# Hoffa, the Teamsters and the Mob

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CHICAGO — The disappearance of James R. Hoffa on July 30, many investigators believe, may have its roots in the alliances Hoffa forged with organized crime a quarter century ago in his drive for control of the International Brotherhood of Teamsters.

Analysis of the records of past investigations, together with background interviews with officials across the Middle West, where Hoffa rose to power, show that he brought flocks of hoodlums into the Teamsters, used them to get control and then was stuck with their influence. They are still there.

When Hoffa came out of jail in 1971, thirsting to resume his control of the union but barred by conditions of his parole, one device he used to try to undermine his successor, Frank E. Fitzsimmons, was the allegation that controlling positions in the union were filled with racketeers and convicted criminals.

Hoffa said he would change that if he supplanted Fitzsimmons, whom a Teamster wit once described as "that fellow Jimmy used to strike matches on."

JUST AS Hoffa conferred power on Fitzsimmons as stand-in president of the Teamsters when Hoffa was in jail so did he build up the influence of organized crime figures for his own use, a Senate inquiry has shown.

Fitzsimmons resisted relinquishing union control to Hoffa, and one of the investigative theories is that organized crime figures in the union no longer needed Hoffa and killed him for "rocking the boat" in his attempt to recapture control.

Eighteen years ago a Senate investigation headed by Sen. John L. McClellan, D-Ark., found that "there was overwhelming evidence of infiltration of this union by racketeers and hoodlums," and that Hoffa "pushed his way to the presidency of the Teamsters International with their active support and assistance."

The beginnings of the relationship between Hoffa and organized crime are lost in time. But as far back as 1949, according to the Senate Labor Rackets Committee, Hoffa had underworld ties.

Laundry owners in Detroit that year were faced with a strike, the committee found. They went to one of their number, Morris B. Dalitz, who besides owning a laundry interest, was a prominent member of the criminal underworld in Cleveland and Detroit from the 1920s until 1940.

The owners promised to pay $17,500 to prevent the strike, and Hoffa then

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entered the bargaining sessions to tell the negotiator for the laundry workers that there could be no strike.

The committee could not trace the money to Hoffa, and he denied that he had received it, although it was not contested that he helped the laundry owners avoid a strike.

The years passed and Mr. Dalitz became a major operator in the Las Vegas gambling casino industry. He sold out in Nevada in 1966 and became a partner in the development of Rancho La Costa, a real estate promotion in San Diego County, Calif.

**BY THEN** Hoffa was in firm control of all aspects of the Teamsters union. Money began to flow to La Costa in a golden stream from the union's pension funds in the Central, Southeastern and Southwestern states. Upwards of $45-million has gone into the development.

Last March, Penthouse magazine printed an article about La Costa and its residents, visitors and promotors. Dalitz, his three partners and the five corporations they established to operate La Costa sued the magazine, its editors and the two authors.

The complaint, filed in Los Angeles Superior Court, said the magazine had falsely charged that La Costa was frequented by mobsters, that it had been founded by a syndicate, that it was controlled by the Mob or that it harbored a hoard of underworld figures who were under surveillance by law enforcement officials. The suit asks $70 million damages, and pretrial depositions now are being taken.

The connection with Dalitz raises echoes of the infamous Detroit Purple Gang, with which Hoffa had dealings when he was an emerging labor figure in Detroit. His involvement with New York labor racketeers came about when he started to reach for national power.

John Dioguardi also known as "Johnny Dio," became Hoffa's tool in Hoffa's attempt to gain power in the New York area Teamster hierarchy.

Dioguardi, born in New York in 1914, was the nephew of James Plumeri who was the notorious "Jimmy Doyle," a labor racketeer and thug.

Dioguardi served a 3-to-5 year sentence at Sing Sing penitentiary on a 1937 charge of extortion. In the 1950s he got into the labor racketeering field as the proprietor of a local of the United Auto Workers affiliated with the American Federation of Labor. The local had split from the Walter Reuther-led UAW affiliated with the Congress of Industrial Organizations, which had not merged with the AFL. Anthony Corallo, known as "Tony Ducks," was allied with Dioguardi, as was Anthony Doria.

