

# VANITY FAIR

MARCH 1996

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## VESCO'S LAST GAMBLE

Outlaw financier Robert Vesco spent nearly 25 years on the run, becoming America's most infamous fugitive. In a final twist of fate, his arrest last May was not by the F.B.I. but by agents of his longtime host, Fidel Castro, and the Vesco family is finally breaking its silence.

BY ANN LOUISE BARDACH

**T**he end for Robert Vesco, America's most notorious fugitive, came not from an F.B.I. SWAT team ambushing him in a car, or through an extradition request arranged by the U.S. Justice Department, or at the hands of a kidnapper or an assassin retained by one of his registered creditors, but by order of his accommodating host: In 12 years, the Cuban government secretly allowed Vesco to live in May 1971, Vesco peered out of his living-room window in the Herrera suburb of Alabay—just a stone's throw from the residential compound of Fidel Castro—and saw four government cars parked in front. In a matter of seconds, 16 men, some in olive-green uniforms, spilled out of the vehicles and headed for the house. Across their dark parkas was written

senator, the acronym of the now-defunct Ministry of the Interior. Vesco stood dumbfounded. A savvy gambler who had deftly dodged the tentacles of every conceivable agency to capture him for 23 years, Vesco knew that something was awfully, awfully wrong.

Springing upstairs, he burst into the room of Donald Nixon, Richard Nixon's nephew, his longtime friend and business associate and houseguest of three years. "He really looked worried. He said, 'Just stay up here,'" recalls Nixon, who assumed that Vesco was about to have a business meeting with high-level Cuban officials. "All the meetings he ever had with government people; he would have one day upstairs, because he kept me out of

that loop." But Nixon quickly discerned that something far more serious was up. Vesco handed him a piece of paper and said darkly, "If they take me away, call these numbers." Then he disappeared downstairs. Nixon glanced at the sheet of paper and saw the phone numbers of Ramiro Castro, Fido's older brother, who is affectionately known as "Mingo" and who was a neighbor and friend of the Vesco family's. There were also numbers for Antonio Praga Castro, Fidel's nephew, the director of Labiotan, one of Cuba's internationally esteemed biotechnology facilities, where Nixon and Vesco were developing an alleged wonder drug called TX; Gloria Castro, then president of Labiotan, also a not-relevant; and Vesco's older son, Dan.

Five minutes later there was a knock on Nixon's door. It was a colonel whom Nixon had seen with Vesco on several

From left: Robert Vesco in 1970; in Costa Rica; the Vesco's last home in Cuba, in suburban Havana; Fidel Castro, Vesco's protector for 12 years, at the United Nations in New York in 1970.



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recorder. "Mr. Nixon, please come downstairs," he called, attracted by his pouting but as if they had never met. Democrats, Nixon saw Vasco leaving by the door in the office. "They've got Bob standing there—everybody's surrounding him, and I come around and post him. Bob doesn't say anything. Not a word. He looks totally stunned." The only other person present was Lydia Abrams, Vasco's 45-year-old mistress and aide-de-camp. Vasco did not speak in the aftermath of the struggle, says Nixon. "I said, 'What the hell is going on?' They said they're taking Tom away." Soon after his arrival in Cuba, Vasco had reintroduced himself to Tom Adams, and even if his friends and family referred to him as Tom. "Then they sat me down and said, 'You're going to be the Cuba Guy [here]. You are going to take your clothes—nothing else. We want you to be our guest, and we're going to ask you some questions. Is that O.K.?' " Nixon nodded. He knew it was not a question.

Word of Vasco's arrest leaked out slowly. Not until mid-June did the government announce to the foreign press that Vasco had been charged with "a conspiracy of being a provocateur" and "the chronic habitual with being 'an agent for foreign special services.'" The news suggested conspiracy, including the U.S. State Department, the CIA, and the National Security Agency. Rumors spread with a volcanic fury, notably one that the Cubans were prepared to offer Vasco to their western enemies, the United States, as part of a deal, until Fidel Castro put the kibosh on all speculation by announcing that Cuba would never consider turning over Vasco to his longtime enemy, despite such an offer as "successful."

The Cubans never offered Vasco to us," one administration official told me two months after the event. "The only thing they asked was if we had any information on him in terms of U.S. law." I asked him whether there was any substance to the espionage charges against Vasco. Was it possible that Vasco, in

manipulating James Bond fashions, could have been doing favors for his enemy as a double agent? The official had evidently been thinking along the same lines. "We contacted the CIA, and said, 'Is it possible he's an agent?' and the CIA said, 'No, it's not.' But when I went to Guatemala, I'll certainly ask the CIA for information and they would ask

Presidents placed at the scene of Alfred C. Smith's divorce in New York in 1968. From left, Archbishop Terence Cooke, Robert Vance, Smith's mediator, also president Charles F. Silver (at bottom), President Lyndon Johnson, former presidential general James K. Faries, and President-elect Richard Nixon. Jack Daniels (above), Richard Nixon's nephew and Nixon's business associate, is 1968.



A man whose cronies once included a U.S. president, Noriega, and Castro had no one but his family to count on in the end.

ways tell me that the person was just an agent... and I'd tell you him that day, too." As for Vasco, he said, "He would tell his grandfather, so it wouldn't surprise me to learn that other intelligence operators had looked up with him." As for one deal for Vasco, when I suggested that the only exchange Castro would consider for giving up a prize such as Vasco would be the lifting of the US embargo, he snapped, "That's a deal we're not prepared to make."

Some Washington insiders speculate that many Republicans would not as soon offer up Vasco's rights as Americans did. After all, he was believed in

1973 for making an illegal cash contribution of \$150,000 to Richard Nixon's 1972 election campaign, which means that top Republicans of both Democrats collected it. In political circles, Vasco was long known as Nixon's "agent" and some believe the amount was double or triple what was reported, and earmarked to finance the Watergate phonies. Moreover, such Republican strongmen as former attorney general John Mitchell and campaign officials Maurice Stans and Harry Sawyer saw their political lives partly hatched on their ties with Vasco. Charles W. Whittier, a Republican who did not want to finance the biggest scandal in their party's history, says Vasco's return would guarantee—especially in an election year—"These people are so afraid of him coming

back," says Dan Vasco. "They wouldn't know what to do with him."

Few American writers have inspired as much mythmaking as Robert Vasco, who, according to a 1972 civil complaint brought by the Securities and Exchange Commission, stole \$25 million from his Swiss-based mutual fund, Investors Overseas Service (IOS), the equivalent of \$90 million today. The two decades Vasco outwitted and humiliated a multitude of partners—first slipping into the Bahamas in 1966, settling in Costa Rica from 1972 to 1978, then drifting back to the Bahamas.

As the world closed ranks against him, he found unlikely sanctuary in Nicaragua as the guest of the Sandinistas before turning his back forever on his country by fleeing to Cuba. One State Department official who blames Vasco on Nathan Detroit in *Gypsy* and *Boyz* "erring the obvious floating crap game," says, "The last time we had anything to do with Vasco was when we arrested a top gay courier James Freney on bank fraud in the Caribbean in 1980. [Freney's conviction was later overturned.] He said, 'You can't do that. I need to help up Robert Vasco for your guys and should protect it.' It turned out he was right. There was a paper on bringing Vasco into some bank deal through Cuba, but Vasco

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got suspicious and saw a phony Vesco in his place, who was kidnapped and killed by federal agents."

