

The Case of the F. B. I. Man And Bombing of the Mafia

By ROBERT M. SMITH JUN 11 1971

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TUCSON, Ariz., June 9—The Federal prosecutor here plans to take before a grand jury this summer the bizarre case of a former agent of the Federal Bureau of Investigation who allegedly plotted bombings to foment gang warfare among members of the Mafia.

The case, which has lain like a desert haze over this resort city, harks back to 20 bombings in 1968 and 1969. It involves the F.B.I., the Mafia, the suicide of a woman, "prominent persons" in the city, an alleged proposal to kill Joseph (Joe Bananas) Bonanno's bodyguard with a crossbow, and the testimony of a wounded man

that he was asked to make explosives under the sheets of his hospital bed.

The case also involves: a city so heavy with Mafia influence that the police chief went to Joe Bananas, the prominent Mafia figure, and told him the police did not want anything to happen to two witnesses before they could testify; some Justice Department officials in Washington who do not know whether the case is open or closed; and an F.B.I. apparently so baffled by the events, even though one of its own agents was allegedly involved, that it stamped the case unsolved and stopped investigating.

Reliable sources report that

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William C. Smitherman, the Assistant United States Attorney here, intends to present the case to the grand jury for investigation, probably in August, and will subpoena witnesses.

In a brief interview, Mr. Smitherman said, "The only thing I can say to you is no comment."

But Government sources reported that the attorney had already begun a presentation of the case to an earlier grand jury when its term expired.

Much of the case emerges from the public record, but the following account was also pieced together from interviews here, in Phoenix and in Washington.

On July 21, 1968, a bomb exploded in a garage at a ranch outside Tucson owned by Peter (Horseface) Licavoli, a reputed leader of the Mafia from Detroit. The next night, two bombs shattered a patio wall outside the home of Joe Bananas.

In the next year, a string of 15 bombings followed. They all seemed to be directed against Mafia leaders living in Tucson and people connected with them in some fashion, and they all seemed to be designed to cause property damage, not bodily harm.

Speculation on Gang War

During this year, speculation in Tucson centered on the possibility of a gang war between factions of the underworld led by Licavoli, on the one hand, and Bonanno on the other. At one point, Bonanno's son, Sal-

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vatore, met secretly with James Corbett Jr., the Mayor of Tucson, and disclaimed responsibility for the bombings. When the Mayor disclosed the meeting, he said Bonanno had offered to help the Tucson police arrest what he called "the punks who are hurting my family's image here."

During the July 22 attack on Joseph Bonanno's patio, his son fired a shotgun at a fleeing man. The man, Paul M. Stevens, then 23 years old, a former Marine with training in demolitions, turned up at a hospital. Stevens was arrested a year later with a friend, William J. Dunbar, then 26. Stevens worked as an engineer at the Hughes Aircraft Company here, and Dunbar had been a racing car driver.

Following their arrest, William C. Gilkinson, the acting chief of police, indicated that others had been involved. He told the local newspapers, "There are some very prominent persons who will have to answer for their actions, persons that you'd never suspect."

He went on to say mysteriously, "I'm already getting pressure from certain segments of the community to conclude this investigation. But...I'm going ahead."

F. B. I. Mentioned in '69

The F.B.I. was first mentioned in the case on Aug. 12, 1969, when Dunbar and Stevens appeared for a preliminary hearing. Jane Hitchcock, a 21-year-old girl friend of Stevens, testified that Dunbar had told her "an F.B.I. agent named Dave" instigated the bombing of Bonanno's home to start a Mafia vendetta.

The next day, the F.B.I. responded. J. Edgar Hoover announced he was sending an investigator to look into Miss Hitchcock's statement. The announcement did not name any agent. It went only so far as to mention the allegations against a "former F.B.I. agent." Out to Tucson came Leonard M. Walters, now an assistant director to the F.B.I. He interviewed Federal, county and local officials and left town. It was not until the following March that The Arizona Republic succeeded in learning from the F.B.I. officially that one of its agents, David Hale, had left his job here on Aug. 12—the day of Miss Hitchcock's testimony.

