

8

UNITED STATES GOVERNMENT

# Memorandum

Tolson	_____
DeLoach	_____
Mohr	_____
Bishop	_____
Casper	_____
Callahan	_____
Conrad	_____
Felt	_____
Gale	_____
Rosen	_____
Sullivan	_____
Tavel	_____
Trotter	_____
Tele. Room	_____
Holmes	_____
Gandy	_____

TO : Mr. DeLoach

DATE: 12-17-68

FROM : T. E. Bishop

SUBJECT: ARISTOTLE ONASSIS  
REQUEST FOR INFORMATION BY  
WORLDWIDE FEATURES, INC.

*wags*  
*Boh*  
*R*  
*8*

Reference is made to my memorandum of 11-27-68 in which it was noted that one Joe Trento, who said he was with Worldwide Features, called my office making inquiry regarding a letter that Mr. Hoover had written to Admiral Land of the War Shipping Administration regarding Aristotle Onassis. It was noted that Trento was particularly obnoxious and demanded verification as to whether or not Mr. Hoover had prepared such a letter. He was very firmly advised that FBI files were confidential and that we could be of no help whatsoever to him.

The National Enquirer, a low-order scandal sheet dated 12-29-68 carries a photostat of the letter from Mr. Hoover to Admiral Land. The article in the Enquirer claims that an FBI spokesman confirmed that such a letter existed and confirmed that it had a dossier on Onassis. This, of course, is nonsense as the reporter was told absolutely nothing.

The letter in the Enquirer is an exact copy of the Director's letter to Admiral Land. It is to be noted that the Enquirer article claims that the original copy of the letter disappeared from the files of the U. S. Maritime Commission.

RECOMMENDATION:

For record purposes.

- 1 - Mr. DeLoach
- 1 - Mr. Sullivan
- 1 - Mr. Jones

HPL:mew (5)

59 JAN 11 1969

*ph*

*my*

REC-115

✓  
65  
TEB  
100 - 125234  
22

DEC 24 1968

CRIME RESEARCH

UNITED STATES GOVERNMENT

# Memorandum

Tolson	_____
DeLoach	_____
Mohr	_____
Bishop	_____
Casper	_____
Callahan	_____
Conrad	_____
Felt	_____
Gale	_____
Rosen	_____
Sullivan	_____
Tavel	_____
Trotter	_____
Tele. Room	_____
Holmes	_____
Gandy	_____

TO : Mr. DeLoach

DATE: 11/27/68

FROM : T. E. Bishop

SUBJECT: ARISTOTLE ONASSIS  
REQUEST FOR INFORMATION BY  
WORLDWIDE FEATURES, INC.

*USA* One Joe Trento, [redacted] of Worldwide Features, *USA*  
called my office 11/25/68 and said that they had learned that Mr. Hoover had reportedly written the Maritime Commission in 1944 or 1945 regarding Aristotle Onassis. He said the Director allegedly had said something to the effect that Onassis bore watching. Mr. Trento was advised by Leinbaugh in my office that we could not help him, that FBI files were confidential and available for official use only. Trento immediately became highly upset. He demanded to talk to Mr. Hoover personally in order to obtain verification from Mr. Hoover as to whether or not such a letter had been written. Trento was again told, very firmly, that our files were confidential, that the FBI could be of no help whatsoever and that Mr. Hoover could not be of assistance.

Trento, who is obviously quite youthful and inexperienced as a newspaperman, became increasingly abusive and it was finally necessary to terminate the call. Later on, Trento called your (Mr. DeLoach's) office and requested that he be called and given the above referred to information. This call was not returned.

We have been advised by the Liaison Section that Worldwide Features called the Maritime Commission and tried to get the above information on 11/26/68. The Maritime Commission advised Worldwide Features that they had no such letter in their possession, and that even if they did, it could not be made available to the news service inasmuch as the letter would be the property of the FBI. The caller, who did not identify himself, said that he had found a letter dated 7-16-42 from Mr. Hoover to Admiral Land regarding Onassis at Archives.

Based on the date given the Maritime Commission, we located in Bufiles a letter to Admiral Land from the Director regarding Onassis which merely relates that an informant advised the FBI that the activities of Onassis "should be carefully scrutinized." A copy of this letter is attached.

**RECOMMENDATION:**

For information. We will, of course, furnish no information whatsoever to Worldwide Features.

Enclosure ENCLOSURE ATTACHED  
1 - Mr. DeLoach  
HPL:jo (5)  
1 - Mr. Sullivan  
1 - Mr. M.A. Jones

MCT-24 100-125831-23

DEC 5 1968

CR

Dear Admiral Emory S. Land  
Administrator  
War Shipping Administration  
Department of Commerce Building  
Washington, D. C.

My dear Admiral:

Information has been received from a confidential source that Mr. Aristotelis Onassis, who is reportedly part owner of the tankers "Calliope" and "Antiope", was scheduled to depart for the United States on Thursday, June 19, 1942, by Pan American clipper from Buenos Aires, Argentina. According to the informant, the purpose of Onassis' visit is to continue the negotiations for the sale of these two tankers to the War Shipping Administration.

The informant advised there is no information available indicating Mr. Onassis has any other motive for making a trip to the United States, but it was reported he has expressed sentiments inimical to the United States war effort, and that his activities and movements while in the United States should be carefully scrutinized.

Sincerely yours,

S1072

John Edgar Hoover  
Director

- Mr. Tolson \_\_\_\_\_
- Mr. E. A. Tamm \_\_\_\_\_
- Mr. Clegg \_\_\_\_\_
- Mr. Glavin \_\_\_\_\_
- Mr. Ladd \_\_\_\_\_
- Mr. Nichols \_\_\_\_\_
- Mr. Rosen \_\_\_\_\_
- Mr. Tracy \_\_\_\_\_
- Mr. Carson \_\_\_\_\_
- Mr. Coffey \_\_\_\_\_
- Mr. Hendon \_\_\_\_\_
- Mr. Kramer \_\_\_\_\_
- Mr. McGuire \_\_\_\_\_
- Mr. Quinn Tamm \_\_\_\_\_
- Mr. Nease \_\_\_\_\_
- Miss Gandy \_\_\_\_\_

COMMUNICATIONS SECTION  
MAILED  
JUL 16 1942  
FEDERAL BUREAU OF INVESTIGATION  
U. S. DEPARTMENT OF JUSTICE

U.S. DEPT. OF JUSTICE  
RECEIVED-RECORDS SECTION  
JUL 16 11 22 AM '42

50 AUG 1 1942

125834-23  
ENCLOSURE

only remains in accordance with the terms of the contract of commissions due for services rendered on an advance of 5000 dollars.

# Ari Was Arrested by U.S. for Surplus Ship Deal

By ROGER LANGLEY

J. Edgar Hoover ordered the FBI to put Aristotle Onassis under surveillance during World War II for suspected anti-American feelings concerning the war effort. And the U.S. government later had him arrested and fingerprinted as a result of the allegedly illegal purchase of war surplus ships.

In 1942, Hoover ordered that Onassis be carefully watched while in the U.S. because the FBI had received confidential reports that Onassis had made unfriendly remarks about the U.S. war-time activities.

Onassis claimed citizenship in Argentina during the war and was involved in a number of shipping deals with the U.S. government which brought him to this country several times.

Hoover was suspicious of Onassis. He wrote a confidential letter dated July 16, 1942, to Rear Admiral Emory S. Land, the head of the War Shipping Administration, concerning Onassis.

The letter said in part: "Information has been received from a confidential source that Mr. Onassis . . . has expressed sentiments inimical to the United States war effort, and that his activities and movements while in the United States should be carefully scrutinized."

The ENQUIRER obtained a photostat of this letter and learned that the original copy has disappeared from the files of the U.S. Maritime Administration, after the war.

Robert Tennant, a spokesman for the Maritime Administration, said: "Our files do include material on Mr. Onassis' shipping deals but part of our files are incomplete."

"The letter from the FBI is not there. I called the FBI and asked for a photostat of the missing letter but they refused to give me any assistance."

"The FBI confirmed that there was a letter from Mr. Hoover to the then War Shipping Administration, but refused to reveal any details of its contents."

A spokesman for the FBI in Washington refused to discuss the missing letter with The ENQUIRER. He confirmed its existence but said: "The letter stands, but all correspondence relating to Mr. Onassis is confidential and can not be made public." This remark indicates Hoover has written more than one letter concerning Onassis.