James Williams, a bond trader and petty criminal, claimed that in 1975 he was hired by Robert Fiske Jr., then U.S. attorney in New York and now a special prosecutor in the Whitewater investigation—to assist Vesco. (In 1976, Fiske called the charge "propaganda.") After he was apprehended near Vesco's home in Costa Rica, the two men became friendly, according to both Williams and the Vesco family. By the late 80s, however, Vesco's outlaw status had hopes to fade. In 1988 a Jacksonville, Florida, grand jury charged him with drug trafficking in an indictment which alleged that Vesco had moved to a madman in Colombian drug king Carlos Lehder, a soaring permittee to fly planes carrying cocaine through Cuban airspace. "He had been a left hero. Hey, he ripped off a quarter of a billion dollars and got away with it," says Dan Vesco. "Now he was branded a bad-ass drug dealer. It was a disaster."

Perhaps the most persistent myth was that Vesco was living like a Saudi prince in Cuba, sipping between his hand-drawn Havana martinis and his 300-ft. yachts when he wasn't aboard his yacht or his jet. True, he lived a life of luxury for two decades, but for the last three years Vesco has been scraping to make ends meet. "He told me that he was broke, that he could barely pay his rent [about \$5,000 a month]," says Donald Nixon. Another source says that at the time of his arrest, Vesco owed the Cuban government \$91,000. Vesco told Nixon that he had had funds in a Russian bank with a branch in London, but that when Moscow's support for Cuba collapsed in 1990, his account disappeared.

In the fall of 1994, I paid the first of several surprise visits to the Vesco house, described as a "beautiful villa" in *The New York Times*, and was taken aback by its ordinariness. While it was in one of Havana's better neighborhoods, it would be considered commonplace in any upper-middle-class American suburb. A simple, white, shingled two-story house, it was several miles from the beach and ringed by a distinctly anglo-american chain-link fence. In the driveway were two cars, an old Russian Lada that Vesco drove and a 1982 silver Honda Civic, used by his wife, Pat, before she left the island three years ago to assist her aging mother-in-law in Florida. On the first floor were a modestly

furnished living room and an office. Upstairs were three bedrooms. A few family photos were the only luxury touches.

Shortly after Vesco's arrest, I spoke with his son Dan. We had previously talked several times about my interviewing his father and the family, but until Vesco landed in Cuba's most dreaded detention center, not a single member of his family had ever broken ranks and talked about him in a journal. I met 48-year-old Dan and his youngest brother, Patrick, who is 20, in Dallas in October. Dan, 47, is an affable fellow with a deep infectious laugh. He is a self-made millionaire, a fact that has attracted

the attention of intelligence agencies and his father's enemies, who accuse that he has either sheltered or had access to his father's money. Dan denies the charges. After hearing back several lawsuits, Dan changed his name to Dan Williams in 1987 to discourage such curiosity and did not reveal to Vesco until 1991. Nevertheless, he admits that his father's wealth did give him and his siblings a head start. "My father had set up trust funds for all the kids," he said. "Each of us got about \$250,000." But Dan says his money soon went up in smoke. "I went into the safe-deposit-box business when I was living in Florida. It was about the time they dropped the drug charges on Dan. My name became poison. My wife and kids left me. I was piss-poor." In the early 70s, he made and lost another fortune. His current wealth comes from investments in fitness clubs and furniture manufacturing.

"Daddy has all the damn his father doesn't have," says one family friend. "They're like 180 degrees apart. Dan is a billionaire, maybe a hundred thousand more so than his father." Though Dan is now his father's staunchest supporter, lobbying both the U.S. and Cuban governments on his behalf, their relationship has never been easy. "My father is a difficult man," Dan says. "He's very ambitious, a workaholic and a perfectionist—you could say a control freak who has

to-do things a certain way." Dan himself. Dan received a fax from his mother-in-law Cuban lawyer. "Dan, my brother, O.K. for the moment." He also wrote, "You are now the head of the family."

A student at Lehigh University says his father fled the country. Dan once hoped that Vesco would maintain legal problems and maintain the States. From 1962 to 1965, Dan angrily severed all contact with his father over

his decision to return to Cuba. "During that time, I hated Vesco as a member of the family," says Dan. "In general terms, we have had a relationship on and off for the last 20 years. I had several adventures of writing, traveling and making investments. That didn't mean Vesco didn't support me, but I disagreed with his decisions." Indeed, until now no one has ever really understood why Dan Vesco chose to abandon his father and become his most fervent foe.

Robert Leo Vesco was born in Dallas in 1933 to an Italian-American father who worked on an oil-well nearby and a mother of Yugoslav heritage—both FDR Democrats according to Dan. Vesco also frequents "bitter heads" says his father, Donald Vesco, who died in 1984. Vesco's mother, Barbara, 62, tells me in her living room in Orlando, Florida, that "he was always a real go-getter, the real goods." She contrasts his worldly ambitions with those of his older sister, who became a psychologist. "They got on poorly," Barbara says. "Dan adds, "I'm sorry he's hardheaded." As if he dropped out of high school and married his neighborhood sweetheart, Patricia Bissari, who came from a nearby community. The Republican family Vesco returned out as a draftsman, was later hired as a junior engineer at an oil-refinery company, and by the time he was 24 was a shareholder in another shareholders company.

A pioneer Wall Street trader, Vesco accumulated his fortune by buying and selling cash-stopped companies. At age 31, he moved his family to Fair Haven, New Jersey, where he built a country estate, a pool, a yacht, and a mansion. *Continued on page 50*

Vesco handed Donald Nixon a piece of paper and said darkly, "If they take me away, call these numbers."

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continued from page 39) current in American politics and Richard Nixon, an already retired Henry Fears, a Republican state senator, as his lawyer and soon secured a lofty title as a campaign party power broker. Nixon would become a key figure in Nixon's re-election campaign operation. Vesco also met William Sears, Nixon's finance chief, and John Mitchell, Nixon's campaign manager and later his at-

torney general. "They wanted it in cash, and that was that," says Dan. (A curious footnote to the scandal, according to Patrick Vesco, was that when Nixon was forced to return the money,



175-foot yacht, *The Patricia*, in the Bahamas and his Boeing 707 in Panama, where he conducted some of his business. Martin Noriega, then head of Panama's military investigations, because a friend, and when the Justice Department confiscated Vesco's jet and his yacht, he agreed to his Panamanian pals to help get the boat back. In 1975, Vesco departed a "yacht club with Panamanian flags," according to Dan, in the South Florida marina where *The Patricia* was guarded by Dominican mercenaries.

"Vesco would sell his grandmother, so it wouldn't surprise me to learn that intelligence agencies had hooked up with him."



Neighbors protest Vesco's home in Nassau in the Bahamas, 1972. The Vesco's \$1.4 million yacht, *The Patricia*, which U.S. authorities confiscated and moved to Florida in 1974, and which Vesco stole back in 1975.

torney general. The Vesco family were U.S. gamblers at both of Nixon's inaugural balls.