David Olin Hale has been the central character in this mystery ever since that testimony. He was the only agent in the local office of the F.B.I. working on the Mafia. He was a Mafia specialist and one of the bureau's superior agents, hard-driving and possessing what one source called "a lot of brass." He is tall and thin, with blond hair and the customary tidiness of an F.B.I. agent—a friend says he dressed like a blue-suited Baptist minister.

Mr. Hale has been in court

with regard to the bombings only once. That time, in July, 1970, he told the court virtually nothing except his full name. His lawyer, Lawrence P. D'Antonio—who also is an attorney for Joe Bananas—claimed executive privilege and the Fifth Amendment right against self-incrimination as each question was put to his client.

Mr. Hale, who now works for an industrial security company, could not be reached for comment. However, he has never responded to the many inquiries of the press.

Dialogue at Hearing

At the hearing last July, both Dunbar and Stevens told their stories at length. They confessed to the bombings at the Licavoli and Bonanno homes but said they had been acting under Mr. Hale's direction. Dunbar's lawyer, Gerald Cartin, engaged in the following dialogue with his client:

Q. Well, whose idea was it from the very beginning?

A. David's [Hale's] idea, it was to, from what we were told, was to start a feud be-

tween the Mafia families in Tucson and to get them out of Tucson.

Q. Did he make any assurances to you regarding immunity or protection from prosecution?

A. He promised us that his office could take care of us, and that we'd never be arrested and if we were arrested we were never to say anything and let his lawyers handle it.

Charge Against Agent

The questioning brought a charge by Dunbar that Mr. Hale had promised to "wipe off" a prior felony conviction he had in 1963 if he cooperated with him.

At another point, Mr. Cartin asked whether Dunbar had known he was doing anything illegal.

Dunbar said, "No, not really; blowing up a wall was illegal, but we were assured there wouldn't be any, there was nothing wrong with it because it was, we were being protected by the F. B. I."

During cross-examination David Dingeldine, deputy attorney for Pima County, asked Dunbar whether Mr. Hale had indicated he had the approval of those above him. Dunbar said, "No it was just 'In my position and the people in back of me, you don't have a thing to worry about.'"

Dunbar also said that in the hallway of the Tucson Y.M.C.A., Mr. Hale asked him how he would "feel about getting even with the family" for shooting Stevens by "hitting" Bonanno's bodyguard, Peter Notaro, and had mentioned "some neat ways... like with a crossbow." Dunbar explained that he had done "quite a bit" of target shooting with a crossbow but had told Mr. Hale that he would not use one to shoot Notaro.

Hospital Incident

Stevens supported Dunbar's testimony, adding that as he lay wounded in the hospital, Mr. Hale had come to visit him and had "wanted some more explosives."

His lawyer, S. Thomas Chandler, pursued the point with

Stevens. "He wanted you to do a job in the hospital bed?"

"Yes, sir," replied Stevens.

"What did he want you to do?"

"Wanted me to crimp a cap onto a fuse," Stevens said.

"What did you tell him?"

"I couldn't do it. I had only one hand, and you don't do it very well with one hand."

At the close of the hearing, District Judge William C. Frey imposed fines of \$260 on both Dunbar and Stevens. He explained the sentence in this way:

"Under the circumstances I can see how you were probably taken in, misled, led down that primrose path pointed out to you by Mr. Hale under the guise that you were acting for him in an official capacity... I am not going to impose any harsh penalties on you two for what appears to be at least at this time a dereliction, gross dereliction of duty by Mr. Hale and certainly a frolic of his own that has brought embarrassment to all concerned."

Mr. Dingeldine rose after the judge had pronounced sentence to declare that he was "forwarding a copy of all these proceedings to the Federal attorney's office."

The Official End

That, as far as the public officially knows, marked the end—almost one year ago—of the strange case of David O. Hale.

Just after the sentencing of Dunbar and Stevens, however, a reporter for The Arizona Republic learned that Mrs. Frances B. Angleman, a pretty blonde, had told a friend that she and Mr. Hale had tried to bomb a car at the Bonanno home. Mrs. Angleman, who was completing work for a doctorate in anthropology at the University of Arizona, was found dead of a gunshot wound in the head in May, 1969. The police said she had committed suicide.