The FBI also confirmed it has a dossier on Onassis but refused to reveal its contents.

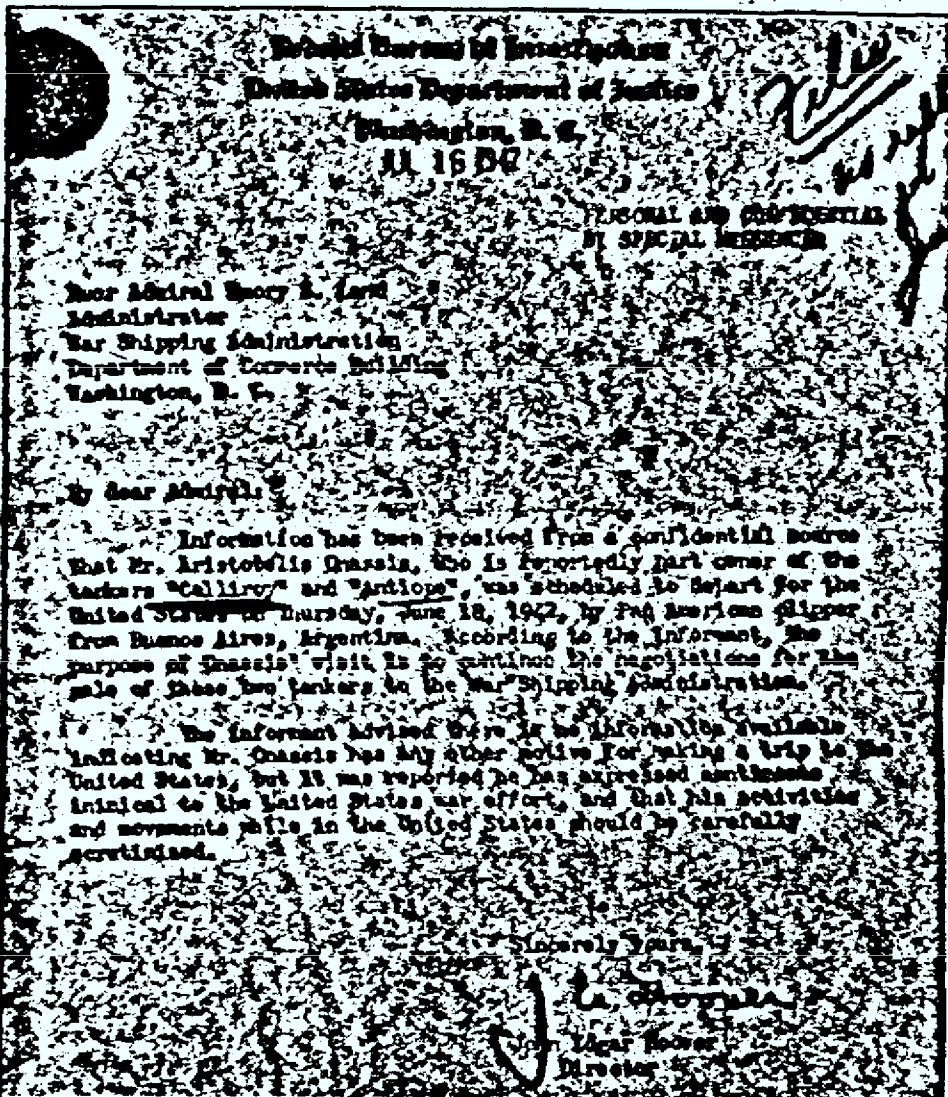
On Feb. 1, 1954, Onassis flew to New York to face U.S. charges against him in connection with an involved surplus ship deal.

His lawyers told him that the authorities were picking on him to make an example and also were backing up their civil claim with criminal proceedings.

Onassis was anxious to get the matter settled, so, on February 4, he sent the following telegram:

"Honorable Herbert A. Brownell Jr., Attorney General of U.S., Department of Justice, Washington. I wish to inform

# Surplus Ship Deal



PHOTOSTAT of FBI letter signed by J. Edgar Hoover in 1942 that advises Admiral Land of Onassis' anti-American sentiments.

you that having arrived from Europe on Monday night, I place myself at your disposal during my visit to this country for any information you or your department might care to have."

The following day, Feb. 5, 1954, Onassis was arrested by a U.S. Marshal while sipping a martini at lunch in the Colony, an exclusive New York restaurant.

The Greek playboy billionaire was fingerprinted and photographed and charged with a criminal misdemeanor for violation of Section 9 of the U.S. Maritime Act of 1916.

The U.S. government charged that Onassis had illegally bought American surplus ships, which, under the law, could only be sold to U.S. citizens.

The government also brought a \$20 million civil lawsuit against Onassis and had several of his tankers impounded. Onassis pleaded not guilty and was released on \$10,000 bail.

At the time he said: "The charges against me are unfair. I shall be glad to have the issue determined by the

courts in accordance with the fine traditions of American justice."

Onassis made a fortune in profits from his wartime shipping activities. He often bragged that none of his ships were ever sunk by the Axis powers.

After the war, he decided to enlarge his tanker fleet by buying several 16,000-ton surplus ships from the U.S. government. The law required that the ships could only be sold to Americans or to American-controlled corporations.

Onassis set up American companies by forming partnerships with several prominent Americans such as Edward  
(Continued on next page)

# Ship Deal

(Continued from preceding page)  
 Stettinius, the former Secretary of State, Joseph E. Casey, a former Congressman from Massachusetts and Brigadier General J.K. Holmes, an ex-aide to General Dwight D. Eisenhower. The partners put up \$1,000 to form the corporations and Onassis put up the cash to buy the ships.  
 The dummy U.S. corporations applied for 80 tankers. The government sold them 20 ships between 1947 and 1949. The ships cost \$54 million to

build. But Onassis got them for only \$32 million.  
 Then in 1953 the U.S. government brought charges against him.  
 Onassis was furious. The charges against him were prepared by the Attorney General, Herbert Brownell Jr. When Onassis was setting up his dummy corporations he was advised on how to do it by Brownell's law firm. At that time Brownell had a private practice and was not connected with the government.  
 Onassis said: "I had foreseen the possibility of such a charge when the companies were being formed and

said that. If necessary, I would be quite content to have no share in the ownership of the tankers."  
 "After all, what does it matter who owns a ship as long as you have the use of it?"  
 "But I was assured by the best legal advice available that all that was required by American law was that the majority interest should be in American hands. The gentleman who so assured me now argues the case against me."  
 After his arrest he was not required to present himself to U.S. District Attorney Leo Rover in Washington, D.C.

On February 8, The detailed charges were spelled to him by Rover. Fifteen minutes later he appeared before Judge Bolitha J. Laws and pleaded not guilty and was released on a \$10,000 bail bond.  
 At that he was ordered not to leave the country but then as the case dragged on, the restriction was lifted.  
 Eventually a settlement was reached and Onassis paid \$7 million to the government and the criminal charges were dropped.  
 It was estimated in 1953 that Onassis had already made \$20 million profit from the sale of these ships.

## In Letter to Her New Stepson, Jackie Says: 'I Love Only My Poor Dead Husband'

By THOMAS KNOWLES

"Don't worry. I love only my poor dead husband. And your father loves only your mother."

These words, contained in a sensational letter sent by Jackie Kennedy Onassis to her new stepson, Alexander, have stunned society in two European capitals.

Onassis' former wife Tina, now Marchioness of Blandford, has been telling friends that her children by Onassis — Alexander, 20, and Christina, 18 — were upset by the wedding.

And, she says, this is why Jackie wrote the letter: A close friend of Tina in Paris told this reporter: "I know about the letter."

"At first I thought Jackie was just trying to please Alexander, but both he and his mother now feel that Jackie and Onassis married each other more out of a sense of mutual respect and liking than deep love."

"It is quite clear that Jackie still has deep feelings toward her late husband and she says this clearly in her letter."

There is no secret that Alexander was upset by the wedding.

