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Hughes Abroad



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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 spokesman 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.

HUGHES' next home away from home was Managua, Nicaragua, which is the fiefdom of Anastasio Somoza. The pot-bellied ruler controls every profitable industry in his tiny nation.

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."

But Hughes remained in the Bahamas where he apparently received encouragement from Prime Minister Pindling. The secret Hughes papers contain several references to Pindling familiarly as the PM.

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.

A top Hughes aide wrote warmly: "Meeting with Somoza, invite him as H.R.H.'s guest to Las Vegas or any other big city in the U.S. Fly him in an exectype jet."

Unhappily, Somoza was losing money on his airline, which was paying \$65,000 a month on a British loan, Hughes was informed. But the men around Hughes found Somoza to be their kind of dictator.

But the higher Somoza's airliners soared, the lower the profits plunged. To intice 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.

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