Interest in the case was revived in April of this year when Representative Morris K. Udall, a Democrat whose district includes Tucson, wrote Will Wilson, an Assistant Attorney General, about the case. Mr.



The New York Times

David Olin Hale, a former F.B.I. agent in Tucson, Ariz., may face Federal charges that he allegedly instigated bombings directed against Tucson underworld figures.

Wilson wrote the Congressman that "the matter is closed."

Mr. Wilson wrote that "where a set of circumstances gives rise to Federal and state criminal law violations and where there is vigorous and successful state prosecution, Federal action is unnecessary." Mr. Wilson was saying that, since Dunbar and Stevens had been convicted, "Federal intervention was unwarranted."

Further Developments

The ink was hardly dry on Mr. Wilson's letter, however, when Mr. Smitherman told the press here: "There have been further developments. It is not closed, and investigation is continuing. It has never been closed."

Pressed to explain this difference, Mr. Wilson referred his questioner to Henry E. Petersen, one of his deputies. Mr. Petersen said that, "unfor-

tunately, the guy who wrote the letter didn't check" with the United States Attorney for Arizona, Dr. Richard K. Burke, Mr. Smitherman's superior. Mr. Petersen went on to say that the Justice Department did not know whether the case was open or closed. "Frankly," he said, "we just let the locals handle it."

Dr. Burke would make no comment on the case, but other Government sources said Mr. Smitherman had made a preliminary statement before a grand jury here in January and had examined two or three witnesses before the jury. The sources said, however, that other business—including the cases of some Weathermen radicals—had so crowded the jury's schedule that its term expired in March before it could go on with the case.

Stack of Documents

These sources said Mr. Smitherman planned to examine again the two or three witnesses he called in January and to call Dunbar, and Stevens as well. Dunbar and Stevens were subpoenaed in January but were not called before the jury. Evidence of Mr. Smitherman's continued interest is the thick stack of documents relating to the case that he keeps on a desk in one corner of his office.

Mr. Hale has, in the meantime, found new employment. He apparently tried to find work in the Tucson area but failed. While his family still lives here, Mr. Hale travels around the country as a security consultant. He is director of the security division of a small Miami conglomerate, Giffen Industries.

Observers here who have followed the bombings, the investigation, the sentencing of Dunbar and Stevens and the career of Mr. Hale raise several questions about the case beyond the guilt or innocence of the F.B.I. agent. Following are some of them:

¶Did the F.B.I. sanction or know about any extracurricular activities Mr. Hale may have engaged in?

¶Most concerns would be put off by a bad recommendation from the F.B.I. If Mr. Hale left the bureau under a cloud, how did he manage to get a job as an executive with Giffen Industries?

¶Why hasn't the state prosecuted Mr. Hale as a result of the allegations made against him?

Supervisor Still There

¶What did Police Chief Gilkinson mean when he spoke of "prominent persons" and said he was "getting pressure"?

Reliable sources in the Government maintain that the F.B.I. had no knowledge of anything Mr. Hale might have been doing outside of his job. They point out that Mr. Hale's

supervisor, Kermit Johnson, the senior resident F.B.I. agent in Tucson, remains in his job. If Mr. Johnson had known that Mr. Hale was doing anything illegal, they argue, his supervisors would have punished him for not reporting it. If his supervisors also knew of any wrongdoing, the sources maintain, they would have punished Mr. Johnson for letting Mr. Hale bungle and bring embarrassment to the bureau.

One Government official said that if any agent had done something improper, the bureau might easily not have known about it. "If they have a man who doesn't follow the instruction and he doesn't fill out the forms that are supposed to show what he is doing honestly, they wouldn't find out until something breaks."

The official pointed out that the F.B.I. "doesn't follow its own men around" and argued, "You've got to start from the premise that the bureau is not infallible. They're suffering from this image that they're perfect. Don't think that because they're an investigating agency, a really clever guy can't get away with something."

