante.¹¹ "Trafficante would order Sturgis to move his men and he'd do it. Our ultimate conclusion was that Trafficante was our backer. He was our money man." According to sources in Miami, Trafficante also infiltrated Operation Forty with Syndicate money and henchmen.¹²

As the invasion neared, work began on a plot to demoralize Castro's forces by killing their leader. Among those involved in this plot were Trafficante, Sturgis, Hunt and Robert Maheu, a Howard Hughes operative.

The CIA eventually tried several times to murder Castro. President Johnson later discovered that "we're running a damn Murder Incorporated in the Caribbean." Lansky had been the first to propose the idea when he placed a \$1 million price on Castro's life in 1959. Sturgis was still Castro's gambling supervisor when he heard about the bounty from Hyman Levine, Lansky's manager at the Comodoro Casino. Sturgis said he passed the word along to his CIA contacts.

Hunt, as the Bay of Pigs operations officer, added his personal recommendation in a memo sent to his CIA supervisors in the spring of 1960. That summer the Castro assassination conspiracy began.

Allen Dulles and his deputies decided in August 1960 to subcontract the job. They enlisted help from Robert Maheu, an ex-FBI agent who had worked for the CIA under a special retainer since 1954.¹³ Maheu, an engaging, smooth-talking operator, had quit the FBI in the early Fifties to open a private detective agency in Washington,

7. Hughes's fascination with gangsters dated back to the Thirties and Forties, when he was a Hollywood movie producer. In 1931 he filmed *Scarface*, a movie based on Al Capone's exploits. He also launched the careers of George Raft, later one of Lansky's ubiquitous casino front men, and of Jean Harlow, who became the girlfriend of the Syndicate's top man on the West Coast, Longie Zwillman.

8. These four had a specific reason for helping. They had buried \$750,000 on the island before being evicted, and the CIA promised they could recover the cash unhindered after the invasion. The information they supplied, however, was exaggerated to make Castro appear weak, and they thus heedlessly encouraged a CIA proclivity for overconfidence.

9. According to Alfred McCoy's investigation for *The Politics of Heroin*, Trafficante had delegated some responsibilities to his son, Santo Jr. "As his father's financial representative, and ultimately Meyer Lansky's, Santo Jr. controlled much of Havana's tourist industry," McCoy wrote. "Moreover, it was reportedly his responsibility to receive bulk shipments of heroin from Europe and forward them through Florida to New York."

10. The passport office had trouble believing Sturgis was a double agent and stripped him of his citizenship. It took personal intervention from Smathers, "the senator from Cuba," to reverse the decision.

11. By late 1960 Sturgis had become a leader in the International Anticommunist Brigade (IAB). According to Hans Turner, an Englishman who also served with anti-Castro groups, the IAB was "probably financed by dispossessed hotel and gambling-room owners who operated under Batista."

12. One member of Operation Forty, Juan Cesar Restoy, was charged in 1969 with being a ringleader in a narcotics operation that the Justice Department claimed was responsible for smuggling 30% of all heroin and 75% of all cocaine into the U.S. But Restoy was executed before he came to trial—amid speculation he intended to implicate the CIA in the dope operation.

A popular theory in Miami's Cuban-American community is that Restoy was killed by a special CIA unit set up to assassinate suspected double agents or others who "turn around." In a recent *New York Times* interview Howard Hunt confirmed that he first heard of such an assassination squad in the mid-Fifties. The Senate CIA committee found some evidence that a CIA operative in Latin America was killed by the unit after he tried to blackmail the agency.

13. According to his Senate testimony, Maheu also helped the CIA sabotage a mid-Fifties shipping deal that would have given the late (Cont. on 47)



E. HOWARD HUNT
The Bay of Pigs operations officer for the CIA, Hunt reported that Nixon was the invasion's "secret action officer" in the White House.



ROBERT MAHEU
After a career as a "fix-it" expert who helped arrange CIA-Syndicate murder plots and Howard Hughes's takeover in Las Vegas, Maheu's firing led to Watergate.



SANTO TRAFFICANTE
One of the ruling circle that administered gambling and narcotics in Cuba, Trafficante was the Syndicate's primary representative in the Bay of Pigs.