Though most Vesco-watchers believe that he sealed his fate when he fled from S.E.C. and civil charges in 1972, Vesco himself now things quite differently. According to Dan, his father believed he had entered into a deal with Richard Nixon and the Republicans there and was simply fulfilling his part of the bargain. Vesco, says Dan, admitted making a \$250,000 donation to Richard Nixon's 1968 campaign, but he claims that it was never to appear in the S.E.C. investigation into him and Nixon, which Vesco had started from the border, the Embassy in Geneva

"the check bounced" and had to be reissued. Vesco's subsequent flight to Nassau, according to his son, was as much to protect Nixon as himself.

"I was actually in the room with him in our home in Costa Rica when he received the phone call that the scandal had come in not guilty against Mitchell and Sears. And to make the correction, to me that they should consider the fact that he did not go in there and testify as another contribution to the Republicans," says Dan. It was his father's understanding that Gerald Ford's first order of business, when he became president in 1974, would be to pardon Nixon and his second would be to pardon Vesco. But as the Watergate scandal deepened, a Vesco pardon became unthinkable. "His fall he had walked the distance for the president and the Republican Party," says Dan. "So he made the decision not to come back. The fall he had delivered as his end of the bargain and was being by the U.S." (Former president Ford denies considering a pardon for Vesco.)

In 1972, Robert Vesco found the best friend he would ever know in José "Don Pepe" Figueres, then president of Costa Rica. Their relationship was solidified by a \$2.1 million investment Vesco made in one of Figueres's companies. For the next six years, Figueres snubbed all extradition requests for his tycoon guest and even passed legislation known as the Vesco Law which guaranteed that Costa Rica would not extradite him. Vesco bought an estate in San José's most affluent suburb, a ranch, and a dairy farm. He kept his

"They showed those official papers in Spanish to the Panamanians who were guarding it, and they tried to call somebody, but it was Sunday night and the judge was out of town—as planned," says Dan. "So they pulled out to sea." For years the yacht was filled Vesco with gold, in the early 80s, when he met with a court-approved negotiator in the Bahamas to try to settle some of his financial problems, he was asked which boats in the marina were his. "What reference does it make?" he asked. "You can't hold on to them, I'm going to take them back anyway."

On July 22, 1982, President Figueres personally petitioned President Nixon to intervene in the S.E.C.'s complaint against Vesco. "I am concerned that any adverse publicity emanating from the S.E.C. against Mr. Vesco might jeopardize the development of my country. My son Martí [whose brother is currently president of Costa Rica] recently met with your brother Edward [Donald Nixon's uncle], in New York through Mr. Vesco . . . and we have intended to him in Honduras to visit our country." When the world looked across against Robert Vesco, Figueres approached Fidel Castro on his behalf. Things got busy in 1978, when one of Figueres's successors was elected on an anti-Vesco campaign. Since the Vesco Law was rescinded, forcing the fugitive back to Nassau. Consequently, when Dan married his Costa Rican sweetheart, he had to have two weddings, one in Costa Rica, where "Don Pepe stood as for my father," and another in the Bahamas.

In 1982, when a crowd of Figueres's former Lutz Alberto Mergel took power, Dan was hopeful that his father would return to Costa Rica. By then even the Bahamas had shut Vesco out, forcing him and Pat to seek sanc-

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stay in Antigua briefly and then in Nicaragua for nearly a year. The arrangement was organized by Figueres with the Sandinista minister of the interior, Tomás Borge, who Vesco said "was running the revolutionary concept that the entry of my cargo is my friend." When Vesco had been in Antigua, Das mistook his escape. "With U.S. agents closing in on him, Dad was forced to flee Antigua on a private boat, which dropped him off on the coast of the island of Saint Martin. After swimming the last 30 yards to shore, he left the island wearing a pilot's uniform in a plane which was regularly chartered by the president of Mexico and from the presidential seal from Miami, where I had been living. I arranged for that aircraft to be waiting for him."

To achieve his father's return to Costa Rica, on the basis that Vesco had a Costa Rican-born son, Pérez-Das immersed himself in intense political jangling, but in vain. Just three days after Monge took power, Vesco showed up at the San José airport. His genuine arrival embarrassed and infuriated the new president, who insisted by kidnapping Vesco over to leave the airport. "Why not wait until the guy gets his godfather in the presidential palace?" says Das incredulously. "On one level, it was an ego thing, but it really hurt it was a chess move—a message not only for Costa Rica but for the U.S." Previously, Vesco had snaked back into Costa Rica through the collusion of Figueres, "who sent two Vescos to pick up Dad in Managua and fly back to Costa Rica." One served as a deputy, the other headed for Figueres's hacienda, where Vesco hid out until he returned to Managua.

"But that's not what pissed me off," says Das. "I'll tell you what did. I just will live at six minutes, then took this plane out of the country to a private landing strip in the woods used by the Sandinistas. Basically, he took the position that I wasn't doing enough for him. He came down pretty hard on me, and then he announces that he's going to Havana! And I said, 'Give me a break! I'm living in Miami, and you're gonna live in Cuba! Don't we have enough problems?' And I said, 'Fuck you, those are not my problems!'"

It took five years for Das to calm down, and then it was his, not his father, who initiated a reconciliation in

1987. When I ask him if his father ever admitted to mistakes, he says, "I'll tell you the one that he told me he made a mistake. When he took over I.O.S., Moshean Kikis [the international tycoon and an I.O.S. shareholder] and my father had dinner in London, and Kikis offered to buy Dad out and take I.O.S. from him at like a \$10 million profit, and Dad said no. Ten years later he said, 'I made a mistake. I should have sold it.'"

Patricia Vesco has a short bob of grey hair, pale skin, a scattering of freckles, and sharp blue eyes shielded by tortoiseshell glasses. Though she was once a Goldwater Republican, her years in Cuba transformed her. She says she returned to the States three years ago to care for her mother-in-law, making no mention of the obvious fact of her husband's subsequent affair with Lyda Alfonso. She says, "I miss Cuba. The pace is so quiet and easy. From 1982 to 1985, Fidel didn't even admit we were there." When Castro did admit that he was harboring Vesco, he denounced the U.S. for persecuting him, saying that Vesco was "harmed like a dog through the world. . . . We don't care what he did in the United States. We're not interested in

Few Washington Republicans want to revisit the biggest scandal in their party's history, which Vesco's return would guarantee.

the money he has." Pat Vesco says, "We weren't exactly under house arrest, but we had to cool it." When I ask her about the charges that her husband worked for the C.I.A., she laughs. "If he was working for the C.I.A., then I'm going to apply for back pay and readjustment." I learn later that since her husband's arrest, she has been without funds, and Das has left her money to make ends meet. She says that the best days of her marriage were the "early days," adding quietly that "money didn't make it better." I ask her if it was a difficult marriage. She hesitates, then says carefully, "He was demanding. Maybe that's the way to put it."

Donald Nixon met Robert Vesco in 1971 through friends of his father. Donald's son, a then new executive, Donald had recently come back from serving a year and a half in Vietnam. Long viewed as the black sheep of the Nixon clan, he was certainly unqualified not to do anything that could embarrass his uncle the president. "A lot of people suggested that I leave the United States," he says with a trace of resentment. "Another election was coming up, and I was doing things that I'd rather not discuss."

