

ASSASSINATION:

Carnival in New Orleans

David William Ferrie was an exotic. His appearance was outlandish, his background bizarre, and for a time last week even his death was ambiguous.

A bushy red wig and penciled eyebrows adorned Ferrie's hairless head; self-taught expertise in a dozen wildly varying subjects made up his experience. At 48, he had at one time or another functioned legitimately as an airline pilot, a high-school English teacher, a Catholic seminarian, a private detective, a building inspector, a public speaker for anti-Castro organizations. Illegitimately he had posed as an expert in hypnotism, an Air Force officer, a psychologist, a Tulane professor, a medical expert. He had been dismissed as a seminary student (for emotional instability), as an Eastern Air Lines pilot (for homosexuality) and as a suspect in the

assassination of John F. Kennedy (for lack of evidence).

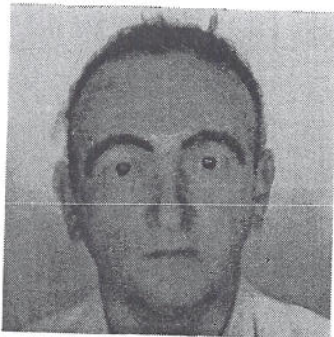
But to ambitious, investigation-happy New Orleans District Attorney Jim Garrison, Ferrie was "one of history's most important individuals" and the key figure in his own belated investigation of the death of the President. It was a probe which the flamboyant 6-foot 6-inch, 225-pound district attorney began last fall when he was swept along in the wave of doubt over the Warren commission's finding that Lee Harvey Oswald alone killed John F. Kennedy. It was Oswald's well-documented sojourn in New Orleans prior to the assassination and his alleged connections with Cuban refugees there that intrigued Garrison.

And David William Ferrie became the centerpiece of his inquiry. Ferrie had been questioned by the FBI shortly after Dallas. He had extensive Cuban refugee connections, and as a flier (he operated an on-again, off-again charter service) he could have qualified as a "getaway pilot" for a possible conspiracy. What's more, he had made a trip to Texas the day of the assassination.

'Picked Clean': But the investigators failed to incriminate Ferrie. "We picked him clean. You won't find anything there," says one FBI man. The Warren commission hearings failed to show that he ever knew Oswald or any other major figure in the tragedy. Further, investigators found that his plane was unable to fly at the time, and his trip was to Houston and Galveston, not Dallas.

Garrison's own investigation perked along, arousing little interest, until a New Orleans paper broke the story. That

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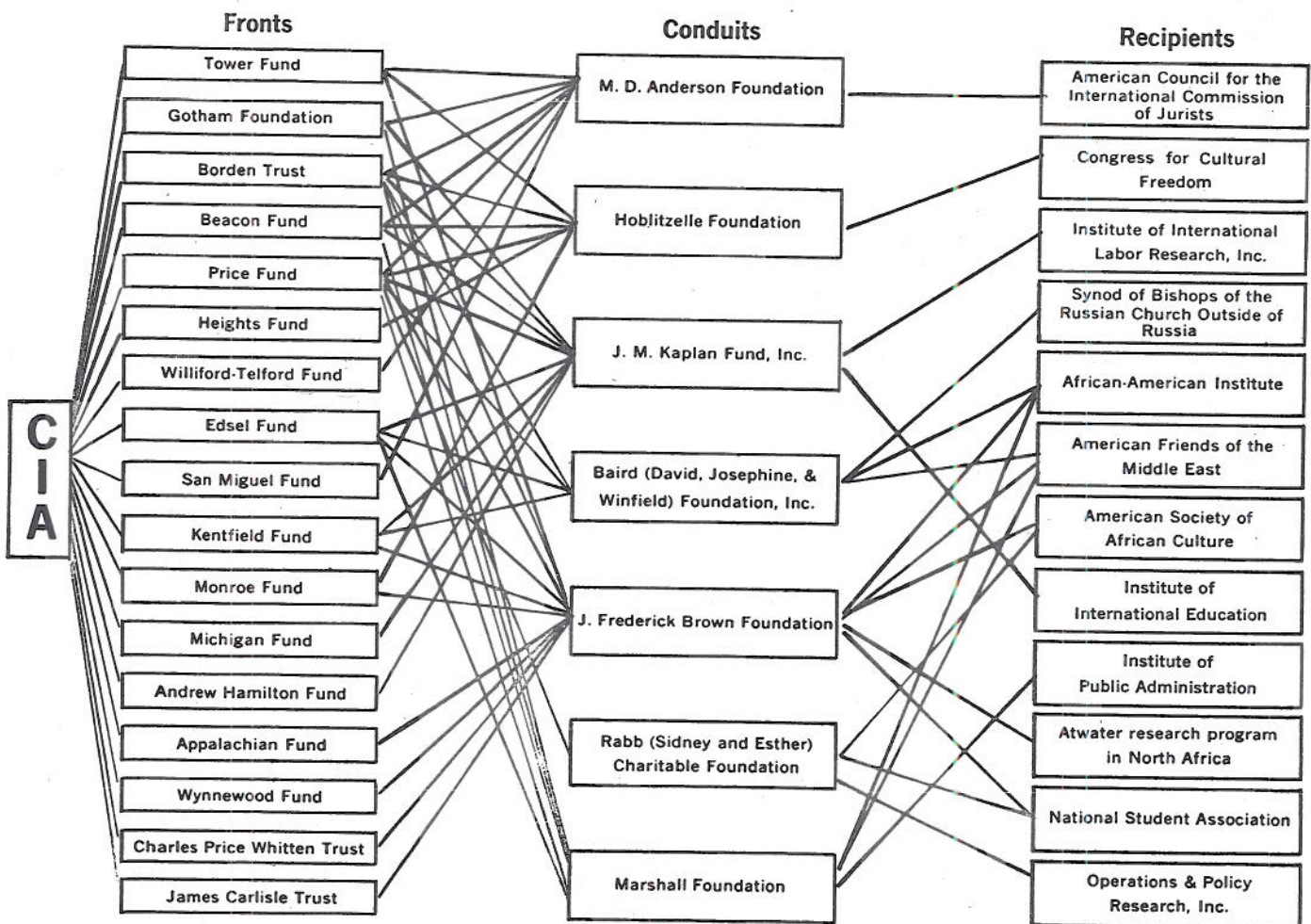
Suspect Ferrie: A suicide?



