

Jack Anderson and Les Whitten

Hughes Cash Lured Latin Rulers

The late Howard Hughes, on the run from a tax investigation in the United States, used his enormous wealth to court landlords abroad.

First, he flew to the Bahamas where he dangled the dollars in front of Prime Minister Lynden Pindling. The billionaire offered to bail out a bankrupt hotel and operate it as a luxury casino in the Bahamas. As part of the deal, he spoke of "financial support" for the prime minister.

This reference in the secret Hughes papers indicates that the money would go to Pindling personally. But spokesmen for both the Pindling government and the Hughes organization vigorously denied it. Any such offer, they said, must have meant "financial support" for the Bahamas, not Pindling personally. They point out that, in any case, Hughes never opened the casino.

Hughes' next home away from home was Managua, Nicaragua, which is the fiefdom of Anastasio Somoza. The ruler controls every profitable industry in his tiny nation, from cattle farms and hotels to laundromats and houses of prostitution. He has an interest in the shoe factories, the cigarette companies, even the parking meters. The Somoza family has acquired just about half the country's private property.

Hughes offered to help the Big Banana save another of his pet businesses, Nicaragua's national airline. A secret memo, outlining the airline deal, reminded Hughes pointedly: "Nicaragua could be your alternate home." All Somoza would require, the memo suggested, would be "a 12-hour notice."

The late tycoon never made it as far as Costa Rica. But President Jose Fi-

gueres, who was reported to be having personal financial difficulties, was attracted to someone so solvent. Early in 1974, he invited the financial fugitive Robert Vesco to hide out in Costa Rica. Of course, el Presidente expected Vesco to bring his ill-gotten millions along with him.

Figueres also began to feel the same strange attraction for Hughes. On March 4, 1974, Figueres wrote to the recluse on presidential stationery. "I have read about you," he began. "I know you have no problem of residence in any country at this time, but nevertheless I want to offer you the hospitality of Costa Rica.

"Our country offers a wholesome climate and a great deal of individual freedom with security." The letter was delivered to Hughes, along with a memo from his attorney, Chester Davis, pointing out that Vesco had already made the move from the Bahamas to Costa Rica.

But Hughes remained in the Bahamas where he apparently received encouragement from Prime Minister Pindling.

An August 6, 1974, letter from Hughes to Davis finally got down to cases. "Regarding the Honorable PM," wrote Hughes. "I truly admire his courage and the actions he has been brave enough to take." Presumably, this was a reference to Pindling's favorable attitude toward Hughes.

"I urge you to tell him this," Hughes instructed his attorney. "I would like to be of assistance. The question is: how much assistance does he need and how quickly?"

"It is very obvious to me, and I say again that he has been very coura-

geous, and we both know this costs money, or credit, or financial support in one way or another. I repeat, how much of this does he need and on what kind of time schedule?"

The secret papers indicate that Pindling was willing to deal with Hughes, but the negotiations eventually broke down. The phantom industrialist next appeared in Nicaragua, where he set up housekeeping on an entire hotel floor provided by Somoza. Later, Hughes moved into Somoza's private headquarters.

The billionaire reciprocated for this royal treatment in cold cash, buying 25 per cent of Somoza's airline. When Somoza sought more financial support from Hughes, it merely strengthened the bond between them.

Unhappily, Somoza was losing money on his airline, which was paying \$65,000 a month on a British loan, Hughes was informed.

But the higher Somoza's airlines soared, the lower the profits plunged. To entice more cash from Hughes, Somoza offered him an interest in a plywood factory, pharmaceutical plant or real estate. Somoza's requests placed a strain on the friendship between the dictator and the billionaire. "The General (Somoza) called today, and I did not take the call," an aide reported. "He obviously wants to know your reaction to our meeting."

"Since he feels he is in deep financial trouble with (the airline)—do you want to bail out and forfeit your stock? Are you interested in helping him financially to save the airline?"

As a refuge for billionaires, banana republics can be expensive.