F.B.I. Reportedly Angry

Government sources report that the F.B.I. was "mad as hell" at Mr. Hale and virtually forced his resignation. "He resigned," one official said, "because he knew the F.B.I. was about to take action."

According to that official, the F.B.I. was going to ask for Mr. Hale's resignation not because of the bombings—on which it was unable to find decisive evidence of guilt or innocence—but because the agent had violated bureau regulations. He had borrowed \$750 to \$1,000 from a private person (and had repaid it); he had accepted an expensive watch as a gift and borrowed a color television from the same person, and he had accepted the use of air-conditioned cars free from a Tucson car rental company, the official said.

Government sources say that the F.B.I. did not recommend Mr. Hale for his new job. They maintain that Giffen Industries never asked the bureau about his background. In an interview, Mr. D'Antonio, his lawyer said that he had secured the

job for Mr. Hale by getting in touch with an officer he knew in the company.

Mr. Dingeldine, the county lawyer, said in an interview that he had not prosecuted Mr. Hale because of an Arizona statute that requires more evidence for conviction than the testimony of accomplices. "We had Dunbar and Stevens," he said, "but we could not find other witnesses to corroborate them."

Mr. Smitherman does not have that problem because Federal law provides more latitude and he has apparently found other witnesses. His problem, according to reliable sources, is the strength of the corroboration—one of the witnesses has made three statements, each of them slightly different—and the general quality of evidence that includes the testimony of two self-confessed bombers.

Mr. Smitherman has said that he is handling the case himself, without the aid of the F.B.I. He is reported to be doing this because he feels he cannot properly ask the bureau to investigate someone who worked for it.

One problem from the Justice Department's point of view may relate to the type of charges that would be used in the case. Observers say that the most likely charges to be lodged—if any are—would involve violations of the civil rights laws.

'Prominent Names'

This would put Attorney General John N. Mitchell and an Administration pledged to making war on organized crime in the position of filing charges against someone—perhaps a former F.B.I. agent—for depriving Joe Bananas of his civil rights.

Police Chief Gilkinson was asked during an interview about the "prominent persons" he had referred to. The chief was vague, saying only that "prominent names" had come out. Asked about the "pressure" he had reported he was under, the chief was equally vague. He said, "I think I was referring to the various groups that were in touch with us."

Pressed, he said, "I would rather not go into it now."

Chief Gilkinson did volunteer, however, the story of his

effort to protect Dunbar and Stevens after their arrest. "I went to see Bonanno," he explained, "and I said I didn't want anything to happen to these two boys while we had the case going."

How did Bonanno react? "He assured me he wouldn't have anything to do with harming them, because he felt there was someone else behind it and he wanted the police to investigate. So we had an understanding—he wouldn't interfere with anything then."

While Mr. Hale could not be reached, Mr. D'Antonio said he had advised him not to speak to anyone outside of his presence anyway. It is known, however, that Mr. Hale repeatedly and vigorously denied any wrongdoing in extended interviews with the F.B.I. He told the bureau he was the victim of a trumped-up charge.

Lawyer's Comments

The chunky, gray-haired Mr. D'Antonio is an energetic advocate of Mr. Hale's innocence. He says that Mr. Hale, a Mormon, was at a church function the night of the bombing at the Bonanno home and "was with other people at all times."

How does he account for the testimony of Dunbar and Stevens? "I account for it by saying there was a No. 3 and a No. 4 [involved in the bombing] and Mr. Hale's name was substituted for one of them."

Why would that be done? "I choose not to answer," he said. "I think I have the key to it, but it's part of my defense."

"If you are going to get caught in a criminal act," he went on, "It's a hell of a nice defense to say you thought you were operating under a law enforcement officer, that you were acting as a vigilante."

At one point the lawyer suggested that Mr. Hale was the victim of a conspiracy bent on silencing him. "Don't you think if they let him alone he might have gotten right to the heart of it?" he asked. "He was spending every one of his hours on it; he was right on it."

Pounding on his green Mediterranean-style desk and stamping his foot on the floor, Mr. D'Antonio excoriated the F.B.I. for its silence. "Somebody's got to make an official statement," he shouted. "The F.B.I. has got to stand up and say he's either guilty or innocent."