Reporters at the wedding in



NOT IN LOVE with Onassis, says Jackie's stunner letter.

tycoon Baron Helml Thyssen. The reliable Women's Wear Daily of New York, journalistic spokesman for the world of women, recently reported:

Dec have other The on O

004  
OFFICE OF DIRECTOR  
FEDERAL BUREAU OF INVESTIGATION  
UNITED STATES DEPARTMENT OF JUSTICE  
December 13, 1968

Note Page 17.

hwg

MR. TOLSON ✓  
MR. BELMONT ✓  
MR. MOHR ✓  
MR. DELOACH ✓  
MR. CASPER ✓  
MR. CALLAHAN ✓  
MR. CONRAD ✓  
MR. FELT ✓  
MR. GALE ✓  
MR. ROSEN ✓  
MR. SULLIVAN ✓  
MR. TAVEL ✓  
MR. TROTTER ✓  
MR. JONES ✓  
TELE. ROOM ✓  
MISS HOLMES ✓  
MISS METCALF ✓  
MISS GANDY ✓

FILE

# Memorandum

- 1 - Mr. C. D. DeLoach
- 1 - Mr. W. C. Sullivan

Tolson \_\_\_\_\_  
 DeLoach \_\_\_\_\_  
 Walters \_\_\_\_\_  
 Mohr \_\_\_\_\_  
 Bishop \_\_\_\_\_  
 Casper \_\_\_\_\_  
 Callahan \_\_\_\_\_  
 Conrad \_\_\_\_\_  
 Felt \_\_\_\_\_  
 Gale \_\_\_\_\_  
 Rosen \_\_\_\_\_  
 Sullivan \_\_\_\_\_  
 Tavel \_\_\_\_\_  
 Soyars \_\_\_\_\_  
 Tele. Room \_\_\_\_\_  
 Holmes \_\_\_\_\_  
 Gandy \_\_\_\_\_

TO : Mr. W. C. Sullivan

DATE: 6/15/70

FROM : W. R. Wannall

- 1 - Mr. T. E. Bishop
- 1 - Mr. W. R. Wannall
- 1 - Mr. J. E. Wagoner

SUBJECT: ARISTOTLE ONASSIS  
 ADVANCE UNITED PRESS  
 INTERNATIONAL (UPI) RELEASE  
 FOR 6 PM  
 JUNE 15, 1970

UPI release makes reference to article in "Look" magazine wherein it is stated that the Director ordered Aristotle Onassis placed under surveillance during a 1942 trip Onassis made to the United States because an informant had described him as anti-American. The Director inquired as to whether or not this statement was correct.

*Jackie's Fabulous Greek*  
*by Parkhill*  
 6-30-70

The article in "Look" magazine, which UPI is referring to, is undoubtedly based on a letter we directed to Rear Admiral Emory S. Land in July, 1942, at the time Land was Administrator, War Shipping Administration, Washington, D. C. This letter set forth information we received from the Office of Naval Intelligence (ONI). This information which came from an ONI informant related to a scheduled trip to the United States in June, 1942, by Onassis for the purpose of negotiating for two tankers with the War Shipping Administration. The ONI informant also reported that Onassis had expressed sentiments inimical to the United States war effort and that his activities and movements while in the United States should be carefully scrutinized.

We did not initiate investigation of Onassis in 1942, however, in 1943 we initiated investigation of him because of information received that a captain of one of Onassis's ships was alleged to have been approached by German agents to act for them in the North Atlantic. Investigation did not reveal Onassis to be engaged in any activities inimical to the United States. Review of reports in this case do not indicate that Onassis was ever placed under surveillance.

UNRECORDED COPY FILED IN 94-3117

JRW:rad  
 (6)

REC-3

JUN 22 1970

CONTINUED - OVER

EX-115

E B I

ENCLOSURE

87 JUN 24 1970

JUN 22 1970

CORRESPONDENCE

Memorandum to Mr. W. C. Sullivan  
Re: Aristotle Onassis  
Advance United Press International (UPI)  
Release for 6 pm, June 15, 1970

It would appear that the author of the "Look" article, Doris Lilly, who is described as a former society columnist, has assumed that Onassis was placed under surveillance. Her assumption is probably based on the statement in our letter to Admiral Land reporting the information from the ONI informant. It should be noted that the "National Enquirer," a low-order scandal sheet dated 12/29/68, carried a photostat of our letter to Admiral Land. The "Enquirer" article claimed that the original copy of this letter disappeared from the files of the U. S. Maritime Commission. It would appear that the article in "Look" magazine is a rehash of the article which appeared in the "National Enquirer."

ACTION:

For information.

*get*  
*WCS*  
*WCS*  
*WCS*  
*WCS*



Loach \_\_\_\_\_  
 Walters \_\_\_\_\_  
 Mohr \_\_\_\_\_  
 Casper \_\_\_\_\_  
 Callahan \_\_\_\_\_  
 Conrad \_\_\_\_\_  
 Felt \_\_\_\_\_  
 Gale \_\_\_\_\_  
 Rosen \_\_\_\_\_  
 Sullivan \_\_\_\_\_  
 Tavel \_\_\_\_\_  
 Soyars \_\_\_\_\_  
 Tele. Room \_\_\_\_\_  
 Holmes \_\_\_\_\_  
 Gandy \_\_\_\_\_

*Is this correct?*

280A MFK

ONASSIS 6/13 NX  
 ADV FOR 6PM EDT MON JUNE 15  
 FOR USE IN NORTH AMERICA ONLY  
 NEW YORK (UPI)--FBI DIRECTOR J. EDGAR HOOVER ORDERED  
 ARISTOTLE ONASSIS PLACED UNDER SURVEILLANCE DURING A 1942  
 TRIP THE GREEK SHIPOWNER MADE TO THE WARTIME  
 UNITED STATES BECAUSE AN INFORMANT HAD DESCRIBED HIM AS  
 "ANTI-AMERICAN," IT WAS REPORTED MONDAY.  
 DORIS LILLY, THE FORMER SOCIETY COLUMNIST, SAID IN AN  
 ARTICLE IN LOOK MAGAZINE, THE UNIDENTIFIED INFORMANT PUT  
 IN THE REPORT IN BUENOS AIRES, WHERE ONASSIS THEN LIVED,  
 BEFORE ONE OF ONASSIS' MANY TRIPS TO THIS COUNTRY.  
 MISS LILLY SAID ONASSIS, WHO IS NOW MARRIED TO FORMER FIRST  
 LADY JACQUELINE KENNEDY, ACTUALLY "WANTED THE ALLIES" TO  
 WIN WORLD WAR II.

BUT THE INFORMATION WAS "CONSIDERED IMPORTANT ENOUGH"  
 FOR HOOVER TO WRITE PERSONALLY TO REAR ADM. EMORY S.  
 LAND, THEN HEAD OF THE WAR SHIPPING ADMINISTRATION, WHICH  
 WAS NEGOTIATING WITH ONASSIS TO BUY TWO TANKERS OF WHICH  
 HE WAS PART OWNER, MISS LILLY SAID.

"THE INFORMANT ADVISED THERE IS NO INFORMATION AVAILABLE  
 INDICATING MR. ONASSIS HAS ANY OTHER MOTIVE FOR MAKING  
 A TRIP TO THE UNITED STATES, BUT IT WAS REPORTED HE HAS  
 EXPRESSED SENTIMENTS INIMICAL TO THE UNITED STATES WAR EFFORT,  
 AND THAT HIS ACTIVITIES AND MOVEMENTS WHILE IN THE  
 UNITED STATES SHOULD BE CAREFULLY SCRUTINIZED," SHE QUOTED  
 THE LETTER.

ONASSIS, SHE SAID, "KNEW NOTHING OF THE LETTER, NOR  
 DREAMED THAT HE WAS UNDER SURVEILLANCE BY GOVERNMENT AGENTS  
 ON HIS TRIPS FROM NEW YORK TO HOLLYWOOD AND TO  
 BUENOS AIRES."

MISS LILLY NOTED THAT ARGENTINA, OFFICIALLY NEUTRAL DURING  
 THE WAR, WAS "A LITTLE MORE NEUTRAL ON THE SIDE OF THE AXIS  
 THAN ON THE SIDE OF THE ALLIES" AND THAT ONASSIS "WAS CLOSE  
 TO THE ARGENTINES AND THE LEADERS OF THEIR AXIS-LEANING  
 GOVERNMENT."

BUT, SHE SAID, ONASSIS "HAS NEVER BEEN A POLITICAL  
 ANIMAL."