BUGSY SIEGEL
Siegel, junior partner to Lansky and Luciano, helped build the Las Vegas Strip and pioneered the concept of the hotel-casinos.

a firm that specialized in solving problems outside the normal channels. At the CIA he was considered a consummate "fix-it" man.

The CIA officials asked Maheu to enlist Syndicate men for the Castro murder, according to the 1975 Church Senate committee, and authorized him to pay \$150,000 for the hit. Maheu told the Church committee he hesitated initially because he feared the project might interfere with his work for Howard Hughes, who also had retained Maheu's services. But Maheu said he agreed to the assignment after informing Hughes of the murder plot—and, according to one source, gaining the billionaire's approval.

For the project Maheu called on John Roselli, Sam Giancana and Santo Trafficante. Roselli and Giancana, like Trafficante, were members of the Syndicate's ruling elite. Roselli's home territory was Las Vegas and Giancana's was Chicago—but they had helped administer the Syndicate's Cuban operations.

The CIA wanted Castro's murderers to be subtle. The CIA's first proposed weapon, according to the Church committee, was a box of Castro's favorite cigars contaminated with a botulinum toxin "so potent that a person would die after putting one in his mouth." But after Maheu's discussions with the Syndicate leaders, the CIA opted for a plan to spike Castro's food with poison pills that would leave no trace in an autopsy: Trafficante found a Cuban émigré who claimed to know a waiter at a restaurant where Castro frequently dined. In early 1961, according to Senate testimony, Maheu delivered the poison pills and \$10,000 in CIA money to Syndicate men in a rendezvous at Miami's Fountainebleau Hotel.¹⁴

When newspaper headlines reported soon afterward that Castro was sick, Maheu allegedly phoned a Syndicate contact and exulted, "Did you see the paper? Castro's ill. Wow, we got him." But Castro's illness was not related to the CIA-Syndicate assassination attempt; the pills apparently never reached his table. The CIA blamed the failure on a Castro whim to stop eating at the designated restaurant.¹⁵

The failed assassination was not the only setback in the grandiose plan to retake Cuba. Richard Nixon had been defeated in the 1960 presidential race, a turn that seemed to imperil the entire scheme. According to Colonel Prouty, the CIA had delayed the Bay of Pigs invasion because it expected a Nixon administration to approve any anti-Castro plan regardless of international repercussions. Instead, the CIA now had to obtain John Kennedy's support.

Kennedy was presented the Bay of Pigs plan as a fait accompli. "When Kennedy became president," Prouty explained, "he was suddenly told the Bay of Pigs was going to involve an invasion. He had no choice but to go along." CIA director Allen Dulles warned the young president that if he called off the plan, there would be a "disposal problem" with the CIA's 1200 exile soldiers. "We can't have them wandering around the country telling everyone what they've been doing," Dulles told Kennedy.

On April 17th, 1961—three months after Kennedy took office—the CIA army stormed the beach at the Bay of Pigs. The American people were led to believe the invasion was a righteous attempt by exiled Cubans to reclaim their homeland. But, under the friendly escort of a CIA man, four of Lansky's casino operators waited in a boat a few yards offshore. And poised in the Bahamas with enough gold to reopen the Havana tables was a Trafficante lieutenant.

Unexpectedly, Castro's patrols spotted the invaders and attacked with devastating firepower. The CIA army, accustomed only to mock boot-camp battles, scattered in dismay into swamp and jungle. CIA officials informed Kennedy that, if the invasion plan was to be salvaged, Air Force bombers would have to fly in with air cover for the CIA soldiers. But it was a need that went unmet. Castro had alerted the Soviet Union. Under that circumstance, Kennedy feared that a U.S. air attack on Cuba would be blatant provocation. He refused to send in the planes and the CIA army fled ingloriously into Castro's prisoner-of-war camps.

