

Investigators Link Hoffa's Disappearance to

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CHICAGO, Aug. 18—The disappearance of James R. Hoffa on July 30, many investigators believe, may have its roots in the alliances Mr. Hoffa forged with organized crime a quarter century ago in his drive for control of the International Brotherhood of Teamsters.

Analysis of the records of past investigations, together with background interviews with officials across the Middle West where Mr. Hoffa rose to power, show that he brought flocks of hoodlums into the teamsters, used them to get control and then was stuck with their influence. They are still there.

When Mr. Hoffa came out of jail in 1971, thirsting to resume his control of the union but barred by conditions of his parole, one device he used to try to undermine his successor, Frank E. Fitzsimmons, was the allegation that controlling positions in the union were filled with racketeers and convicted criminals.

Mr. Hoffa said he would change that if he supplanted Mr. Fitzsimmons, whom a Teamster wit once described as "that fellow Jimmy used to strike matches on."

Hoffa Used Criminals

Just as Mr. Hoffa conferred power on Mr. Fitzsimmons as stand-in president of the teamsters when Mr. Hoffa was in jail so did he build up the influence of organized crime figures for his own use, a Senate inquiry has shown.

Mr. Fitzsimmons resisted relinquishing union control to Mr. Hoffa, and one of the investigative theories is that organized crime figures in the union no longer needed Mr. Hoffa and killed him for "rocking the boat" in his attempt to recapture control.

Eighteen years ago a Senate investigation headed by Senator John L. McClellan, an Arkansas Democrat, found that "there was overwhelming evidence of infiltration of this union by racketeers and hoodlums," and that Mr. Hoffa "pushed his way to the presidency of the Teamsters International with their active sup-

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His Early Alliance With

port and assistance."

The beginnings of the relationship between Mr. Hoffa and organized crime are lost in time. But as far back as 1949, according to the Senate Labor Rackets Committee, Mr. Hoffa had underworld ties.

Laundry owners in Detroit that year were faced with a strike, the committee found. They went to one of their number, Morris B. Dalitz, who besides owning a laundry interest, was a prominent member of the criminal underworld in Cleveland and Detroit from the nineteen-twenties until 1940.

The owners promised to pay \$17,500 to prevent the strike, and Mr. Hoffa then entered the bargaining sessions to tell the negotiator for the laundry workers that there could be no strike.

The committee could not trace the money to Mr. Hoffa, and he denied that he had received it, although it was not contested that he helped the laundry owners avoid a strike.

The years passed and Mr. Dalitz became a major operator in the Las Vegas gambling casino industry. He sold out in Nevada in 1966 and became a partner in the development of Rancho La Costa, a real estate promotion in San Diego County, Calif.

By then Mr. Hoffa was in firm control of all aspects of the teamsters union. Money began to flow to La Costa in a golden stream from the union's pension funds in the Central, Southeastern and Southwestern states. Upwards of \$45-million has gone into the development.

Once lent to La Costa, the money seems to wander. A sample of this is seen in claims filed last year in United States

Organized Crime

Tax Court by the Internal Revenue Service against Mr. Dalitz and his three partners.

I.R.S. Accuses Dalitz

The service alleged that the Dalitz group inflated by \$125,000 the price it had charged the La Costa Land Company, which it controlled, when their partnership had sold a piece of property to it. In effect, \$125,000 in pension fund money seemed to pass through La Costa Land Company to Mr. Dalitz and friends. The Dalitz group has contested the I.R.S. assessment.

Last March, Penthouse magazine printed an article about La Costa and its residents, visitors and promoters. Mr. Dalitz, his three partners and the five corporations they established to operate La Costa sued the magazine, its editors and the two authors.

The complaint, filed in Los Angeles Superior Court, said the magazine had falsely charged that La Costa was frequented by mobsters, that it had been founded by a syndicate, that it was controlled by the Mob or that it harbored a hoard of underworld figures who were under surveillance by law enforcement officials. The suit asks \$70-million damages, and pretrial depositions

now are being taken.

The connection with Mr. Dalitz raises echoes of the infamous Detroit Purple Gang, with whom Mr. Hoffa had dealings when he was an emerging labor figure in Detroit. His involvement with New York labor racketeers came about when he started to reach for national power.