MEMO TO MR. W. C. Sullivan  
 36115/190

WASHINGTON CAPITAL NEWS SERVICE

100-125834-24  
 ENCLOSURE

*24*

"BEING GREEK AND LIKING AMERICA, HE NATURALLY WANTED THE ALLIES TO WIN, BUT HE NEVER GOT FANATICAL ABOUT IT, AND AS FAR AS WE KNOW, DID NOTHING CONCRETE TO HELP, SUCH AS VOLUNTEERING FOR ACTIVE DUTY, CONTRIBUTING MONEY TO A CAUSE OR OFFERING HIS INTELLECTUAL SERVICES ON A DOLLAR-A-YEAR BASIS."

THE ARTICLE WAS ADAPTED FROM MISS LILLY'S FORTHCOMING BOOK, "THOSE FABULOUS GREEKS."

ADV FOR 6PM EDT MON JUNE 15  
FOR USE IN NORTH AMERICA ONLY  
BE114SPES

# JACKIE'S FABULOUS GREEN

ONCE UPON A TIME, a boy was born in Kayseri, Turkey, and his name was Socrates Onassis.

Since the fall of Constantinople, the Onassis family and other Greeks living in Turkey had been subjects of the Turkish sultan. The Turks were great warriors, but it was the Greeks who functioned as administrators and transacted most of the business of the Turkish Empire.

Socrates could have studied at a Greek college in Kayseri and then gone to work as a petty functionary of the sultan's civil service. Instead, he started a small business and moved to Smyrna, which was then an important, bustling town. More than half its population was Greek. Socrates was soon doing well in the tobacco business, and returned to Kayseri to choose a wife, a young Greek beauty named Penelope Dologlu. Their first child was a daughter, Artemis. On January 20, 1906, Penelope presented her husband with a son, named Aristode Socrates Onassis.

The other members of the Onassis family were dedicated to the Greek cause, even though technically they were Turkish subjects. But little Aristode wasn't interested in wars and Greek patriotic societies. The sea was the first thing he saw when he woke in the morning and the last thing he saw at night before he turned out the yellow lamp near the window and went to sleep. He developed a passionate love for it.

When Aristode was six, his mother died, and

attended school caps. World War I officially ended in 1918, and the Onassis family had survived it very well. Tobacco could now be exported freely, and it seemed the road to riches had been opened. But the war was far from over for Smyrna. In 1919, Greek troops, supported by Allied warships, occupied the city. For the next three years, Smyrna was Greek. Young Aristo clamped his British-style cap back on his jet-black hair and returned to the recently reopened Evangeliki Scholi. He joined a sporting club and became outstanding at water polo.

He said later that he was in line for a place on the Greek Olympic team, although he was not yet 16. Maybe. Anyway, he was a strong swimmer. When he wasn't swimming, he sailed and rowed in the harbor speckled with ships from all over the world. But the turmoil continued in Smyrna. In 1922, Turkish nationalists began to drive the Greek forces to the sea, and by September, they had taken Smyrna.

Thousands of Greek refugees had poured into the city ahead of the Turkish Army. The Turkish troops swept into Smyrna so swiftly that there was no time for the Greeks to escape. Some were shot in the street, others hung from lampposts and trees, some lynched by vigilantes. The only safe part of the city was the square mile surrounding the U. S. Consulate, which was guarded by American marines. The Turks treated the marines with

contended

**The Onassis formula: Take a chance when others hesitate, pay no taxes if you can avoid them and cultivate**

125834

than half its population was Greek. Socrates was soon doing well in the tobacco business, and returned to Kayseri to choose a wife, a young Greek beauty named Penelope Dologlu. Their first child was a daughter, Artemis. On January 20, 1906, Penelope presented her husband with a son, named Aristotile Socrates Onassis.

The other members of the Onassis family were dedicated to the Greek cause, even though technically they were Turkish subjects. But little Aristotile wasn't interested in wars and Greek patriotic societies. The sea was the first thing he saw when he woke in the morning and the last thing he saw at night before he turned out the yellow lamp near the window and went to sleep. He developed a passionate love for it.

When Aristotile was six, his mother died, and

three years later, his father married again. Soon Aristotile and his sister Artemis had a baby half sister, Metropo, who was soon followed by another little girl, Calirhoe.

Aristotile was eight when World War I began: Turkey soon joined Germany. By 1917, Greece abandoned her neutrality and joined the Allies. As a result, Smyrna's Greeks were looked upon by the Turks as potential saboteurs. In the quiet of their church, the Smyrna Greeks prayed for the success of the Greeks, but outside, they obeyed the Turkish and German troops and paid lip service to the sultan's cause. The general who had headed the German military mission to Turkey now established his headquarters in Smyrna. Aristotile and the other boys of the Evangeliki Scholi were ordered to wear the Turkish fez rather than English-

He said later that he was in line for a place on the Greek Olympic team, although he was not yet 16. Maybe. Anyway, he was a strong swimmer. When he wasn't swimming, he sailed and rowed in the harbor speckled with ships from all over the world. But the turmoil continued in Smyrna. In 1922, Turkish nationalists began to drive the Greek forces to the sea, and by September, they had taken Smyrna.

Thousands of Greek refugees had poured into the city ahead of the Turkish Army. The Turkish troops swept into Smyrna so swiftly that there was no time for the Greeks to escape. Some were shot in the street, others hung from lampposts and trees, some lynched by vigilantes. The only safe part of the city was the square mile surrounding the U. S. Consulate, which was guarded by American marines. The Turks treated the marines with

continued

## The Onassis formula: Take a chance when others hesitate, pay no taxes if you can avoid them and cultivate the friendship of the famous

By Doris Lilly

PAINTING BY GILBERT STONE

COPYRIGHT © 1970 BY DORIS LILLY. ADAPTED FROM "THOSE FAMOUS GREEKS," BY DORIS LILLY. TO BE PUBLISHED BY DOUBLEDAY BOOK COMPANY.

LOOK 4-28-70 31

125834  
100-125834  
just - just



scrupulous courtesy. But the leathernecks were under strict orders to turn Greeks away from the gate at bayonet point if necessary.

When the first orgasm of violence was over, the Turks began a systematic occupation of the ruined city in an effort to carry out their announced policy of ridding Turkey of its Greek population. The Onassis family had stayed in suburban Karatas through the horror, all but Aristo's uncle, Homer, who, as a Greek political agent, was subject to almost certain death. He had made his escape and reached Athens. The rest of the Onassis family did not get off so easily. Socrates Onassis was arrested and thrown into a Turkish prison. His wife Helen and his three daughters were sent to an evacuation center; here, with hundreds of others, they awaited transportation from Smyrna to Greece.

With his father in jail, it was up to Aristotole to rescue what was left of the family, to save what was left of the family fortune, to get the family out of Turkish Smyrna, somehow to start again.

When the Turkish advance party reached the Onassis house, Aristo was so polite to a general's adjutant and spoke such perfect Turkish that he was asked to stay and make himself useful. The general liked this bright youngster, and Aristo obligingly told him everything he wanted to know. What Aristo didn't know was where to find liquor, but he did suggest that he and the adjutant take a look in town. The errand was fruitless, but Aristo had made a friend of a general and a lieutenant and had been able to move around the ravaged city; official connection and mobility—prime requisites to fill his new role as head of the family.

His next stroke of luck arrived when a U. S. vice-consul, stopping nearby, asked the same question as the Turks: where to find booze. Aristo was more than willing to try again if it would give him the opportunity to drive through Smyrna in the company of a representative of the mighty United States of America.

The fruitless rounds of his father's friends he had made in a Turkish Army car proved no longer

to a Turkish concentration camp. Alexander had been arrested in Kasaba, tried before a military kangaroo court as a "traitor" and casually hanged in the public square. Aristotole's Aunt Maria and her husband Chrysostomos Konialides were also dead. With 500 other Greeks, they were praying for divine help when the Turkish troops set fire to the church. They were burned alive.

Bent on rescuing his father, Aristotole, armed with Greek *chourpach* and his Turkish and American passes, visited him in prison twice a day. Through the American vice-consul's intercession, Aristotole's sisters and stepmother were released from camp and put on an American ship bound for the safety of Lesbos. But to help his father, he needed money. Lots of money.

Father Onassis had been in the do-it-yourself banking business as well as tobacco. At his offices on Grand Vizier Han Street, he made loans and kept the valuables of his friends in an old-fashioned black safe. A Turkish friend of Aristotole's father was desperate to retrieve a parcel containing precious papers and valuables that he had left with Socrates for safekeeping. With passes, papers, and witnesses and an army guard, Aristotole and the Turk went to Grand Vizier Han Street.

