

# End of the house

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## that Joe built

The Kennedys are more than 50 strong. Now a clan without a chief, each wants a share of the fortune. That's why they have sold the \$600M symbol of Kennedy power.

**James Langton reports.**

New York

What price the Kennedy name? At an auction house in New York last week, it was \$2,000 for a pair of flannel pajamas and \$700,000 for a black crocodile Hermes briefcase carried in the presidential limousine on that fateful morning in Dallas.

But the Kennedy clan is worth more than a roomful of dusty, if expensive, souvenirs. Almost ignored amid the sale salon hubris, the family is nearly \$600 million richer this weekend. Yet, in the process, they might have dissolved the ties that once made the Kennedys one of the 20th century's most formidable political machines.

"Only a fool waits for top dollar," Christopher Kennedy, the son of the late Robert Kennedy, announced six weeks ago. He was quoting his grandfather to explain the sale of property held by the family for more than 50 years to a New Jersey businessman, in a package worth close to \$600 million.

Not just any property, though.

The Merchandise Mart in Chicago is

a vast, slab-sided complex of offices and shops that was once the largest commercial property in the world, a building so huge it boasted its own zip code. More than that, it was a symbol of Kennedy power and influence.

Joseph P. Kennedy bought the Merchandise Mart in 1945. The shrewd and manipulative patriarch paid \$13 million for the city within a city, only half what it had cost retail tycoon Marshall Field to build it nearly 20 years earlier.

Income from the 25-floor limestone labyrinth bankrolled his sons' political campaigns. It also bought the family a place among Chicago's ruling elite, most notoriously including the mobster Sam Giancana, whom many believe rigged the city's ballot boxes in 1960 and handed the White House to John F. Kennedy.

"In the '40s, my family bought the Merchandise Mart," John F. Kennedy Jr. joked on a visit to Chicago two years ago. "And in the 1960 election, my family bought 20,000 votes."

Until its sale, the Merchandise Mart was owned by the family holding company, Joseph P. Kennedy Enterprises. The proceeds, which include \$450 million cash and \$100 million in securities to minimize tax, will be divided among a series of complex family trust funds, the workings of which are known only to the Kennedys.



THE OTTAWA CITIZEN

**Joseph P. Kennedy posed with 17 grandchildren for this informal portrait in September 1961. The immediate Kennedy family has now grown to nearly 50, and the powerful Kennedy dynasty seems about to end.**



Who will benefit? Without doubt the immediate family, including Senator Edward Kennedy, the only living brother of John and Robert, and their 11 surviving children. Some reports suggest there are as many as 50 heirs to the house that Joe built.

Their desire for greater financial independence is believed to be behind the sale of the last working business owned by the Kennedys. Put simply, the various cousins want to go their own way. Without the Mart, the family fortune is reduced to an investment portfolio.

Kennedy Enterprises president Joseph Halkin indicated as much when he noted dryly that extra millions would allow the family fund managers to "make decisions based on individual beneficiary needs".

In other words, the Kennedys are now a clan without a chieftain.

Many of the new generation are not even Kennedys. Shrivvers, Lawfords, Smiths, Cuomos, Hills, Allens, Townsends, Schlossbergs — even Hollywood actor Arnold Schwarzenegger — are the heirs of Joseph Kennedy. The hot Irish-Catholic blood has been mixed with that of Italians, Cubans, Koreans, Protestants and Jews.

The family's political ambitions have been similarly diluted. Last summer, Joseph Kennedy, son of Robert and named after his late grandfather, withdrew from the race for the governorship of Massachusetts, even though no member of the family had lost an election in the state in half a century.

This time a Kennedy seemed certain to lose. Republicans proclaimed "the end of the myth of Kennedy invincibility in Massachusetts." Democrat Party consultant Mary Marsh explains: "Joe Kennedy was going not only to have to defend himself and his ideas. He was going to have to defend his entire family. And that's a pretty heavy burden to carry."

For Joseph Kennedy, the family name had become a liability. His ex-wife, Sheila, went public with a book that claimed her husband had used his influence in the Roman Catholic Church to annul their marriage so that he might marry his secretary.

At the same time, his younger brother Michael was making headlines after being caught by his wife in bed with the family's teenaged babysitter, an affair alleged to have begun when the girl was under-aged.

Such petty and sordid scandals have

been the hallmark of the Kennedys, from the night in 1969 when Edward Kennedy crashed his car on Chappaquiddick Island and left a woman to drown to the rape trial of his nephew William Kennedy Smith, accused and later cleared of assaulting a young woman on the family estate in Palm Beach.

So, too, has tragedy. Most recently it was Michael Kennedy, killed in a skiing accident in Aspen, Colorado. For his funeral, the family opened up their three holiday homes on the shore of Cape Cod, an act of mourning that might yet represent the end of the Kennedys as a political force in America.

"The political agenda has passed them by, even in Massachusetts," said William Schneider, a political analyst for CNN.

"The famous dynasty limps towards oblivion," *The Washington Times* observed recently, adding: "The Kennedys, who could once do anything and do it to anybody and suffer no consequences for it, are suddenly learning how the rest of us live."

For many members of the clan, it means making their own way in the world. Even with an extra \$600 million in the bank, the Kennedys, Lawfords, Shrivvers and Schwarzeneggers will multiply faster than the family fortune. Already there are nearly 50 members of the immediate family born after the assassination of JFK.

Of the 28 grandchildren of Joseph Kennedy, none seems likely to follow his sons into high office. Eleven have become lawyers. Robert Kennedy's namesake son is an environmental activist. Another is a reporter for Fox Television in New York.



**The Merchandise Mart, a 4.2-million-square-foot art deco structure covering two city blocks in Chicago, was the last vestige of Joseph P. Kennedy Enterprises.**

Several actively avoid any association with the family name, refusing interviews and photographs if a connection seems likely.

The most visible and glamorous member of the family is John F. Kennedy Jr., the son of the assassinated president. He exists mostly as fodder for the gossip columns, his marriage last year to the willowy blonde Carolyn Bessette the subject of endless speculation.

Like George, the glossy political magazine he edits, JFK Jr. seems more a triumph of style over substance. He refuses to discuss any future political ambitions. His older sister, Caroline, who turns 40 this year, avoids the public eye almost altogether, even publishing a book last year on privacy.

Both John Jr. and Caroline benefited handsomely from the \$34 million

sale of estate of their mother, Jacqueline, in 1996. Last week's auction was composed largely of items gathered by President Kennedy's late secretary, Evelyn Lincoln.

For the early part of last week, it seemed that the sale might not take place, as brother and sister threatened legal action over the ownership of several lots that they described as "intensely personal".

Later the auction house confirmed that a member of the Kennedy family had successfully bid for three items in the sale, paying \$12,000 for clan matriarch Rose's diary, \$14,000 for a family photo album and \$10,000 for another journal belonging to Kathleen, sister of JFK. Such is the price of preserving the Kennedy name today.

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