"No event since the communization of China in 1949 has had such a profound effect on the United States and its allies as the defeat of the U.S.-trained Cuban invasion brigade at the Bay of Pigs," Howard Hunt later wrote. Hunt blamed Kennedy's "betrayal" of the CIA and felt JFK's subsequent investigation was intended "to whitewash

(Cont. from 45) Aristotle Onassis a monopoly on oil shipments from Saudi Arabia. The sabotage included bugging Onassis's room and planting false stories about him in a CIA-owned newspaper. In other sworn testimony Maheu has admitted to hiring a Mafioso for an undisclosed but "sensitive" CIA assignment. And according to the 1976 House CIA Report, the CIA used Maheu to provide Jordan's King Hussein and other foreign leaders with "female companions."

14. The assassination planned was interrupted at one point when Giancana suspected that his girlfriend, Phyllis McGuire of the McGuire Sisters, was having an affair with comedian Dan Rowan. According to the Church committee, Maheu hired a private detective to bug Rowan's hotel room in Las Vegas. But the private eye was caught and the CIA had to pull rank on the FBI to cover up the incident.

15. Frank Sturgis gave the *New York Daily News* a slightly different account of the murder attempt. Sturgis said that a chocolate malt, for which Castro had an enduring fondness, was spiked with the poison. But when the waiter delivered the malt his hands shook so hard that Castro became suspicious and had the drink analyzed.

the New Frontier by heaping guilt on the CIA." Allen Dulles was similarly outraged.

Kennedy's appraisal was significantly different. He saw himself victimized by the CIA's reckless underestimation of Castro's strength. He felt the CIA had misled him and exploited his lack of executive experience. JFK told an aide he wanted to "splinter the CIA into a thousand pieces and scatter it to the winds."

For nearly a decade Allen Dulles had been running the CIA. The Bay of Pigs invasion had been the agency's most ambitious project ever. Dulles himself had supervised the agency's anti-Castro alliance with the Syndicate. All memos about the Castro assassination plot, according to CIA deputy director Richard Bissell, had gone only to Dulles. Thomas Dewey also had taken time out from his Wall Street law practice, according to CIA sources, to help set up front groups to funnel funds to the CIA army. Cuba was to have been the CIA's finest hour.

When Kennedy criticized the CIA for the Bay of Pigs failure, he was adding insult to humiliation. But his threats to abolish the agency were not taken seriously. The CIA was still a sacred institution with many carefully cultivated friends. Kennedy backed down. The agency stayed. But he did force out Allen Dulles in the fall of 1961. To replace the longtime director, Kennedy appointed a compromise selection, Wall Street lawyer John McCone. Dulles, however, left behind his master student, Richard Helms, as CIA deputy director of plans. Since McCone was a newcomer, he allowed Helms to keep his job, which gave Helms jurisdiction over the CIA's "dirty tricks" division and other deep-cover covert activities. Helms immediately resumed the CIA's private war against Castro.

Kennedy, miffed at Castro for the international embarrassment, did authorize some further CIA activities against the Castro government. But he apparently wanted them limited to the small-scale hit-and-run raids Eisenhower had allowed.¹⁶ Undeterred, the CIA ignored those limits and returned to its conspiracy to assassinate Castro.¹⁷ CIA officials began discussing plans that called for planting a bomb-laden seashell on the ocean floor where Castro liked to go scuba diving or giving Castro a diving suit smeared with a deadly fungicide. The CIA also reactivated plans for hiring Syndicate assassins. CIA officials apparently tried to win Kennedy's approval but, as far as the Church committee could determine, the agency's "dirty tricks" division carried out these murder plots without JFK's sanction.¹⁸

The simmering tension between Kennedy and the CIA flared up in October 1962 during the Cuban missile crisis. Top CIA officials viewed the crisis as a prelude to a second Cuban invasion and alerted the surviving Bay of Pigs army to stand ready. But Kennedy's negotiations with the Soviet Union produced an opposite result. The Soviet Union agreed to withdraw its missiles from Cuba, and Kennedy promised to end the U.S.'s undercover war against Castro.

Kennedy promptly ordered the CIA to stop organizing anti-Castro raids and to observe scrupulously the new truce. By the fall of 1963 Kennedy was reaching for a formal détente with communist Cuba.

