

A Report of CIA Role in Ending Shipping Contract

Original (similar) filed CIA (d).

Washington

The Central Intelligence Agency took part in a plan to help U.S. companies by undermining a lucrative shipping contract that seemed to threaten American corporate interests in Saudi Arabia, according to sources.

The contract, according to informed sources, was granted in 1954 to the late Greek tycoon Aristotle Onassis and would have given him virtually complete control over the shipping of Saudi Arabian oil.

The Senate intelligence committee alluded to the arrangement last month in a footnote to its report on assassination plots, but without mentioning Onassis by name.

Former FBI agent Robert Maheu told the committee in secret testimony last July that he worked closely with the CIA in breaking up the contract after Maheu's private detective and public relations agency had been hired by Onassis' rival, Stavros Niarchos.

Maheu, who later became a top aide to billionaire Howard Hughes, said he arranged to plant a listening device in a room Onassis occupied, after consulting with the CIA.

Maheu also helped bring about the termination of the Saudi contract by publicizing its terms in an Italian newspaper.

The contract terms apparently were heard through the listening device, one source said.

The Onassis contract had also alarmed Aramco — a joint enterprise of Exxon, Standard Oil of California, Texaco and Mobil — which was then the sole oil producer in Saudi Arabia. The companies reportedly feared that the contract presaged Saudi Arabia's nationalizing oil production and also saw it as a serious diversion of cargo from their own ships.

Maheu also did other work for the CIA, including service as a middleman in a Mafia-CIA plot to kill Cuban Premier Fidel Castro. The Senate intelligence committee said Maheu subsequently relied on his CIA relationship to avoid testifying before Missouri Democratic Senator Edward V. Long's committee when it was investigating invasions of privacy in 1966.

According to a CIA inspector general's report, when Maheu learned that the Long committee might call him as a witness, he "applied pressure on the agency in a variety of ways — suggesting that publicity might expose his past sensitive work for the CIA."

CIA officials then intervened with Long and as a result, Maheu was not called to testify.

Washington Post