Even today, at 50, Nixon has the demeanor of a hyperactive teenager, and Pat Vesco refers affectionately to the Nixon-Vesco relationship as "25 years of baby-sitting." Vesco already saw the value of having a Nixon on his payroll, and offered him a job at I.O.S. "I made introductions," says Nixon. "I opened doors for him." A Canadian company operating out of Berkeley, I.O.S. in its peak in 1969 managed about \$7 billion, much of it "black money," meaning illegal funds. Das Vesco says he fathered 100 kids. "The seedling was an Egyptian general who smuggled his cash out by ingeniously implanting it in a carrot." Vesco also told his son that among I.O.S.'s largest investors was

the C.I.A., with \$150 million in the return fund pool in the C.I.A. espionage case. "We do not comment on such allegations," says Vesco's attorney. Many ordinary middle-class Americans, including G.I.s, also invested in the fund. For young Nixon, the relationship with Vesco was tricky. "It's a predicament," Nixon says. "She always hands over total control of everything." On the downside, he says, "he pushed the limit—gave to the man always. We worked until we dropped. It was the craziest, most wonderful time of his career."

When Vesco fled the country, Nixon went with him, to the dismay of his family. "I lived with him in Costa Rica for a couple of years, from 1972 on." But before Vesco chose the "extrajudicial" to Managua and later to Cuba, Nixon, with his wife, Helen, and their son, returned home to California for 14 years, he says, he and Vesco went separate ways. Then, in 1985, Helen was stricken with breast cancer. Following a mastectomy and chemotherapy, she was afflicted with crippling arthritis and given the

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years to live. In 1989, Nixon was introduced to a local doctor who had developed a drug line called "cancerol," or TX, derived from the alkaloids plant, which Nixon claimed cured cancer. Soon after Nixon began taking a daily dose, Nixon says, his arthritis disappeared, and she has remained cancer-free ever since. Nixon decided to go into business with the doctor to market the drug, but after three years of resistance from what he calls "the cancer conspiracy" he gave up hope for any clinical trials in the States. In late 1992 he contacted his old pal Vesco and suggested a partnership.

According to Robert Vesco's family and friends, the impetuous corporate raider found a previously unknown degree of government in Fidel Castro's island fortress. Nixon recalls telling Vesco, "My God, you're stuck in Cuba." And he said, "I've got everything I want." For Mrs. Cuba was a wonderful place. For the first time in his life Vesco felt safe from lawsuits and kidnappers. An empty lot across the street from his house in Atahay was in fact a lookout for his 24-hour security detail. "Dad didn't get in the car and go for tennis at the yacht without them being behind him," recalls Dan. As the years passed inevitably, the security detail was reduced and the surveillance cameras Vesco had had installed were turned off incrementally. According to Patrick Vesco, the house was burglarized on five occasions by local kids.

In the high-flying days of 1958, Vesco had made a name for himself with the babies of the night. The English and girl Norma Levy, whose association with two Conservative Cabinet ministers precipitated their resignation in 1973, writes about Vesco in her memoir, *I Wasn't*

Sometimes things in Eastern of 24 weeks or more (to his best wife). We would arrive there at around eight... and stay until the late end of hours of the night... He used to live it as if he was on the island now... There would be about a dozen families of Dan Vesco on side table found the more, an occasion when he'd of the first in my opinion... With him would be a collection of international leaders, mostly South Americans, but some Swiss and a few Americans. In the middle of it all, rather like the argument of a circus, was the brilliant figure of Vesco himself... He would give us \$1,000 each if we stayed with me tonight and another \$500 if we had to stay here.

At one Vesco's wedding in Nassau in 1970, were Mr. BSB and Diana Adkins (in second, Donald and Barbara Vesco (Robert's parents), Robert and Patricia Vesco, Bobly with Edie Patrick, Dan, Tony, and Lou and Dee Blazer (Pat's brother), Nelson, Vesco, Pat, and the children in Switzerland in 1970, shortly before he took over I.B.S.



Dawn Vesco describes the Vescos as "just another dysfunctional family."

Vesco quickly discovered that such ostentatious displays of wealth were to be eschewed in Cuba, and he made the transition without complaint. He took to wearing a short-sleeved, button-down, traditional Cuban shirt, over jeans with Top-Siders. However, Cuba's rich cultural and art world held no interest for Vesco, whose tastes and hobbies remained decidedly blue-collar. His favorite haunts were the Diplomatic Club, where he went bowling, and the Hemingway Marina pier. A virtual nomad, he allowed himself a two-pack-a-day Kent habit. "He lived in suit and fed, especially night fishing in Cayo Largo," says Patrick.

"What he probably talked most about America," says Patrick Vesco, "was gambling in Vegas." Vesco was known during in Cuba that he had always done: smoking and dealing, providing companions to deliver urgently needed goods to the embargoed country. "He got involved in pharmaceutical products, educational projects, computers," says Patrick, "and he bought a lot of agricultural land."

Vesco has dined at one time or another with every member of his family except Patrick, the youngest of his five children. "He could do no wrong," says Nixon, born in Costa Rica in 1975. Patrick has lived most of his life in Cuba, and he misses his father. "He's

the most compassionate person that I've ever met," he says emotionally. "There are certain principles that he has by like you don't see on a field." A junior at a college in the Southwest, Patrick was scheduled to see his father only days after his arrival. Though chilled by recent events, Nixon still speaks of his adopted country with palpable order. "Castro is a power because a lot of people like him, not because he has this great suppressive reaction on his people," he says. And like a true Fidelista, he rails against the U.S. embargo of Cuba. "That thing is not a lot," says Patrick. "He said he was a very benevolent guy."

Before moving to Havana, Patrick lived with his parents in Nicaragua for roughly a year. "It was an era there, it was very good," he says. "One day a guy came in and shot off a machine gun. I was sitting on a bed in the greenhouse, and the bullets were flying from my head." Aside from the danger, Vesco was concerned about his worsening health, notably a unrequited condition which requires monthly hospital visits for treatment. "My father had lost 20 pounds, and his skin was a strange color," recalls Dan. "He was going to die," says Patrick. "He needed serious health care." Vesco told his family that Cuba's superior medical system was a key factor in his decision.

"Initially I hated Cuba, because I had heard all these things about it," says Patrick. "Then I started to realize

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...the Cubans. Every Sunday everybody in the neighborhood would play baseball, and my father would play softball. Now I think it's a great contrast." Unlike his father, Patrick became an aficionado of Cuban music and film. Known as Patrick Adams, he went to the international school in Houston for the children of diplomats and immigrants and told his friends at the time that he was Canadian.

When Patrick was 10, he met Fidel Castro at the ONCO hospital, where his father had taken him for a consultation. "Fidel saw Tom and came over and shook his hand. And Tom said, 'That is my son.' Fidel said, 'Ah, an American.' And he shook my hand." One day five years later, Patrick came home and found Castro talking with his father in the living room. "Fidel asked me what I was doing. I told him I was playing with my Cuban friends. He said, 'Baseball. It's a great sport.' Then I went upstairs. They must have talked for an hour after that. I know Dad had at least one meeting with Raúl [Fidel Castro's brother, head of the Cuban military] about the security that was around the house, and several meetings with Fidel. He said that Raúl was the architect of the two brothers, the more militant." About Mergo, the older brother, who is the most popular Castro and who drives a tractor around Havana in his cowards, Patrick says, "Dad said that Mergo was more of a farmer and that he related more to him. We would go to Mergo's house and drink rum." Patrick says his father acted as a counselor to Fidel. In fact, Vesco told his son that it was at his urging that the Cubans began loosening up economic controls and legalizing the dollar.