THE KENNEDY ADMINISTRATION'S FAILURE to restore Cuba's pre-Castro heyday also had infuriated Richard Nixon, who publicly upbraided the young president for being soft on Castro. The former vice-president had hoped to reverse the new Cuban policy by ousting Kennedy from the White House in 1964. But Kennedy's soaring popularity and Nixon's embarrassing loss in the 1962 California gubernatorial race drove Nixon into unexpected political seclusion—dashing the hopes of the CIA, the Syndicate, Howard Hughes and all others who had invested in him.

Nixon's demise seemed to assure that JFK would be president through 1968. After that, Kennedy's younger brother Robert stood an excellent chance of inheriting the presidency for eight more years. By that time it might be too late to undo all the Kennedy policies. The Syndicate, in particular, was suffering under the new administration. JFK had appointed his brother attorney general. Bobby had been an investigator and Jack had been a senator on the McClellan Senate committee when it declared a war on organized crime in the

16. Among those involved in these missions were Bernard Barker, Eugenio Martinez and Frank Sturgis—all of whom later became Watergate burglars.

17. During the early Sixties, according to the Church committee, the CIA maintained a secret "Executive Action Group" set up, in the words of one official, to develop "methods for the removal of unfriendly leaders."

18. In November 1961 Kennedy confided to *New York Times* reporter Tad Szulc that he was under pressure from the intelligence community to order Castro's assassination. According to Szulc, JFK said he opposed the idea because he felt the U.S. should never be party to a political assassination. Senator Smathers, no friend of Castro, said he had held a similar conversation during early 1962 in which Kennedy "was very outspoken against taking that [assassination] line."



JOHN ROSELLI

Roselli, a Syndicate leader, was hired by the CIA to kill Castro and later helped Howard Hughes in Vegas.



JAMES HOFFA

Despite intervention from Nixon, Teamster president Hoffa was jailed by Attorney General Robert Kennedy, who discovered Hoffa's ties to the Syndicate.



SAM GIANCANA

The head of the Chicago Syndicate, Giancana was investigated by Robert Kennedy, who was furious to learn of the mobster's ties to the CIA.



ROBERT F. KENNEDY

Kennedy quadrupled the size of the Justice Department's organized crime and racketeering division and compiled a "hit list" of 4300 Syndicate targets.

late Fifties. In 1961 the Kennedy administration picked up where the McClellan committee left off.¹⁹

Robert Kennedy quadrupled the size of the Justice Department's organized crime and racketeering division and compiled a "hit list" of 4300 Syndicate targets. Near the top of the list were Chicago don Sam Giancana, New Orleans don Carlos Marcello and a business partner of theirs—Teamster president Jimmy Hoffa. RFK had discovered Hoffa's links to the Syndicate while on the McClellan committee, and his pursuit of the Teamster boss had developed into a public vendetta. Hoffa retaliated by campaigning for Nixon in 1960. Nixon, in turn, intervened at the Justice Department to hold up a Hoffa indictment for misuse of union funds.

But once RFK took command of the Justice Department, he moved quickly against Hoffa, leveling charges of jury tampering, kickbacks and a \$2 million pension fund swindle. The young attorney general also initiated deportation proceedings against Carlos Marcello. When he began investigating Sam Giancana, however, he found the mobster involved in a disconcerting deal with the CIA.

The CIA, he learned, was a partner with Giancana in the Castro murder plot. RFK was furious, but not shocked. During his McClellan committee tenure he had tried unsuccessfully to subpoena a Las Vegas mobster on the CIA's protected list. "You can't touch me," the mobster had boasted. "I've got immunity."

As attorney general, however, RFK did not seem as intimidated by Syndicate IOUs from the CIA. In the summer of 1963 Justice Department investigators shadowed Giancana so tenaciously that the mobster asked for judicial relief so he could play golf without an audience; RFK later had him booked briefly on contempt charges, the first time since 1942 that Giancana had seen a prison cell. In the fall of 1963 RFK announced he was taking his best crime fighters to Las Vegas, the Syndicate's biggest domestic gambling center and the home turf of John Roselli, another of the CIA's partners in crime.