Associated Press

District Attorney Garrison (above) and the apartment where Ferrie died

THE PASS-THROUGH: HOW THE CIA BANKROLLED PRIVATE PROJECTS



Baedeker: A sampling of how the CIA helped fund some of its pet philanthropies during the past decade

Newsweek—Van Dyke

conservatives, who were irked because so much of the money was going to missionaries of the liberal left. The Administration felt compelled at once to defend the CIA as having merely followed orders dating to Harry Truman's day—and to pass the word that at least some of the pipelines would be turned off.

Dummy Fronts: The technique, in retrospect, seemed surprisingly simple—and surprisingly vulnerable to disclosure. The CIA's pet tactic was a three-layer "pass-through" operation for getting money from its own coffers into the hands of certain favored philanthropies, some of them knowing, some apparently not.

First, the agency set up perhaps a score of "primary organizations"—dummy foundations whose assets seemed to consist mainly of nondescript names (like Price, Gotham or Beacon), mailing addresses and mysteriously self-replenishing bank accounts. Typically, these fronts show up neither in standard foundation directories nor in the files of the Internal Revenue Service (where one assistant commissioner is usually wired into the operation). Nor are they easily found. The Edsel Fund's last known address was

San Francisco—but it maintains not even a post-office box there. The trail to the Price Fund leads to a Manhattan law office—and a tight-lipped attorney who will not even identify himself. A Dallas answering service takes calls for the Kentfield Fund; an operator there thought its patron was an otherwise unknown philanthropist named Dana Kentfield, then apologized for not checking further: "Some of our records were rained on. They melted together."

For the "pass-through," the CIA adopted some 30 of the 15,000 authentic foundations currently operating in the U.S. and made them conduits to the recipient groups. A few (the J.M. Kaplan Fund and three David G. Baird family foundations) had been under Federal scrutiny for mixing business with philanthropy—troubles that vanished once they took up with the CIA. Others linked at least indirectly to the network included such first-family foundations as New York multi-millionaire John Hay Whitney's Trust for Charitable Purposes. Most simply answered a call to patriotic duty. "We were approached about three years ago by a representative from the CIA,"

said William P. Hobby Jr., president of The Houston Post and trustee of the Hobby Foundation. "We were told that, if we cooperated, we would receive certain funds from the CIA. Then we'd receive a letter, say from Organization XYZ, asking for funds. We granted the funds, of course." And with no questions asked: "We believed that they [the CIA] knew what they were doing."

What the CIA was doing, of course, was secretly underwriting a miscellany of American organizations abroad, sometimes as cover for intelligence-gathering, more often to mount a social-democratic counterforce to Communist propaganda.

Disparate Groups: The list that began with NSA grew last week with the addition of such disparate groups as the retail clerks union and the World Confederation of Organizations of Teachers. The Kaplan Fund, founded by the former president of Welch Grape Juice, passed \$1 million in CIA money to an institute headed improbably (and unwittingly) by old Socialist Norman Thomas, to run schools for left-democratic political leaders in Costa Rica and the Dominican Republic. An intermediary

NATIONAL AFFAIRS

turned a local adventure into an international curiosity. Newsmen flocked into New Orleans, and soon found Garrison's prime suspect, Ferrie, who denied any part in the assassination—and then, one morning last week, suddenly turned up dead in his apartment.

"Apparently suicide," thundered Garrison, and announced that he had been on the verge of arresting Ferrie. Part of an unsigned typewritten note found in Ferrie's apartment was released to the press: "To leave this life for me is a sweet prospect. I find nothing in it that is desirable and on the other hand everything that is loathsome."

In the following days D.A. Garrison's statements grew bolder. He declared point-blank that Ferrie had been in-

involved in the assassination, but said he doubted that Oswald had "killed anybody." He promised other arrests. And he clung grimly to the suicide theory.

Cause of Death: The doctors disagreed. First the coroner and then the pathologist who performed the autopsy contradicted Garrison. According to the pathologist, Ferrie died of a ruptured blood vessel at the base of the brain, the result of high blood pressure and "hypertensive cardiovascular disease."

But the verdict of the medical examiners that David Ferrie's death was a freakish coincidence in a bizarre side-show did not deter Garrison. He met with a group of civic-minded local businessmen called the "Truth or Consequences" club who pledged to help finance his ongoing investigation, with no strings attached. He announced: "We have solved the assassination of President Kennedy—beyond any shadow of doubt." And then, grinning, but still producing no evidence and naming no living names, he promised: "We will arrest everyone—not just some, but everyone involved." But he wouldn't say when.