Vesco's relationship with Cuba is a long one. In 1977, five years before he moved there, he engineered one of his splittest, backdoor deals via Cuba when he attempted to arrange delivery of a fleet of eight military cargo planes to Libyan strongman Muammar Qaddafi. The planes, which had been paid for, were subsequently sequestered by the Ford and Carter administrations in retaliation for Libyan support of terrorism. Vesco flew from Costa Rica to Havana to Terpil via Moscow to broker the transaction. The deal prompted

a 1980 congressional probe which investigated allegations that Vesco and the Libyans had planned to offer a \$15 million bribe to Carter administration officials, in addition to a \$250,000 payment to Billy Carter, the president's brother. Dan Vesco claims his father did the deal solo.

Sandwiched between Dan and Patrick are three other Vesco children: Tony, 38, a disabled young man who now lives in a midwestern halfway house; Bobby Junior, 31, divorced with young children, who lives in South Florida, where he works as a security guard; and Dawn, 25, the only daughter.

Dawn Vesco lives in a Virginia suburb, where she holds down two jobs, takes courses, and looks after her 16-year-old son, Robert Lee Vesco, who is called R.L. Dawn, who has had her own share of troubles, she is an awkward mother and has had a cocaine-and-alcohol problem, which

also led to her arrest in Du-

Alfonso knew her  
paramour only as Tom Adams. One day  
he told her he was Robert Vesco.  
"I said, 'Who's Robert Vesco?'"

burg—describes the Vescos as "just another dysfunctional American family," adding, "but most of our problems have stemmed from my father's decisions. We were just dragged along."

From 1982 to 1989, Dawn lived with her parents in Cuba, and continued to visit them regularly through 1992. She is bilingual and often translated for her father, who never learned to speak fluent Spanish. In the mid-80s, Dawn made friends with a fellow American who introduced herself as Robert Hunter. "We were drinking buddies," she says. "He told me he was involved in Abcam," the Washington bribery scandal that implicated the careers of several U.S. congressmen. One day in 1992, Dawn says, "he told me to my face, 'They're gonna bring down your father. They're going to send up all the foreigners and arrest us all. They're going to make a deal with the U.S. and trade us and hope it opens things up.'" Dawn as-

sumed this was another bribe until she returned to the States and saw a photo in a newspaper story about Frank Terpil, 55, the former CIA agent turned soldier of fortune, who was high on America's most-wanted list for selling weapons and explosives to the Libyans in the late 1970s. "I realized, Oh, my God, it's him," says Dawn. "Robert Hunter is Frank Terpil." Terpil was reportedly placed under house arrest in 1995, less than three months after Vesco. He was accused of illicit dealings with foreign businessmen. According to the State Department, Terpil and Vesco are only the cream of the fugitive crop: being in Cuba, 77 fugitives from U.S. justice live there, including three former Black Nationalists.

Though Cuba lags in virtually every segment of its economy, it is internationally respected for its pioneering work in biotechnology. Knowing Cuba's capability, Vesco recognized that Donald Nixon held a potential golden goose in his hands. With his legendary zeal, according to Nixon, Vesco began lobbying the Cuban government to develop TX at Labioles, one of the country's premier biotechnology facilities.

When Nixon arrived, he found his friend considerably changed. Nixon says he was shocked at the degree of Vesco's instability and unbridled ambition, and found him prone to rash decisions and temper tantrums. "I'll just say life with Bob was difficult," says Nixon. Nevertheless, Vesco was still a world-class networker and single-mindedly committed to launching TX. "His goal was to get this to bed, go down to Cayo Largo A.S.A.T., have a few machines and possible phone, and kick back on the beach," says Nixon. "This was going to be his last hurrah."

One of his most ardent biotech boosters, according to Donald Nixon, was Ramón Castro, Fidel's former brother. "Me and Bob went over to talk to Ramón," says Nixon. "Ramón's pet pig had a foot infection and it would have died. They put it on them, and the stuff got rid of the infection immediately. And the whole family started using it." Introductions were soon made to Preysa Castro and Gloria Castro, who jointly run Labioles. Though Nixon had criticized the project, Vesco made it clear that he alone would be in charge. "I knew only what he wanted me to know," says Nixon. Even when Mergo



## Dispatches

Control with would-be Nicos in dinner, Vasco would forbid his going.

About the same time that Vasco became obsessed with producing TK, he formed his attachment to Leda Alfaro. In October 1993, I dropped in at the home of Alfaro in Playa, on the outskirts of Havana. The crowded, three-room apartment she shares with her 13-year-old son has furnishings of a quality rarely seen in the homes of ordinary Cubans. And the atmosphere, givenly the worn—three gold medallions, bracelets, and numerous rings—is suitable in a country where a simple watch is not affordable for many.

A woman of physical and emotional fortitude, Alfaro sports long, red-lacquered nails. Her messy black hair ripples her shoulders, and her eyes are blue-green. Wearing wrap (overalls) a Neoclassical white eyelid shadow, she looked striking but not beautiful. Her most recent quality is her frustration. Not only did she refer me into her home, she spoke with neutral candor about her life with Vasco, at a time when the

"The following day he was interrogated by counterintelligence." When I visited a number of Vasco's household staff, in fact, was asked with worry. Like many who had had extensive dealings with Vasco, he had been subjected to nearly a month of grillings at the Villa Marista prison in the run-down Havana neighborhood of Vedado. The questioning sessions sometimes lasted 12 hours. At one point, he asked eyes were red and swollen. "The reaction Vasco at this moment is really dangerous. If they ask me, I will react to all these that you carry here and asked questions."

The first time Alfaro spoke with me, she had recently been released from Villa Marista. According to a family source, she had been arrested after she met with Vasco's personal lawyer, who had flown from Rome—Vasco had renounced his U.S. citizenship and taken Italian citizenship in hopes of meeting with his client. Cuban authorities refused his request, allowing his contact only with Vasco's Cuban lawyer. When I mentioned that I had heard she was

detained for 14 days in Villa Marista, Alfaro quickly corrected me: "Fifteen days... but I let her longer."

Villa Marista, which was once a Catholic school, is known on the streets of Havana as "the prison's school." Though Cuban beans that it never creates physical torture, psychological torment is not uncommon. When I asked Alfaro to describe her stay, she said, "It was very bad." She shared a cell with a woman she described as "crazy" and was allowed no reading material or exercise. She was interrogated daily by two

men: "officials." There was nothing to do but think," she said, "and thinking is dangerous."

I asked Alfaro if she could elaborate on the charges against Vasco. The prison's source said grimly: "No one knows."

Donald Nixon's experience was considerably less grating than Alfaro's. Installed in the Rio Caribe hotel, he was questioned on and off for a month during which he says he lost 77 pounds. Sometimes he was questioned in the Mexico. "They took me there in a van and said, 'This is José Langley Wilson (headquarters). You know Langley, don't you?' I said, 'No, I don't know Langley.' The whole place is counterintelligence. Inside, he saw Vasco's staff, immediately wanting to be interrogated. Nixon's interrogation was conducted by Major Francisco Díaz. Díaz began their session, Nixon recalls, by saying they knew that he was CIA, and that "the [TK] program is CIA, and it's handling money in the international drug market. They said I was trafficking drugs. I said, 'You're out of your mind.' They said, 'What you're not telling the truth, and if you don't, you're going to go to jail.'"