At the same time John Kennedy began enforcing his ban on anti-Castro activities, a policy that promised to end any chance for a Syndicate return to Cuba. In the summer of 1963 FBI agents were sent to the Louisiana delta where they broke up an anti-Castro camp and seized a terrorist arsenal—dynamite, bomb casings, striker assemblies, primer cord and blasting caps. The camp had been run by a CIA front group and had been rented by the brother of a former Cuban casino owner. In September the Kennedy government issued tough-minded warnings to six anti-Castro partisans; among them was Frank Sturgis, then piloting B-52 raids against Castro.

Castro responded with a message, sent through diplomatic channels, asking Kennedy for a personal audience to discuss improving relations between the two governments. Kennedy seemed willing. He authorized a French journalist to serve as his personal emissary in sounding out Castro's ideas.

Castro felt Kennedy was sincere in this overture. In an interview after Kennedy's death, Castro had this assessment of the American president: "He took many measures against us. But I speak to you in all sincerity and try to give you the opinion I have of Kennedy. I say that truly he was one of the few men who had enough courage to question a policy and change it."

But as Kennedy moved closer to a U.S.-Cuba rapprochement, he came further in conflict with the CIA's unforgiving anti-Castroism. Dulles's protégés remained so unyielding in their resistance to Castro that Kennedy told friends he feared the agency had become too autonomous. He felt that the CIA's "dirty tricks" division particularly was not responding to presidential orders. John McCone, as Kennedy's CIA director, seemed unwilling or unable to overcome the independent nature of the CIA's old-time covert operators. Finally, in mid-November 1963, Kennedy ordered his aides to get ready for a more thorough housecleaning at the agency.

"The CIA will have to be dealt with," he told aides shortly before traveling to Dallas for a November 22nd motorcade. On that same day Kennedy's emissary opened talks with Castro in Havana. And according to the Church committee, the CIA also chose November 22nd to begin yet another plot to assassinate Castro—in continuing defiance of Kennedy's new policies.

But by the end of the day Kennedy's plans were dead with their patron in Dallas.

The Warren Commission investigated the Kennedy assassination and, after ten months, attributed it to the personal derangement of Lee Harvey Oswald, whom they described as a pro-Castro zealot. The commission's official report made no mention of a conspiracy to kill Kennedy, even though two commission lawyers raised that possibility during the investigation. According to a document declassified a decade later, the lawyers were worried that Oswald had

19. The president's inherited fortune made him invulnerable to any bribe offers from the Syndicate. But in early 1961 Judith Exner, a girlfriend of Sam Giancana and John Roselli, eased her way into Kennedy's presidential bed, a circumstance that could have given the Syndicate leverage over the young president. There is no evidence, however, that JFK submitted to any pressure. According to the Senate CIA report, Kennedy dropped Exner from his schedule immediately after learning of her underworld friendships.

been used as a patsy by anti-Castro fanatics. "The motive of this would, of course, be the expectation that after the president was killed, Oswald would be caught or at least his identity ascertained, the law enforcement authorities and the public would then blame the assassination on the Castro government, and the call for its forceful overthrow would be irresistible," the lawyers wrote in a memo. "A second Bay of Pigs invasion would begin, this time, hopefully, to end successfully."

Although Oswald was never officially identified as a CIA agent, his life history showed a remarkable similarity to the behavior of a low-level intelligence operative. As a U.S. Marine in the late Fifties he had been given a top security clearance to a CIA-sponsored U-2 base in Japan. Shortly thereafter, Oswald defected to the Soviet Union, somehow paying a \$1500 travel fare even though his bank account held only \$203. He claimed to be a Marxist and said he planned to give military secrets to the Soviets. But the U.S.S.R., according to a former Soviet agent, was convinced that Oswald was a double agent for the CIA. Two years later, in 1962, he returned to the U.S. and, despite his prior admissions of treason, was handed back his citizenship papers.

