Cereal Box Helps To Plug a Leak In an FBI Office

By Charles R. Babcock Washington Post Staff Writer

One day last summer an FBI informant in the Cleveland underworld passed some very disturbing news back to the local bureau office: the mob had an informant inside the FBI.

 Information from confidential FBI files was being funneled to Cleveland's reputed organized crime chief, James T. Licavoli, the FBI informant reported.

Licavoli already was the target of a wide-ranging FBI investigation of a series of gangland bombings. Bureau agents immediately began an intensive internal investigation to find the source of the leaks.

They separated the bombing investigation files to protect them and created bogus documents to see who might try to pass them on to suspected mob figures.

It is clear now to Justice Department officials that the alleged Cleveland Mafia family was desperate to find out what the bureau knew about the bombings.

In October, Daniel Greene, a Licavoli rival who had survived several assassination attempts, was blown apart by a bomb. By December, Licavoli and other alleged leaders of the Cleveland organized crime element were indicted on both federal and state murder charges. They have pleaded innocent and are now on trial.

And a few weeks ago-with some help from a Fruit Loops cereal box

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stuffed with copies of purloined documents-the FBI also plugged its lead.

Geraldine Rabinowitz, a long-time FBI file clerk, was indicted, along with her husband, on federal charges that they sold confidential FBI documents to suspected organized crime figures for \$15,900. The couple pleaded guilty to the bribery charges last Wednesday.

The story of the uncovering of Geraldine Rabinowitz is both bizarre and serious.

Justice Department officials in Washington have high praise for the way the Cleveland FBI office carried out the Licavoli investigation while making the internal search for the potentially deadly leak.

Testimony from witnesses in the Cleveland bombing investigation—including two key figures who have pleaded guilty to murder charges and turned government witness—have led to other indictments including those of several alleged organized crime leaders in Los Angeles, they point out. A law enforcement official familiar with the Cleveland case calls the Rabinowitz bribery a "mistake" because it triggered a more intensive investigation.

The FBI poured even more agents into the bombing investigation because of the reports of leaked documents, he said. And testimony from the two figures who "flipped" and are now cooperating, Raymond W. Ferritto and James T. Fratianno, is expected to lead to still further prosecutions, Justice officials said.

But they also express concern about the brazenness of the attempt to infiltrate the bureau. On one occasion last fall, an affidavit in the case shows, the alleged go-between Kenneth Ciarcia, called Rabinowitz at the FBI office and asked for an up-to-date report on Licavoli.

He got it, though Justice officials hasten to add that the bombing investigation was not compromised by any of the leaks.

Officials are more concerned because Rabinowitz leaked names of FBI informants, the most closely held of all law enforcement records. Her

case is only the second in which a bureau employe has been so accused.

"What's a little frightening is that she was selling the information so cheap," acting deputy attorney general Benjamin R. Civiletti said in a phone interview yesterday.

"Informants are at the heart of the criminal justice system and need and ought to be protected," he said. "This means we have to re-double our efforts."

New FBI Director William H. Webster and his chief deputy, James Adams, said in a brief interview last week that the Dureau was constantly reviewing its procedures for protecting confidential files.

"Organized crime has always tried to penetrate law enforcement agencies," Adams said. "And there's no system that's totally fall-safe. But when we have indications that an employe is not living up to our standards, we take prompt, vigorous action."

Webster added: "You have a good example of an immediate prosecution in this case. There was no cover-up there." The Rabinowitz story began at a 1973 Christmas party where she was introduced to Ciarcia, an FBI affidavit shows.

Last spring at another dinner party, it said, she was asked to check the FBI files for information on Licavoli and Anthony Libatore, then a member of the Cleveland regional sewer board.

She then began to Xerox bureau files and carry them to Ciarcia, according to an affidavit. In June, she was piad \$1,000 for such information and in October, just about the time of the Greene bombing death, she got \$14,900 more, according to charges she has admitted.

During this same period federal and social authorities had mounted a major campaign to stop the bombings which had led Cleveland magazine to term the city "the most explosive city in America."

John Nardi, described by authorities as another Licavoli rival, had been blown up in the spring of last year. The home of his ally Green had been bombed as early as May 1975. Green himself had a reputation for bombing apponents. "It seems they felt he had to die by the bomb," one law enforcement official said.

But to make sure, a recently disclosed FBI affidavit said, two men armed with firearms were hired to back up Ferritto, and the other man charged with planting the bomb in the car next to Greene's.

"What do you guys want to do, shoot him or blow him up," the backup team is quoted as saying in the FBI document.

As Greene got into his car to visit the dentist last Oct. 6, he was blown up.

After Ferritto turned federal witness, officials familiar with the case said, Rabinowitz was pressured to check bureau files to find where the government had hidden him. She did not.

In late February, two armed men were arrested near a Greene lieutenant's place of business. One immediately began to squeal, leading one law enforcement official to say: "Either the old Mafia oath of silence is no more, or some of these guys are stuffed with Hartz Mountain (bird) seed."

Ciarcia and Liberatore were indicted less than a week later on murder charges in connection with the Greene slaying, bringing the total indicted in the case to 13. They have not been charged in the Rabinowits case.

In early March, according to an official familiar with the Rabinowitz case, the FBI searched the Lincoln-Mercury dealership where Clarcia and Rabinowitz' husband had been employed. They found no evidence of the documents that had been passed to the mob figures.

But a few days later, according to an affidavit, the FBI got a tip from someone at the car showroom. He had been cleaning an area Clarcia had access to, and there stuffed in a box of Fruit Loops cereal were copies of some of the stolen FBI documents.

Confronted with the evidence, the Rabinowitz couple confessed and joined the string of witnesses cooperating in the investigation.

Washington Post special correspondent Joseph L. Wagner contributed to this report.