They said they had information that the project was stopped on December 23, 1994, that Tablada was controlled by the Ministry of Agriculture, and that the minister didn't know about it. Well, if they didn't know about it, how come I have a contract signed by Fidel Castro, Gloria Castro, and Ramón Castro?" Díaz finally put a prepared statement in front of Nixon to sign. "It was totally negative and would put them in a terrible light. I said, 'I won't sign this. We really live charges. The last charge they said, 'If you don't sign this, you are not leaving.' I said, 'Where do I go?'" Nixon showed his need to reject the statement. Asked what was his response, Nixon said flatly, "My son's going to be the Mitrokhin." Cuban intelligence certainly knew that the Nixon family is not Jewish, but they didn't know that Donald had married a Jew and converted. In the States, meanwhile, Nixon's wife, Patrice, says that by working the Nixon power network, "She got hold of Christopher Cox (an agent from California's Orange County) and also Ben DeLoe," says Nixon. The only reason to get out, he thinks, is because his name is Nixon. "If I was Joe Schmo, I'd be there for the rest of my life with Vasco."

Unfollowed to Veracruz, he must have been a non-dying a full year before his arrest. One Cuban official who defected to the U.S. says he was told at the time that Vasco was preparing to grant "A [TK] in Mexico" and that when he returned to his base that he was planning on stopping by the Yucatán because he was being told not to come. The word was that Vasco had in trouble for carrying low-level officials.



"I said to Dad, 'I'm living in Miami, and you're gonna live in Cuba! Don't we have enough problems?'"

more measure of his name was one with a eddy sense.

The day after his father's arrest, Patrick Vasco, who was drinking spring water, called his few friends in Cuba. "His name appeared in phone call said, 'Even if my son could speak to you, he wouldn't.' I called a friend we played baseball with," says Patrick.

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Howard Saft, a former federal prosecutor, takes some credit for turning Vesco's image in Cuba, according to a brief story in *The New Yorker* last July. Claiming to have masterminded the sale of an airplane out in London, Saft seduced Vesco's help in finding some gold bars. Vesco arranged to meet Saft in the Turks and Caicos Islands, where Saft intended to have him arrested. At the last moment, however, Vesco's friend Tony de la Guardia, a high-ranking Cuban colonel, kept Vesco from going. A second wire also nearly culminated in Vesco's capture when Vesco rendezvoused in Montego Bay with Saft's team. Minutes before he was to board a private jet, Vesco was once again restrained by a mysterious de la Guardia. In the end, Saft was able to smuggle Vesco into six another wire, a dummy corporation that Saft promised would deliver communications hardware to Cuba. Vesco got the Cubans to advance a million dollars, for which they got nothing in return.

Dave Patrick cooked a dish concerning the IX office. By December 1954, two new officers had been assigned to Vesco's security detail. "In my opinion, they were counterintelligence," says Patrick. "They weren't nice guys." He believed it was to pad off the IX project, however. Vesco refused to see the writing on the wall.

Nixon insisted to his interrogators that the IX program was totally above board. "We were approached by heavy drug money from overseas, old Nazi money from Brazil, to invest in our project," he says. "I am not all that stiff. So is Bob. . . . I just equate everything I know about him." Still, it is interesting that Vesco was approached by such people in the first place. Though his family vehemently deny the drug charges, it is indisputable that Vesco rubbed shoulders with some of the biggest names in the drug business. Aside from Noriega and de la Guardia, Dave says her father knew drug czar Carlos Lehder.

According to Dave, "My father and Don Pepe [Figueres] were involved with guns. I remember the two of them waiting in a field for a shipment of guns. And Don Pepe also got guns for the Cubans. He bought for them. That's how, I think, my father met Tony de la Guardia. And that's how Carlos Lehder came in the picture—because he sold guns as well as drugs."

Vesco was seen in the Bahamas with Lehder on several occasions. In the early 1970s, Larry Greenberger, identified by the Drug Enforcement Administration as Lehder's chief of operations, and his Miami lawyer, Rex "In the land of right is a Schindler in Nassau's Bay," says writer Steve Wick, who chronicled the career of Greenberger (who was murdered in 1988). They were met by Carlo's private army.

Vesco's flight to Nassau in the early 1970s, according to his son Dan, was as much to protect Richard Nixon as himself.

and taken to Carlo's house, where Carlo introduced them to Vesco. The lawyer was stunned and kept saying, "This is Robert Vesco? And Larry told me, 'Yeah, he's a friend of Carlos. They're partners.' Lehder told Greenberger, 'Mr. Vesco is taking us out.' Presumably, it was me, because that's what Carlo did."

One State Department official says that Vesco's name popped up in Senator John Kerry's hearings on narcotics in the late 80s. "A couple of Cuban-ban pilots notified about a drug cartel over Cuba," Lehder adds. His capture in 1987 notified that Vesco had been one of his partners in drug trafficking in the Bahamas.

Toward the end of Nixon's questioning, Dave asked him what he knew about Tony de la Guardia, the Cuban colonel who had helped arrange Vesco's entry into Cuba. The characteristic de la Guardia and Arnaldo Delso, a hero of the revolution and a top general, were executed along with two others in the wake of the famous 1968 violent drug trials, which struck Cuban society to the bone and purged the army of reformers. Six other officers were imprisoned. Nixon insisted that he had never met de la Guardia and knew nothing. He didn't realize that Vesco had told him a very interesting version of de la Guardia's demise. "Jim explained to me that he was the man who had put the finger on Tony. That de la Guardia had allowed

drug flights and that Fidel knew about it and told him to stop, over the telephone. That Tony did do it again, and get taken away."

According to Nixon, Vesco's flight from de la Guardia was rooted in personal vendetta. Vesco's son Tony has been plagued since his father was executed, according to one family member, although Pat Vesco believes that Tony had schizophrenia. Dave says,

"Tony had several mental episodes. One time, 'How to Havana' brought him back to the States for treatment. For the last five years, too, Vesco has lived in the Midwest and Jeffrey lives in New York. Robert Vesco included his son's problems to outside influences such as drugs and certain people, mainly Tony de la Guardia. Vesco told Nixon that de la Guardia had stolen his money, paid while young Tony was abroad and, according to Nixon's account, "it caused Tony to go off his drug and, and he'd never forgive de la Guardia or his family for doing what they did. And he had gone down and put the finger on him."

Dave vividly recalls the de la Guardia scandal, the Cuban equivalent of Watergate. "My dad was eventually being gagged Tony down. I know that because," he says. "In 1988, Tony was taken out of the house in the morning and put into under house arrest without authority and stayed by father's side. Tony was using it for his own personal benefit, but one of the security officers who didn't trust Tony believed in the idea. He spent three months with me in the hotel rooms and protocol houses with Madelon [Vesco's personal translator]. And that information is what took Tony away. My father was upset because he felt he was being used by Tony, who said the word had come from high up. He had. . . . My father was giving Tony what he thought was good for."