Then, in the summer of 1963, Oswald surfaced in New Orleans as the organizer of a pro-Castro group, with himself as its only member. He spent the summer in the eye of the local media, as if he wanted to be remembered for his pro-Castro antics. He distributed pro-Castro leaflets and picked fights with anti-Castroites. Oswald's pro-Castro leaflets seemed suspect because they were stamped with the address of a building used by a CIA front group—the anti-Castro Cuban Revolutionary Council that Howard Hunt had helped set up during the Bay of Pigs operation. Piles of the same literature were found later in the possession of Guy Bannister, a former FBI agent with connections to Robert Maheu, New Orleans don Carlos Marcello and Hunt.²⁰

This circumstantial evidence seemed to support the theory of the two commission lawyers that Oswald was an unwitting pawn in a conspiracy to frame Castro for Kennedy's murder. But the theory still lacked proof. Then New Orleans district attorney Jim Garrison announced in 1967 that he had secured the proof. He named Clay Shaw, David Ferrie and Edgar Eugene Bradley as members of the conspiracy. Garrison's investigation was burdened with several unreliable witnesses, however, and soon floundered. Shaw was acquitted, Ferrie died and Bradley was shown to be the victim of a mistaken identification.²¹ But Garrison's probe did produce some new evidence.

Richard Helms, who had been promoted to the CIA directorship in 1966, apparently took Garrison seriously. During Garrison's prosecution of Shaw, a New Orleans businessman, Helms became especially anxious. Victor Marchetti, a notetaker for CIA staff meetings at the time, later recalled that Helms repeatedly asked his deputies: "Are we giving Shaw all the help we can?"

Garrison claimed he had lost his case the day David Ferrie died. Garrison had counted on Ferrie to turn state's evidence. On February 18th, 1967, Garrison had revealed him as a member of the alleged assassination plot. Four days later Ferrie was found dead of a massive brain hemorrhage.²²

Ferrie had a curious background that included work for both the CIA and the Syndicate. The CIA had used him during the Bay of Pigs preparations to train pilots for the invasion, and he had showed up again in 1962 as an instructor in an anti-Castro camp outside New Orleans. At the same time he was serving as a pilot and legal investigator for Carlos Marcello, a Syndicate leader with a personal stake in Cuba. On the day Kennedy died, Ferrie and Marcello had been together in a New Orleans courtroom attending Marcello's trial on charges that grew out of RFK's attempt to deport the New Orleans don. Ferrie was a dedicated anti-Castroite. At one point he groused aloud that Kennedy "ought to be shot" for his role in the Bay of Pigs. But Garrison found several seemingly credible witnesses who testified that Ferrie had been seen conferring privately with Lee Harvey Oswald in late summer 1963, a time when Oswald was making public claims of pro-Castroism.

Also in late summer 1963, Ferrie called the Chicago phone number

20. Maheu had worked under Bannister when both were agents in the FBI's Chicago bureau during World War II. Bannister later became a private investigator and hired out his skills to Marcello. But Bannister's major preoccupation was fighting communism. In 1954 he started the Anti-Communist League of the Caribbean, which took part in the Guatemalan coup d'état that Hunt helped orchestrate for the CIA.

21. Garrison's investigation apparently mistook Bradley for Eugene Hale Brading. According to Peter Noyes, a prize-winning Los Angeles newsman, Brading had a New Orleans office in the same building and on the same floor as David Ferrie. Brading and Jack Ruby also visited the same Dallas office the day before the JFK assassination. Immediately after the assassination, Brading was picked up at the scene but was released when he told police he was an oil company representative. Brading's real job, according to Noyes, was ferrying illicit money for the Syndicate. The Warren Commission, however, learned none of this information.

22. E. del Valle, a good friend of Ferrie's who had taken part in anti-Castro raids with him, was found shot and hatched to death on the same day Ferrie died.



LEE HARVEY OSWALD

Although officially pegged as a self-styled pro-Castro zealot, he may have been an unwitting pawn in a conspiracy to frame Castro for Kennedy's murder.



CARLOS MARCELLO

New Orleans don Marcello was a prime target of RFK's deportation efforts. Marcello begged the Syndicate for revenge against the Kennedys.



DAVID FERRIE

Ferrie, a dedicated anti-Castroite, worked for the CIA and the Syndicate in Cuba-related jobs. He once said that JFK "ought to be shot" for his Bay of Pigs role.



JIM GARRISON

New Orleans district attorney Garrison said he found a conspiracy in the Kennedy assassination, but claimed he lost his case when Ferrie died.