These UAW-AFL locals, staffed by former convicts as business agents, specialized in extortion and sweetheart contracts. The Senate investigation showed that among 40 men Dioguardi brought into the labor movement, there were 77 convictions for crimes that included theft, narcotics, forgery, possession of stolen mail, robbery and accessory to murder.

By 1954, Dioguardi, forced out of the UAW-AFL was friendly with Hoffa, who was looking for support in New York. Pressed by the late Robert F. Kennedy, then chief counsel of the Senate Rackets Committee, Hoffa admitted that he had pushed hard to bring the UAW-AFL locals into the Teamsters' union.

**HOFFA** pleaded bad memory so often that the late Sen. Irving Ives, R-N.Y., called it "the best forgettery" he had ever seen. One thing Mr. Hoffa could not remember was whether he had put recorders in the pockets of grand jury witnesses so he would know what they had testified to, beyond having their assurances that they had protected him.

Dave Beck of Seattle was then the Teamster president. The union was scheduled to hold elections in the fall of 1957, and Hoffa wanted to be ready in case something happened — as it did — to take Beck out of the running. The Senate committee's disclosures about Beck led to his conviction of tax fraud, a federal prison term and retirement.

Seven New York locals run by the Dioguardi group had been created, four of them staffed with the officers from the UAW-AFL. The other three were staffed with Hoffa supporters from Teamster locals.

Among the officers who moved from the UAW-AFL locals to the Teamsters was Harry Davidoff, whose convictions include burglary and attempted extortion.

Davidoff's association with the Teamsters has lasted into the 1970s. He and another man controlled a trucking association that dominated freight traffic in and out of New York's Kennedy International Airport. *Life* magazine reported in 1971 that Dioguardi was able to intercede with Hoffa's successor, Fitzsimmons, to protect Davidoff's position in a Teamster local.

In the beginning of Dioguardi's move into the labor field, he got important help from Paul Dorfman, head of the waste handlers union in Chicago. Dorfman had taken over the local after its previous leader was shot.

One of the officials of the previous administration of the local was Jack Ruby, who later went to Dallas where he ran a nightclub featuring strippers and got to know so many policemen that they permitted him to move freely into headquarters on Nov. 24, 1963, when he whipped out a gun and killed Lee Harvey Oswald, the accused assassin of President Kennedy.

When the authorities examined Ruby's long-distance telephone records, they found he had been in close contact with many of the top Teamster officials and their retinue, who, when interviewed, said that the nightclub operator had asked them for help with his labor problems.

**PAUL** Dorfman's son,

Allen, is another of Hoffa's ties to the underworld Many observers of the Teamsters see Allen Dorfman as one of the transitional figures between the continual violence of labor rackets of the earlier days and the smoother but financially more remunerative rackets of today.

The Central States pension fund looms large in these matters.

Hoffa ran the fund with an iron hand until he went to jail. He set out in the early 1960s to use the money to make the Teamsters more powerful. For example, if the union wanted to influence a politically powerful banker, the fund could deposit $5 million in his bank.

This practice, which was legal, soon gave way to loans to those with influence, and that led to kickbacks, which led to the creation of kickback rings, which led to selecting borrowers for the size of their payments of bribes rather than for the loans' value to the union or for the collateral offered.

Hoffa himself was convicted as a part of a ring that had collected more than $1 million in kickbacks from about $20 million in loans from the fund.

Before he went to prison, Hoffa arranged for his old friend, Fitzsimmons, to be "general vice president," which meant Fitzsimmons was to be in charge of the fund. He also arranged to have Allen Dorfman named special consultant to the pension fund trustees. Dorfman lasted until 1972, when he was convicted of taking a $55,000 kickback for arranging a loan.

Organized crime involvement in the Teamsters went beyond the pension fund, according to law enforcement sources. In Kansas City, for example the union was pictured by competent confidential sources as riddled with racketeering influence. One observer said that some truck drivers spent all their time making their book-making rounds and none on deliveries for their intimidated employers.

IN INTERVIEWS about Hoffa's involvement with organized crime, several official sources said there was a vague report from some of Hoffa's associates several months ago that he might be willing to give evidence to the government if that would help him return to the union presidency.

The same sources said, however, that nothing had come from these reported overtures from Hoffa aides and that it was not clear even whether Hoffa himself had known and approved of what allegedly had been said to federal officials.