Tony de la Guardia's 22-year-old daughter, Inessa, however, told me a very different version, but one "When Fidel gave Vesco protection, he asked my father to be the officer in charge and to prepare his orders in the Hatterway Marina and Cape Lane."

which had a communications station, radios, and a big marina. Vesco was involved with drugs, and this is where all the drugs were produced. Vesco. My father was naive to believe that Vesco was bad for Cuba. Part of Vesco's deal was to bring in equipment from the U.S. for the Cuban sugar industry. In one of these operations, he embezzled \$1 million from the Cubans." Vesco blamed the losses on F.H.I. (translation, but I was naive but father believed that he was working for the Cubans. "My father had big differences with the Cuban government because he saw that Vesco wanted everything for himself. He thought Vesco was a bandit and the Cubans had to beware." Another source close to the de la Guardia family recalled that Vesco "was thrown in jail for a short time in 1987, suspected of pocketing Cuba's share of a \$7 million tobacco deal with Mexico. (Clar: Vesco denies this allegation.) He was given further standing that her father was involved with drugs, not with the government's approval. "Vesco was arrested that Fidel and other top officials approved the drug traffic," she says. "Vesco did not do this on his own."

Before the Vesco-de la Guardia split, the two families had enjoyed a close relationship. Their children would sit-in together on the Vesco yacht. "I had Tony," says Fat Vesco. "He was a very good guy. He was a good-looking guy, but his twin brother, Patrick, is brigadier general, who was jailed with his brother and who is now serving a 30-year prison sentence, was even better-looking. Tony was like the head of cruise, the government's business administration, and was responsible for our schedule, and we had to do what cruise told us to do." According to Patrick, "Tony was not our first friend when we arrived there. He terrorized us to everybody." As for the de la Guardia side, Fat Vesco says she had to learn to believe that either brother was dealing in drugs, because "if they were, some of it would get in the country and there was a hell over it as drugs in Cuba."

One former government official notes that Vesco's relationship with Cuba was always an ambivalent one. "Fidel never liked Vesco," he says. "He used him to help diversify the embargo and to reaching foreign markets, but he was always suspicious." Given the recent collapse of foreign and American investment in its business with Cuba, Vesco's



Clockwise from top: Fidel Castro, Tony's brother, head of the Cuban military; José Figueroa, former president of Costa Rica and protector of Robert Vesco, in 1980; Carlos Leizaola, international drug trafficker with whom Vesco allegedly had dealings, in 1988.

status as a muckraker was severely diminished. Last October, Fidel Castro hosted a reception for 40 American politicians at the Palacio de la Revolución. With José Martí airport filled with the private jets of American tourists, Castro has little need today of Robert Vesco.

About a month after Vesco's arrest, Alfonso arranged a 15-minute visit with her lover. He had lost 45 pounds, Alfonso says that Vesco has three medical problems—his chronic urinary-tract condition, a heart condition, and high and low blood pressure. Though she bravely speaks of her tears, she carefully avoids criticism of the government, the jail, her interrogators, even prison food. "If the couple's a blind couple, there will be more trouble for her."

Recently, Alfonso has been offered one-hour visits with Vesco. "Sometimes we talk in the prison, sometimes in the garden," she says. "I managed to hold hands and even kiss by allowed only personal and family discussions." Al-

Tony de la Guardia's daughter says, "My father thought Vesco was a bandit and the Cubans had to beware."

though Vesco is scheduled to be tried in a government hospital for V.I.P.'s, his attorney declines to say what kind of job he had at the time. I learn later that the newspaper official at Cabaiguán, one of Cuba's media organizations, and a high-ranking staff member of the Palace de la Revolución, which facilitates foreign trade. She proudly remains a member of the Communist Party. She says she and Vesco began dating in mid-1982, and soon she was spending most of her time with him.

For more than a year Alfonso was her partner, only in Tere Adams' words, he told her he was Robert Vesco. "And I said, 'Who's Robert Vesco?'" had no idea. He showed me some business about here, but I never would have loved him. I love everything about him. In January 1984, Alfonso began working on the TV screen. "Frequently he worked from seven in the morning to one at night," she says. While the couple was usually about Vesco, one source says the relationship was as much about business as it was about romance. "The cause was on all the bank accounts," Nelson says. Another source says, "She came to Miami and picked up more than \$100,000 in cash to take back to Cuba. Hey, she has gas—that she has. She had things only a Cuban with her connections could do for her. He made it his."

Donald Nixon says Vesco's connections were far and wide by now, that he had no friends in such. "Where are all the people we know all these years?" asks Nixon. "Where are they now? And now

## Dispatches

ering how the whole thing fell." It is a notice that a man whose money once included a U.S. president, Latin-American leaders such as Figueres, Noriega, Castro, and the leading Sandinista had no one but his family to count on in the end. "It was a lesson," my father wryly adds.

Moreover, Vesco was inclined to run gratefully on those he felt had let him down. "Bob's a very tough businessman. I've got to say that," says Nixon. "But you cross him and there's no second chance." Dose's account of the de la Guardia affair clearly reveals that Vesco felt that a pre-emptive strike was necessary to neutralize Tony de la Guardia. Ironically, he would meet his downfall in a similar manner of acts.

In June 1993 at the Cuban Trade Fair, Vesco met an acquaintance from his Nassau days, Enrico Giamardi. The Italian-born Giamardi is the managing director of the Graycliff Hotel in Nassau and one of the largest importers of goods to Cuba. He supplies much of the non-Cuban alcohol on the island, and frequents a club to open a clinic at Bennett's stores there. Unable to travel off the island, Vesco seized the opportunity to become partners with the well-placed Giamardi, who also agreed to try to bring in investment capital. Nixon says Vesco boasted that his new Italian partner was "the biggest boy in Vatican Bank . . . and that Enrico had a known relationship with the CIA"—charges denied by Giamardi.

I spoke with Giamardi, who splits his time between Havana and Nassau, at Graycliff in mid-November. A beefy, light-complexioned man, he sports a gold Rolex and a heavy silver pocket watch, a trade gold chain and is one of the Bahamian's more colorful characters. In heavily accented English, Giamardi told me that he had met Vesco only once when he had met Nixon, but others say they were much better acquainted.

Vesco, who died in Nassau from 1970 to 1974 and again in 1993, when he was forced to leave Costa Rica, found a partner in accommodating as Jose Figueres in Lyndon B. Figueres, the Bahamian prime minister. Figueres's name, according to Tom Johnson, publisher of *The Week*, a local tabloid, has come up "in every major drug deal in the last 20 years." Johnson says Vesco secured his popularity by becoming a business associate of General "Tip" Tankersley. Figueres's *American* gra-

"Vesco" took over Herby's Bank and gave out increased loans to support the government," says Johnson. "At one point he sold a mansion to every law firm in the Bahamas. He used to buy and compress everyone."

Giamardi said that Vesco had told him "he had a very interesting project that was sponsored for the Cuban government." Giamardi is certain that Vesco was broke, because Giamardi always had to pick up their motel tabs. Nevertheless, Vesco succeeded in wooing Giamardi with the powers of TX. "He showed me a video," he says, "and he brought me around. He's a very intelligent, a very seducing man."

Sometimes, he says, Vesco was accompanied by Lydia Alfonso, who travels by Nixon, but usually the two of them discussed business alone, though he says he also met with Don Vesco. Through his Nassau accountant Michael Hopburn, who happens to be Tiger Fitzroy's half-brother, Giamardi set up two companies, Catracha, to distribute TX, and Rexent Chemicals, to refine tacrine. "Vesco's name was never supposed to be mentioned," Giamardi says. "He was the man behind the scenes."