The building was a smoking shambles, but it had not been looted. They opened the safe, the proper papers were signed and witnessed, and the Turk got his parcel. After a private conference with the army escort, young Onassis was allowed to empty the safe of his father's fortune in Turkish pounds. The missing ingredient had been located.

Inside his father's prison, the situation was desperate. Every day, more prisoners would disappear en route to a midnight trial from which they would never return. It was only a matter of time until the nightly list would include the name of Socrates Onassis.

Socrates had many Turkish friends in the Smyrna business community, and the boy reasoned that if the Turks paid no heed to the Greeks' pleas for mercy, maybe they'd listen to their own people. He organized a march of 50 leading Turkish businessmen. Bearing down on the prison, the

Aristotole's mind raced. He was carrying secret messages from the prisoners, and the inevitable search would result in much worse than imprisonment for himself—and God help his father and his friends. Waiting for the return of the commandant, he and the guard were walking back and forth in the corridor outside the office. Slowly, Aristotole fell behind the soldier until it was safe for him to stroll casually toward the gate.

To the soldiers standing guard, he was the same polite young boy they had seen often in the past weeks, walking in and out of the prison as though he owned it. His mouth was frozen into a smile. He waved and they waved back. Once out of the gate, he ran to the safety of the U. S. Marine compound. In minutes, he was in the office of his friend the vice-consul. He was outfitted in an American gobb's uniform, and within an hour was aboard an American destroyer, steaming for Lesbos and freedom. Three weeks later, the head of the Onassis family by proxy shepherded his charges from Lesbos onto the shores of Greece.

## The Greek community in Buenos Aires remembers young Onassis as arrogant and surefooted

A FAMILY COUNCIL OF WAR was called, and it was decided that Aristotole, to save his father in Smyrna, must go to Constantinople. There, he made the rounds of the appropriate officials and his father's friends, and with a delicacy incredible at his age handled the contacts and financial arrangements that would spring his father. It was expensive, but he succeeded.

Reporting his success at a family meeting

## Buenos Aires remembers young Onassis as arrogant and surefooted

A FAMILY COUNCIL OF WAR was called, and it was decided that Aristotle, to save his father in Smyrna, must go to Constantinople. There, he made the rounds of the appropriate officials and his father's friends, and with a delicacy incredible at his age handled the contacts and financial arrangements that would spring his father. It was expensive, but he succeeded.

Reporting his success at a family meeting back in Athens, he was surrounded that some relatives thought he had spent too much money. When Socrates was released and joined his family, he was proud and happy to see his son, but the boy was dumbfounded to find that his father sided with those members of the family who had criticized the handling of his release.

Aristotle didn't try to defend himself. If his own father didn't believe he had done the right thing, if his family didn't have faith in his judgment, he would cut out and make it on his own. Resentful and angry, the boy refused to take more than 50 Turkish pounds. He declared he'd make his own arrangements and go to Buenos Aires, citizenship or no citizenship. For he was, like all the other Greek refugees from Turkish Asia Minor, technically without nationality. With 15 of his 50 Turkish pounds, he got himself a special temporary travel document. Finally, in the torrid heat of a Piraeus August, Aristotle Socrates Onassis waved good-bye to his family and Greece from the rail of an Italian steamer.

His voyage to Buenos Aires was a nightmare. Ari was packed into a cargo hold that had been

one burning was a smoking shambles, but it had not been looted. They opened the safe, the proper papers were signed and witnessed, and the Turk got his parcel. After a private conference with the army escort, young Onassis was allowed to empty the safe of his father's fortune in Turkish pounds. The missing ingredient had been located.

Inside his father's prison, the situation was desperate. Every day, more prisoners would disappear en route to a midnight trial from which they would never return. It was only a matter of time until the nightly list would include the name of Socrates Onassis.

Socrates had many Turkish friends in the Smyrna business community, and the boy reasoned that if the Turks paid no heed to the Greeks' pleas for mercy, maybe they'd listen to their own people. He organized a march of 50 leading Turkish businessmen. Bearing down on the prison, the marchers flourished a banner protesting the arrest of Socrates Onassis and demanding his release. This probably saved his life.

The Turks had issued a decree stating that all Anatolian Greeks of military age (17 to 45) must register for deportation to Greece. Aristotle was 16. His American protector at the consulate strongly advised him, to leave before his next birthday. Socrates told his son to go. He was to take with him important messages to Athens from his father's friends and, with his father's blessings, most of the family money. But first he went to the prison to say good-bye, leaving his father 500 Turkish pounds (then worth about \$2,000), cigarettes and food.

As he was leaving, he was stopped and led to the office of the prison commandant to be questioned. Reprive came straight out of a Warner Brothers' World War II movie. The telephone rang, and the commandant was ordered to Turkish headquarters on the double. He left, but not before telling Aristotle that he would be back and the questioning would continue until he got the truth: All of it. The boy was placed under guard.

obligingly told him everything he wanted to know. What Aristotle didn't know was where to find liquor, but he did suggest that he and the adjutant take a look in town. The errand was fruitless, but Aristotle had made a friend of a general and a lieutenant and had been able to move around the ravaged city; official connection and mobility—prime requisites to fill his new role as head of the family.

His next stroke of luck arrived when a U. S. vice-consul, stopping nearby, asked the same question as the Turks: where to find booze. Aristotle was more than willing to try again if it would give him the opportunity to drive through Smyrna in the company of a representative of the mighty United States of America.

The fruitless rounds of his father's friends he had made in a Turkish Army car proved no longer fruitless in the Model T Ford of the U. S. vice-consul. Hidden bottles of *raki*, *sars* and even a bottle of French brandy appeared out of nowhere and were sold gladly. The vice-consul was impressed. Aristotle's commission was a single bottle. He gave it to the Turkish general. Now he had two friends in high places. From the American, the 16-year-old boy received an identification pass that would take him in and out of the U. S. Marine zone. From the Turk, he had a Turkish Army pass to enter and leave the still-smoldering city. Now he could operate.

His father was in a Turkish prison, one of the hundreds of Greeks being held for summary trial as political offenders.

Every day, a batch of prisoners was taken to a Turkish military post where the trial consisted of a reading of the charges. There was no defense. The judge pronounced the sentence. Death. The punishment was dealt out swiftly by boxed Turkish soldiers who put a rope around the condemned man's neck, stood him on a bench and kicked the bench away. Next case.

Of his father's brothers, only Homer had escaped. John and Basil had been arrested and taken

transformed into a sort of dormitory for three hundred men. Promptly at ten each night, the electric lights were extinguished from above, plunging the cramped room into a blacked-out version of Dante's Inferno.

Severage passengers were given one meal a day. They were allowed to line up topside to receive the slop and could get a breath of air before returning with their meal to the hold.

For \$20 more, Aristotle could have transferred into the luxury of a cabin, where you didn't have to eat standing up or squatting on the floor. But \$20 was almost 20 percent of his capital. Nevertheless, Aristotle had to get out of the stench of the hold and into the clean air—no matter what. He would make a deal.

With five dollars, he persuaded the purser to let him stay topside, and for the 21 days remaining until they docked at Buenos Aires, he made his bed atop the coiled stern lines. His home was a little round cage, but compared to the stinking hell below, with the open slop buckets on the floor, it was the Elysian Fields.

His still remembers the date he set foot ashore: September 21, 1923.

There's an 80-year-old man in Buenos Aires today who also recalls that day very well. His name is Juan Katapodis, and he was then a fruit peddler. When he heard that a shipful of Greek immigrants was due to arrive, he hurried to the waterfront, hoping to find an old friend or friend of a friend from Greece.

He remembers a young boy clattering down the gangplank, accompanied by an old Turk with a white moustache and fez, the old and the young both searching for a new life in a new country on a new continent.

Juan greeted the boy in Greek, presented him with a shiny apple picked out of his basket, and together they walked across the street to a waterfront bar where they had a cup of coffee. Juan tells us that even then, Aristotle Onassis oozed confidence. In ten minutes, he and Juan were friends. Juan talked a friend into hiring the boy to row

Ari later said that in desperation he had decided to become a sailor, when fate took over in the form of two young Greeks. They had found jobs with the telephone company and thought he could do the same. He wrote down their names and the address of the British United River Plate Telephone Company—and was there bright and early the next morning.