John Dioguardi also known

as "Johnny Dio," became Mr. Hoffa's tool in Mr. Hoffa's attempt to gain power in the New York area teamster hierarchy.

Mr. Dioguardi, born in New York in 1914, was the nephew of James Plumeri who was the notorious "Jimmy Doyle," a labor racketeer and thug.

Mr. Dioguardi served a 3-to-5-year sentence at Sing Sing penitentiary on a 1937 charge of extortion. In the nineteen-fifties he got into the labor racketeering field as the proprietor of a local of the United Auto Workers affiliated with the American Federation of Labor. The local had split from the Walter Reuther-led U.A.W. affiliated with the Congress of Industrial Organizations, which had not merged with the A.F.L. Anthony Corallo, known as "Tony Ducks," was allied with Mr. Dioguardi, as was Anthony Doria.

These U.A.W.-A.F.L. locals, staffed by former convicts as business agents, specialized in extortion and sweetheart contracts. The Senate investigation showed that among 40 men Mr. Dioguardi brought into the labor movement, there were 77 convictions for crimes that included theft, narcotics, forgery, possession of stolen mail, robbery and accessory to murder.

By 1954, Mr. Dioguardi, forced out of the U.A.W.-A.F.L., was friendly with Mr. Hoffa, who was looking for support in New York. Pressed by the late Robert F. Kennedy, then chief counsel of the Senate Rackets Committee, Mr. Hoffa admitted that he had pushed hard to bring the U.A.W.-A.F.L. locals into the teamsters' union.

Hoffa's 'Forgettery'

Mr. Hoffa pleaded bad memory so often that the late Senator Irving Ives, a New York Republican, called it "the best forgettery" he had ever seen. One thing Mr. Hoffa could not remember was whether he had put recorders in the pockets of grand jury witnesses so he would know what they had testified to, beyond having

their assurances that they had protected him.

Dave Beck of Seattle was then the teamster president. The union was scheduled to hold elections in the fall of 1957, and Mr. Hoffa wanted to be ready in case something happened—as it did—to take Mr. Beck out of the running. The Senate committee's disclosures about Mr. Beck led to his conviction of tax fraud, a Federal prison term and retirement.

Seven New York locals run by the Dioguardi group had been created, four of them staffed with the officers from the U.A.W.-A.F.L. The other three were staffed with Hoffa supporters from teamster locals.

Among the officers who moved from the U.A.W.-A.F.L. locals to the teamsters was Harry Davidoff, whose convictions include burglary and attempted extortion.

Mr. Davidoff's association with the teamsters has lasted into the nineteen-seventies. He and another man controlled a trucking association that dominated freight traffic in and out of New York's Kennedy International Airport. Life Magazine reported in 1971 that Mr. Dioguardi was able to intercede with Mr. Hoffa's successor, Mr. Fitzsimmons, to protect Mr. Davidoff's position in a teamster local.

Dorfman of Chicago

In the beginning of Mr. Dioguardi's move into the labor field, he got important help from Paul Dorfman, head of the waste handlers union in Chicago. Mr. Dorfman had taken over the local after its previous leader was shot dead.

One of the officials of the previous administration of the local was Jack Ruby who later went to Dallas where he ran a nightclub featuring strippers, and got to know so many policemen that they permitted him to move freely into headquarters on Nov. 25, 1963, when he whipped out a gun and killed Lee Harvey Oswald, the accused assassin of President Kennedy.

When the authorities examined Mr. Ruby's long-distance telephone records, they found he had been in close contact with many of the top teamster officials and their retinue, who, when interviewed, said that the nightclub operator had asked them for help with his labor problems.

Paul Dorfman's son, Allen, is another of Mr. Hoffa's ties to the underworld. Many observers of the teamsters see Allen Dorfman as one of the transi-

tional figures between the continual violence of labor rackets of the earlier days and the smoother but financially more remunerative rackets of today.

The Central States pension fund looms large in these matters.

Mr. Hoffa ran the fund with an iron hand until he went to jail. He set out in the early nineteen-sixties to use the money to make the teamster more powerful. For example, if the union wanted to influence a politically powerful banker, the fund could deposit \$5-million in his bank.