Giamardi claims he raised about \$1 million for the project, including \$150,000 of his own money (Nixon says the total figure was less than \$80,000), and got support from Vesco, the United

Vesco rubbed shoulders with some of the biggest names in the drug pantheon, including Noriega and Carlos Lehder.

Nations, the Italian government, and President Aristide of Haiti before discovering that Vesco was operating without clearance from the Cuban government. (None of these claims can be confirmed.) "The Cubans knew nothing. He was using the left arm against the right arm . . . so nobody can talk to one another, so nobody can find out all his tricks. He was so broke that he didn't give a shit," Giamardi claims.

"This was the only way for him to raise fast money and give some money back. This project was going to make him have a big big herd."

Nixon recalls that the money he brought from the island for control of the project "did then finance several projects off and doing things without permission." According to Nixon, in February 1994, Giamardi "blew fast" a Cubanese (Nixon says that if a deal made in the past were a fair accept) and subsequently the Bahamian government. ("That's a bluff," Giamardi says emphatically, the document back at 93.) Vesco also insisted that Nixon conduct his own audit. "First he said he didn't know, then he admitted it," says Nixon. "He said, 'OK, I give up. He told him that he had done it.' Still, Vesco was one of a nasty spite, which might come of the Culture for good."

Giamardi says that, having learned that Vesco was operating without government approval, he confronted him. "This means to me that you have been lying to me from day one, that you're lacking around and robbing money. You go ahead with the project and give me back my money. If you don't, I'll go to the proper authorities. So Vesco told me, 'Keep your mouth shut for five years we'll give you back your money.'" Giamardi says that Vesco also made threats. "Something like, 'People who disagree with me don't give me Vesco was writing a book about his life; one paragraph said he was a boss, no right to live. He showed Mike Hopburn that book and [Hopburn] told me about it. [Hopburn] claims not saying any more about Vesco.] He said that if I talked he would make sure my business in Cuba would end and the Cubans would throw me out."

Vesco soon gave Giamardi an ultimatum, says Nixon. "Which of course came through me. Then Bob came around and had me write another document, which was totally unimpressive and unnecessary. And we fought one or two more times." The second agreement concluded that Giamardi not only withdrew from the project but also paid a hefty fee just for the privilege of getting out. "It was too hard," says Nixon. "But Jim was in total control, and there was nothing I could do about it, was dismantled."

Nevertheless, carrying the new drug

## Searches

and used with a hidden tape recorder at Vesco's insistence. Nixon met with Garzaroli at a restaurant in Havana. Garzaroli says he knew instinctively that something fishy was up. "They brought me a piece of paper on a plane. I was so naive for everything, he could not do anything because of my status—the paper was very well prepared by them. I remembered the word, 'I don't even want to discuss it. You are a fucking son of a bitch.' Nixon was crying and said, 'Vesco sent me this.' I said, 'Call the motherfucker Vesco and tell her to come here herself.' And when I found out that Donald was taping me, I crushed the tape and the tape recorder because Doc. And I told, 'In our office, there is nothing more to talk about between me and him.'"

Garzaroli didn't wait long to send his message. According to Nixon, he dispatched a letter to Fidel Castro, who saw to it that Vesco got a copy. Garzaroli jokes that he actually sent a stack of incriminating documents to an official in the Ministry of the Interior, confident that a copy would land on Castro's desk. "I gave them every single document of paper. So they were and are reading him."

Garzaroli quickly realized that Vesco had been doing the same thing to him, sending reports to the Cubans to discredit him, and to some effect. "From late on November, an enormous number of Cuban officials came to check and interrogate for cameras, the letter. They came down to what the company does. Very fishy. On the other hand, I know all these things very successfully."

Another TX source, who looks on Garzaroli with a jaundiced eye, says, "I saw it coming early on. ... Very, like Enrico. I remember Tom not to fight with Emilio and Enrico not to fight with Tom. ... I saw they would both be hurt." Vesco, however, was so desperate to pull off the deal that "he never saw it coming." However, it appears that Vesco had more than an inkling. A source within the Cuban Embassy in Havana says that, just prior to his arrest, "Vesco sent an ultimatum to the embassy several times

with an urgent request for a passport." Don Vesco believes that Garzaroli did far more than inform the Cubans about his father's business dealings over TX. "I am fairly certain that Emilio told them that Dad was a CIA agent or some kind of American operative."



A former Robert Vesco adviser, Garzaroli, sought by an SEC lawsuit, was a little like Nixon in the Havana square. Garzaroli is the man in the white shirt.

**"I think Vesco was spying," says Enrico Garzaroli. "He may be a C.I.A. agent."**

times. Emilio was the messenger of some very damaging information. It is the only thing that would convince Fidel enough to arrest Dad. And Emilio is now the Cuban hero. No one will ever convince me that all this is about some crazy deal over a cross-hair plant." Garzaroli deplores what he maintains the espionage charges, then concludes that their business dealings "are only a minor part of the charge," adding, "I suspect and I think he was spying. He may be a C.I.A. agent."

Certainly, Nixon says that his interrogators told him that "Emilio was a bad person. Then why would Emilio still be followed into Cuba? None of this makes any sense." However, the TX source explains, "This story isn't over yet. When [the Cubans] are finished with him, then they're going to deal with Enrico. One must be cautious with a government that can change the rules at any time. They need Emilio now, for business and to testify against Vesco, but when they're finished with Vesco, I have a feeling that Enrico will be next." Indeed, the Cubans have already long arrested those in the government who were con-

vinced that Vesco was spying in the 60s by Oswald/Osborn, page are taking their conclusions now.

Shortly after Vesco was arrested, he turned down a consular visit from the U.S. Interests Section, which also submitted an informal extradition request for him. "Dad said no to that," says Don. "He really didn't want anything to do with his assets." Don says that although he would like to visit his father, he's fearful of being arrested. Pat Vesco has applied for a visa from Washington, but nine months after making her request she has yet to hear any word.

As for the TX project, Don Vesco has hired attorneys to review the contracts that were drawn up. He suspects that Garzaroli, having alienated his father, is proceeding with the project. (Garzaroli denies any further interest in TX.)

Barbara Vesco, Robert's mother, remains fervently optimistic. "I love Fidel and I liked the Cuban people. I don't think that Fidel would personally do this wrong. If it was a progressive laundering or espionage, they would have picked him up a long time ago," she says. "I really can't believe that Fidel is behind this." Hearing this, Don Vesco rolls her eyes and gasps. "And she also thinks Dad is innocent."

The scariest story is that Dad Vesco stayed in the States and faced the S.E.C. charges he might still have beaten them or at least secured a prohibitory injunction on a whim bargain. At the very least, he would have done a couple of years in a white-collar prison, as Michael Milken, Ivan Boesky, and other Wall Street sharks of the 1980s have done. "To tell you the truth, I was astonished he wasn't away," said John R. Wing, the chief prosecutor of the 1973 federal case against Vesco involving the illegal Nixon-campaign contribution. "He could have lived very well after serving his time."

The last-time warning for Robert Vesco hinges on unresolved U.S.-Cuban relations. Should Clinton win reelection this year, it is likely that the mood of the embassy will finally be loosened. Many think that Castro would then gladly return the 77 American fugitives languishing on his island. However, Vesco is a man who may know too much. He could very well be the one excluded in such a deal to the bare relief of many. □