He got the job, at a salary that was the equivalent of 25 cents an hour. For a steady job, he had to obtain an Argentine identity card. If the applicant was under age, he was required to produce a resident of Argentina to guarantee he would not become a public charge. Sidestepping this, Aristotle Onassis simply gave the year of his birth as 1900. Greeks from Turkish Asia Minor were still technically stateless, so to avoid more red tape, he indicated that his birthplace was Salonika in Greece, rather than Smyrna. As long as he was manufacturing a new birth, he'd be damned if he'd say he was a Turk. These changes would dog him for years to come.

He was soon collecting overtime and making over \$100 a month. He asked for and received a job as night telephone operator. Now, his days were free. Friends say that he often slept only three hours a day. In his free time, he sold cigarettes in the streets of Buenos Aires, for the same company in which he would become the major stockholder in years to come. But he knew that the money was in selling thousands of pounds of Turkish tobacco to the Argentine factories, not in picking up a few centavos on the streets.

He started by going through channels, politely showing tobacco samples he had gotten from his father to the purchasing agents of all the large Argentine tobacco firms. He was ignored.

JUAN GAONA was the boss of a leading Argentine cigarette-manufacturing company. Thirty-five years later, Onassis recalls his name instantly and smiles. (Aristotle remembers everyone who helped him, and that is as rare among the super-rich as gratitude is among the super-poor.) Juan Gaona was his man, but he still had to be reached.

enough to keep him for a year. It was also his first private capital, the foundation of one of the world's greatest fortunes.

Other orders followed—larger orders and larger commissions. Slowly, he accumulated money and opened a bank account. Now he could easily have moved into his own apartment—even employed a maid if it was mediocre swank he longed for. Instead, he stayed on at the boardinghouse and kept his job at the telephone company. Soon he had enough money to take his next giant step: manufacturing cigarettes.

In Argentina in the 1920's, this was not as ambitious as it sounds. Two workers in a back room who rolled cigarettes and finished them by hand were sufficient. The whole thing could not have cost him more than the five percent commission on his first sale, yet Onassis started the business on credit. Instinctively he knew that the key to wealth is credit, using your own money as collateral.

The cigarettes were moderately successful in the luxury field. They were handmade, and some had tips that were made of rose leaves. There is an episode in Onassis' cigarette-manufacturing career that the Greeks don't like to discuss even at this late date. It seems that one of the famous Argentine brands of that time was called Bis. Aristotle decided to bypass such formalities as trademarks and cash in on the acceptance of the brand name. He called his own cigarettes Bis—and sold them for less than the real Bis cigarettes.

The owner of the Bis factory didn't take kindly to this type of competition, even from a fellow Greek, and sued Onassis. He had to settle out of court for several thousand pesos and stop using the Bis name. This was the first of the chain of lawsuits that has dragged after him ever since.

ABOUT A YEAR AFTER his arrival in Buenos Aires, Onassis, the stateless non-person, became a full-fledged citizen of not one but two countries. The Argentine citizenship for which he had applied, with the same false statistical information he had supplied to get his identity card, was granted. As an Aristotelian Greek from Turkey, he was also

friend from Greece.

He remembers a young boy clattering down the gangplank, accompanied by an old Turk with a white moustache and fez, the old and the young both searching for a new life in a new country on a new continent.

Juan greeted the boy in Greek, presented him with a shiny apple picked out of his basket, and together they walked across the street to a waterfront bar where they had a cup of coffee. Juan tells us that even then, Aristotle Onassis oozed confidence. In ten minutes, he and Juan were friends. Juan talked a friend into hiring the boy to row stevedores from one end of the docks to the other for a few cents a trip. A few months later, young Onassis found another temporary job as a construction worker. He settled at a small pension where room and breakfast came to \$25 a month.

Members of the Greek community of Buenos Aires are proud of Onassis' later success, but they seem almost afraid to say anything about a man with such enormous power. Those who knew him in these first years say he was a typical boy of the docks—sharp, arrogant, surefooted.

After his construction job was finished, Onassis took a job as dishwasher in a bar. A tight-lipped old Greek friend remembers when Aristotle told him how he had personally washed the glass drunk out of by his idol, Carlos Gardel, the great Argentine singer of tangos. "It was as though it was the proudest moment of his life."

Relentlessly, Aristotle made the rounds, searching for a job with some opportunity. Time and time again, he was turned down. For solace maybe, he found himself going back to the waterfront. Here, at least, the sea was the same as it had been in Smyrna. And he could hear Greek again.

to the Argentine factories, not in picking up a few centavos on the streets.

He started by going through channels, politely showing tobacco samples he had gotten from his father to the purchasing agents of all the large Argentine tobacco firms. He was ignored.

JUAN GAONA was the boss of a leading Argentine cigarette-manufacturing company. Thirty-five years later, Onassis recalls his name instantly and smiles. (Aristotle remembers everyone who helped him, and that is as rare among the super-rich as gratitude is among the super-poor.) Juan Gaona was his man, but he still had to be reached.

Onassis couldn't get an appointment, so he adopted the autograph seeker's technique. Every day when the cigarette executive arrived for work, there was a dark young man standing outside his door. He said nothing, asked nothing. He just stood there looking a little wistful. When Gaona went to lunch, there was the young man waiting. When Gaona arrived home at night, there he was again—the same young man standing outside.

Somewhat, the good señor held out for 14 days: When he could stand it no longer, Gaona colored Aristotle and demanded to know what he was after. It must have been with a sense of relief that he learned that all the youth wanted was a chance to sell tobacco.

Armed with permission to use the boss's name, Aristotle showed up at the purchasing department bright and early the following morning. For the first time, the agents really looked at his tobacco samples and found them excellent and competitive in price. He wrote his first order, for \$10,000 worth of Oriental tobacco on the spot and sent it off to his father. His five percent commission was \$500. This money would be more than

for less than the real Bis cigarettes.

The owner of the Bis factory didn't take kindly to this type of competition, even from a fellow Greek, and sued Onassis. He had to settle out of court for several thousand pesos and stop using the Bis name. This was the first of the chain of law suits that has dragged after him ever since.

ABOUT A YEAR AFTER his arrival in Buenos Aires, Onassis, the stateless non-person, became a full-fledged citizen of not one but two countries. The Argentine citizenship for which he had applied, with the same false statistical information he had supplied to get his identity card, was granted. As an Anatolian Greek from Turkey, he was also made a Greek citizen under a blanket law by the Greek Government.

THINGS WENT VERY WELL for the young Aristotle. He and his father Socrates had reconciled by mail, but it wasn't the same thing as healing the wounds of misunderstanding face-to-face. An international incident propelled Aristotle into taking the next ship to Athens.

It was the summer of 1929, at the height of a prosperity such as the world had never seen before. In Buenos Aires, the social elite played polo by day and bridge by night at the Jockey Club. Onassis was selling tobacco—and, by now, hides as well—as fast as he could obtain them. Then trouble in the Balkans threatened Onassis' future.

Bulgaria refused to sign a trade treaty with Greece. In an effort to apply some economic pressure, the Greek Government suddenly decreed a 1,000 percent increase in import duty on goods from countries that had no official commercial arrangement with Greece. The blow was aimed at Bulgaria, but it landed right on the head of Onassis.

Touchy Argentina had no trade treaty with

/ continued



Greece. If Greece raised its tariff on Argentine products ten times, Argentina would do the same on Greek products, and one of the major Greek products then being exported to the Argentine was the tobacco Onassis handled. Onassis couldn't believe the Greek Government could be so careless. Couldn't they foresee the disastrous result of such a move? He could, and he was still working on a memorandum he intended to present to the Athens authorities when he sailed from Buenos Aires to Pescau.

THE MAN WHO WALKED unhurriedly down the first-class gangplank in 1929 was very different from the resentful and determined boy who had left the same port in 1923. The hometown boy had made good. It was a glorious moment.

His family clustered around the young millionaire who, from the moment he could afford it, had been quietly supporting the widows of his martyred uncles and educating their children in the best schools. He was home now. The only thing that marred the reunion was the weakness of his ailing father.

Onassis had finished his memorandum, and it was presented to Premier Eleutherios Venizelos within a week. The slightly brash, 23-year-old Argentine-Greek was called to meet the aged hero of Greek politics.