This practice, which was legal, soon gave way to loans to those with influence, and that led to kickbacks, which led to the creation of kickback rings, which led to selecting borrowers for the size of their payments of bribes, rather than for the loans' value to the union or for the collateral offered.

Mr. Hoffa himself was convicted as a part of a ring that had collected more than

\$1-million in kickbacks from about \$20-million in loans from the fund.

Before he went to prison, Mr. Hoffa arranged for his old friend, Mr. Fitzsimmons, to be "general vice president," which meant Mr. Fitzsimmons was to be in charge of the fund. He also arranged to have Allen Dorfman named special consultant to the pension fund trustees. Mr. Dorfman lasted until 1972 when he was convicted of taking a \$55,000 kickback for arranging a loan.

Several investigators interviewed by The New York Times believe that Mr. Fitzsimmons does not have the control of the pension fund that Mr. Hoffa had.

Organized crime involvement in the teamsters went beyond the pension fund, according to law enforcement sources. In

<p>Kansas City, for example the union was pictured by competent confidential sources as riddled with racketeering influence. One observer said that some truck drivers spent all their time making their book-making rounds and none on deliveries for their intimidated employers.</p>	<p>have a history of violence, and several leaders have been convicted of criminal conduct. Roy Lee Williams, now in his 50's, is an international union vice president and one of the eight union members on the pension fund board of trustees.</p>	<p>by a shotgun blast by a masked man who then stood over him and fired again.</p>
<p>Kansas City Theft Ring</p>	<p>He twice has been acquitted of charges of embezzlement of union funds. Floyd Hayes, Mr. Williams's predecessor as the chief teamster officer in Kansas City, was convicted of such charges in 1964 in a trial in which Mr. Williams was acquitted.</p>	<p>Two witnesses, under hypnosis, gave descriptions of Mr. Hayes's killers that fit two known professional gangland killers. No other evidence existed and no attempt was made to bring the men described to trial.</p>
<p>Thefts from interstate shipments in Kansas City are said by officials to be extremely high. Confidential sources said that law-enforcement officials were particularly concerned about thefts of guns from interstate shipments. Members of theft rings are believed to have infiltrated freight companies where they forecast the arrival of cargo the gangs want to loot.</p>	<p>While Mr. Hayes was awaiting sentence he became a Government informer. Fearful for his life, he rigged his car so it could be started from a distance with an electronic signal. As she stood outside the car on the night of June 11, 1964, Mr. Hayes was shot down</p>	<p>Mr. Williams succeeded to full control of the teamsters in the area. In 1957, when Mr. Hoffa was elected president of the Teamsters, Mr. Williams was chief of the convention credentials committee. The Senate Labor Rackets Committee has estimated that more than half the delegates permitted to vote were elected in violation of union rules.</p>
<p>The teamsters in Kansas City</p>		<p>The government suffered dismissal of its 1974 charge of keeping false union records</p>

<p>against Mr. Williams rather than submit to a court order to turn over the grand jury transcript to the defense. In its refusal to comply, the Government cited the murders of Floyd Hayes and Sol Landie, the latter a witness in an investigation of Nicholas Civella, front figure for the Mafia in Kansas City.</p>	<p>of dollars in cases he had prosecuted.</p>
<p>"The United States has an inescapable duty to do everything within its power to prevent another Sol Landie or Floyd Hayes tragedy," the Government said in a written plea to the court.</p>	<p>"It is imperative that a task force [of investigators and prosecutors] be set up to deal with the affairs of the pension fund," Mr. Lydon said.</p>
<p>Pension Fund Tainted</p>	<p>In other interviews about Mr. Hoffa's involvement with organized crime, several official sources said there was a vague report from some of Mr. Hoffa's associates several months ago that he might be willing to give evidence to the Government if that would help him return to the union presidency. The same sources said, however, that nothing had come from these reported overtures from Hoffa aides and that it was not clear even whether Mr. Hoffa himself had known and approved of what allegedly had been said to Federal officials.</p>
<p>In a cryptic interview in Chicago, Matt Lydon, an Assistant United States Attorney, said that the taint of organized crime ran through pension fund transactions involving millions</p>	