The following day, the decision was made to exempt Argentina from the strong provisions of the decree, and Aristotle was appointed envoy extraordinary of the Greek Government. His instructions were to return to Argentina as soon as possible to undertake negotiations with the Argentine Government. No stinking holds this time out. It was first class all the way. Six years after his arrival in Buenos Aires as a stateless immigrant with a few dollars and no prospects, Onassis was returning with two nationalities, a million dollars, a diplomatic passport, and entrusted with a delicate assignment that would affect international relations. That was 1929, the last year before a six-year economic banquero.

As the Greek acting consul general in Argentina, he had an enormous amount of official power both in shipping and in import-export. He was also going full speed ahead in his own business. Some of his competitors felt that his position as acting consul general gave him an unfair advantage. Until he gave up his job in 1933, every door in the Argentine banking and business world was open, and he exploited all his contacts. After 1933, he didn't need them any more. During this period, he was usually ignored by Argentine society. He lived quietly but elegantly at the Plaza Hotel and learned as much as he could about shipping. He was always ready for a wild night on the town, but never late for an appointment in the morning.

As the Depression deepened, some of the best families had to sell their houses in Paris, give up their stables and cut down on their servants. Things were so rough that a young lady from one of Buenos Aires' leading families, whose father was in difficult financial straits, offered herself in marriage to Aristotle in much the same way a vestal virgin in a final spasm of sacrifice threw herself on the mercy of the invading Visigoths.

Aristotle liked the girl well enough, the way you like someone you don't think about often enough to dislike, but he certainly had no intention of marrying her, and said so. Horrified to be turned down, she pointed out that she'd thought a Greek would jump at the chance to marry into Argentine society. "Not this Greek," was his reply. Aristotle's tobacco business prospered, as did his trading in hides and grain. He began to deal in whale oil, an exotic item that was to play a vitally important role in his future business career. He was making frequent business trips to Europe, and as a trader, he knew that the fluctuations in prices of commodities could make or break him overnight.

Few men had any faith left in the future of shipping. If they were already in the business, they were sitting it out in safe harbor, waiting for the

ALL THIS WAS CLEAR to Onassis, but old-line shippers were too fearful to see the logic. Already, many of them had more ships than cargoes. These ships had cost them a dollar, not three cents, and they were paying more interest in a year than it would have cost them to buy extra three-cent ships. He was looking for ships, but the three-cent bargains were not to be found in the fleets of the established shippers. Instead, he sought out secondhand vessels that had been laid up because of the Depression.

Aristotle wasn't looking for small freighters of 4,000 or 5,000 tons. He was looking for larger ships because, he reasoned, the larger the ship, the greater the potential, an opinion he shared without knowing it with Stavros Niarchos, still bartering it out in Piraeus. And 10,000 tonners didn't cost twice as much as 5,000 tonners in either fuel or wages.

He heard about ten 9,000 and 10,000 tonners owned by the Canadian National Steamship Company, for sale for about \$30,000 apiece. Pericles Dracoulis, a highly respected ships broker in London, had told him about them. Taking a Dracoulis engineer with him, Onassis left up immediately for Montreal.

**He discovered early the secret of many great fortunes. It is: use OPM (Other People's Money).**

IT WAS A COLD GRAY DAY in the winter of 1932 when Aristotle stepped aboard a ship covered with ice and snow and frozen in her chains in the ice-packed St. Lawrence River. He zigzagged across

gentine-Greek was called to meet the aged hero of Greek politics.

The following day, the decision was made to exempt Argentina from the strong provisions of the decree, and Aristotle was appointed envoy extraordinary of the Greek Government. His instructions were to return to Argentina as soon as possible to undertake negotiations with the Argentine Government. No striking holds this time out. It was first class all the way. Six years after his arrival in Buenos Aires as a stateless immigrant with a few dollars and no prospects, Onassis was returning with two nationalities, a million dollars, a diplomatic passport, and entrusted with a delicate assignment that would affect international relations. That was 1929, the last year before a six-year economic hangover.

IN BUENOS AIRES, our new diplomat succeeded brilliantly in his mission of matchmaker and smoothed away the friction so that a Greek-Argentine treaty could be effected. In December, he was appointed Greek acting consul general in Buenos Aires.

With the bulk of the Greek merchant fleet putting in at Buenos Aires, and with hundreds of hard-living, hard-drinking Greek seamen in and on the town, the consul was kept jumping getting them out of scrapes. There was the endless paper work and red tape to plow through, plus the added headache of trying to settle disputes between crews, owners and port authorities.

The consulate in Buenos Aires was clearing nearly a thousand ships a year when he took over, but soon after his appointment, the number began to shrink because of the 1929 crash. This was the mournful harbinger of a world economic crisis that would last for years and bring starvation and ruin to millions. But there was a golden lining hidden in the gloom for a handful of future millionaires who could look ahead. Aristotle Onassis was among the secret.

enough to dislike, but he certainly had no intention of marrying her, and said so. Horrified to be turned down, she pointed out that she'd thought a Greek would jump at the chance to marry into Argentine society. "Not this Greek," was his reply. Aristotle's tobacco business prospered, as did his trading in hides and grain. He began to deal in whale oil, an exotic item that was to play a vitally important role in his future business career. He was making frequent business trips to Europe, and as a trader, he knew that the fluctuations in prices of commodities could make or break him overnight.

FEW MEN had any faith left in the future of shipping. If they were already in the business, they were sitting it out in safe harbor, waiting for the economic storm to subside. The two men who saw the shipping panic not as a disaster but as an opportunity were Aristotle Onassis and Stavros Niarchos. They both knew it wasn't enough just to own ships. You had to follow the fluctuations in world trade and be able to guess right about the future prices of commodities such as grain, since the rates paid for shipping such commodities jumped up and down rapidly. A ship could become an iron ulcer, bleeding the owner to death day by day until he could get cargo.

Fortunately, Onassis was a trader. Maybe he didn't know as much about shipping as some of his potential competitors who had been in the business for generations, but he could ferret out potential cargoes and forecast prices.

Old ships were selling at incredibly low prices. The same prices, in fact, for which they could be sold for scrap. You could buy something that had cost a dollar for as little as three cents, and you could sell it for almost three cents for scrap. But (and herein lies the key) this same ship, as a ship, had a potential value of many times over three cents. It could earn its price back in a year if you were lucky enough.

**He discovered early the secret of many great fortunes. It is: use OPM (Other People's Money).**

IT WAS A COLD GRAY DAY in the winter of 1932 when Aristotle stepped aboard a ship covered with ice and snow and frozen in her chains in the ice-packed St. Lawrence River. He zigzagged across her snowy decks, checking, probing, looking and asking question after question. He ran from freezing engine room to abandoned cabins and out again onto a lower deck.

He made a tentative offer of \$20,000 for each of six ships, and returned to London to thrash out the details and submit himself to the customary bagging.

He discussed this tentative deal in London with members of the Greek shipping fraternity who, out of malice, bad judgment, envy or maybe all three, told him without exception that he was crazy to buy ships when there were no cargoes. For one of the few times in his life, he listened to others. He first cut his offer to two ships, then after some further thought, increased it to six. He could have had ten.

The \$120,000 was paid in cash by Aristotle himself, and he still frowns when he remembers how he tried and failed to get the money from British banks. Even though he had enough money to buy ten times as many ships, he hated to use his own capital. It was the story of the tiny tobacco factory all over again, and it is the secret of most of the world's great fortunes. Use OPM.

and social life, his father lost all his money. Niarchos went to work for his uncles as assistant manager in their Piraeus flour mill, hoping to make the money that would be his passport back to the gracious life he remembered with longing. He was not treated like a poor relation—not exactly, but decision-making at the mill was in his uncles' hands, not his, and this was where the treasure lay.

Around the time Niarchos and Onassis first met, Niarchos had managed to get his foot in the door of shipping. He knew the really big money in shipping was in tankers and bigger ships. So far, all he had to call his very own was a piece of his uncles' rusty freighters. He wanted to build his own giant ships. Onassis was already dicker-ing with the Swedish shipyards for construction of his own tankers, which would be the biggest in the world.

Onassis had a long head start, but Niarchos vowed he would catch up and then pass him, going full speed ahead. Onassis was not a man to be passed.

Each man longed first for recognition from the stuffy fraternity of Greek shipowners and then to lead the pack. Each man wanted acceptance. Each man was hell-bent on making the biggest fortune there was to be made in shipping. The lives and careers of Onassis and Niarchos were dead set on a collision course.

**D**uring World War II, J. Edgar Hoover wanted Onassis' moves "carefully scrutinized."

Aires, so he was really 35, and eligible for military service. We know he didn't serve, but we don't know why.

In the summer of 1942, Ari was back tending store in Buenos Aires. Argentina's huge Italian population was rooting for Il Duce's victory, while her Germans were watching Hitler's Russian advances with pride. Argentina was officially neutral, but a little more neutral on the side of the Axis than on the side of the Allies.

Ari has never been a political animal. Causes, movements and wars leave him wracked with yawns. Being a Greek and liking America, he naturally wanted the Allies to win, but he never got fanatical about it, and as far as we know, did nothing concrete to help, such as volunteering for active duty, contributing money to a cause or offering his intellectual services on a dollar-a-year basis. Certainly, he was close to the Argentines and the leaders of their Axis-leaning government.

Before Onassis left Argentina on one of his many trips to the United States, somebody put in a report in Buenos Aires saying he was anti-American. He didn't know it at the time, but this report went to the FBI and was considered important enough for J. Edgar Hoover personally to write a letter to Rear Adm. Emory S. Land, then the head of the War Shipping Administration.

The letter, dated July 16, 1942, was marked "Personal and Confidential by Special Messen-ger," and read as follows:  
My Dear Admiral:

Information has been received from a confidential source that Mr. Aristotle Onassis, who is reportedly part owner of the tankers "Calliroy" and "Antiope," was scheduled to depart for the United States on Thursday, June 18, 1942, by Pan American clipper from Buenos Aires, Argentina. According to the informant, the purpose of Onassis' visit is to continue the negotiations for the sale of these two tankers to the War Shipping Administration.

The informant advised there is no information available indicating Mr. Onassis has any

Ships had played a major part in the Allied victory, but at a bitter cost. Of the official total of 450 Greek ships that participated, 360 had been lost. Onassis' luck had held throughout the war, however. Of the major Greek owners, he alone had not lost a single sailor or ship. That is, unless you want to count the two he had sold to the Japanese before Pearl Harbor, which had been sunk by the Americans.

The ships he had chartered to the War Shipping Administration had each earned him close to a quarter of a million dollars a year. The Foreign Funds Control Division of the U. S. Treasury had kept a careful eye on his American profits, but as the ships had been under Panamanian registry, and he was an Argentine citizen, almost all the profits of the corporation that owned them had escaped the Bureau of Internal Revenue.

At the end of World War II, Onassis' family was safe. His fleet was intact. He had made more influential friends in the United States and Argentina. With his wartime profits, his fortune was estimated at \$30 million. It had not been a bad war for Aristotle Socrates Onassis.

AS WARTIME SHIPPING was gradually phased out, Onassis again went against the tide in his search for new and additional tonnage. He wanted ships, and he wanted bargains. So why not wait for the hundreds of U. S. Government-owned Liberties and tankers that would surely be available soon?

Aristotle pondered his future and made a decision. Europe was a mess and would be for some time to come. America was now the place where the big money was to be made.

He bought a house in Oyster Bay, not far from that of his friend Alberto Doderio, and decided to make New York his home as well as his permanent base of operations.

Marriage was also on his mind. He would not marry Ingeborg. He knew exactly what the girl he married should be: She would be Greek, of a good family and good character. It wasn't too much to hope she'd be rich and preferably

**WAR II,  
J. Edgar Hoover  
wanted  
Onassis' moves  
"carefully  
scrutinized."**

FROM THE TIME Onassis first cultivated the Turkish general until he began to know Sir Winston Churchill, he has always romanced those more important than he, or those who could be of use to him. From the time he laid siege to Señor Gaona when he was a poor boy in Buenos Aires to the time he laid siege to Jackie Kennedy when he was a rich shipowner in New York, this essentially proud man has been capable of extreme humility, if that is what it takes to get what he wants.

Until December 7, 1941, when America entered the war, Aristotle Onassis flew back and forth between Argentina, New York and Hollywood. But once America was at war, all aliens from Allied countries who were of military age were subject to the draft. Aliens from neutral countries, however, did not have to serve.

Onassis now had a choice between thinking of himself as an Argentine or a Greek. There was also the matter of the confusion about his age as given in his passport. According to this, he was 41 and not subject for military service, as the government only wanted men between the ages of 18 and 37. But he had added six years to his age to get that telephone-company job in Buenos

dental source that Mr. Aristotle Onassis, who is reportedly part owner of the tankers "Calliroy" and "Anriope," was scheduled to depart for the United States on Thursday, June 18, 1942, by Pan American clipper from Buenos Aires, Argentina. According to the informant, the purpose of Onassis' visit is to continue the negotiations for the sale of these two tankers to the War Shipping Administration.

The informant advised there is no information available indicating Mr. Onassis has any other motive for making a trip to the United States, but it was reported he has expressed sentiments inimical to the United States war effort, and that his activities and movements while in the United States should be carefully scrutinized.

Sincerely yours, John Edgar Hoover  
Onassis knew nothing of the letter, nor dreamed that he was under surveillance by Government agents on his trips from New York to Hollywood and to Buenos Aires.

AS THE WAR PROGRESSED, the Onassis ships steadily added to the Onassis fortune as they plowed the seas hauling war cargoes for the U.S. war effort. Ari moved up socially as he moved up financially, spending increasing amounts of time with the leading Greek shipowners in New York and the upper echelons of Hollywood's film colony. His social rise in Buenos Aires was also steady, as he became more and more intimate with Alberto Doderro, who was financially the most powerful man in Argentina.

On September 2, 1945, the forces of the Japanese emperor humbly surrendered. As quickly as it had begun, the war was over.

some time to come. America was now the place where the big money was to be made.

He bought a house in Oyster Bay, not far from that of his friend Alberto Doderro, and decided to make New York his home as well as his permanent base of operations.

Marriage was also on his mind. He would not marry Ingeborg. He knew exactly what the girl he married should be: She would be Greek, of a good family and good character. It wasn't too much to hope she'd be rich and preferably from a Greek shipping family. If possible, she should also be young and beautiful.

Aristotle Onassis had met Mr. and Mrs. Stavros Livanos shortly after they arrived from Montreal in 1942 to take up residence at the Plaza Hotel. Ari has said he remembers the exact time and date he first saw the two Livanos daughters. It was on Saturday, April 17, 1943, at 7 p.m. The girls were shy 16- and 14-year-olds home from boarding school for the weekend.

For three years, he watched them. Eugenia, the elder, was soft and dark. Athina, whom everybody called Tina, was blonde and outgoing. She was a little bit of a tomboy and willful in the way a younger daughter can be. Both were beautiful. Eugenia was more like the heroine of an old-fashioned romantic novel—modest and quiet, she never disobeyed her mother or father. She spoke English and French at school and beautiful, pure Greek at home.

The Livanos girls were now old enough to take their place in the social life of the Greek colony. They were allowed to go to movies with their father's friend Ari, and afterward to Rumelmayr's for American hot-fudge sundaes. It

continued on page 41

(Other People's Money) and keep what's yours for leverage and collateral. Pay interest on the money you borrow and, if the deal is sound, the interest is only a tiny fraction of potential profits. Of course, never pay—and I hope you'll excuse the expression—taxes. If you're a genius and a Greek shipowner, it's all legal.

ABOUT TWO YEARS AFTER Aristotle had bought his ships, there were the first signs of an easing in the world depression. The newest member of the Greek shipping fraternity took his bargain-basement ships out of their mothballs one at a time, and became an operating shipowner. Before long, his ships were showing more profit than those of his wary competitors who had been in shipping for generations.

He registered some of his ships in Greece and some in Argentina—in Argentina because that was the base of his operations, and in Greece because at that time, the Greek wage scale for seamen was the lowest in Europe. Also, the Greek safety standards were low, which helped cut costs, as did the lack of a strong Greek seamen's union to hold out for such expensive frills as overtime. Nevertheless, there were some rules and regulations even on vessels of Greek registry. The most annoying was that all the crew had to be Greek citizens.

The Greek Government was talking about putting in rules and regulations covering operation of vessels, and even some sort of retirement and injury benefits for Greek seamen. Worse still, there were rumors in Athens of raising the almost nonexistent taxes on Greek shippers.

Things were getting so bad that an Onassis ship was held up in Rotterdam until it could replace a cook with a Greek, and there wasn't a Greek seaman—much less a Greek cook—in the port. Onassis himself hurried from London to Holland to intercede personally with the Greek consul there to let his ship proceed with another cook even if he couldn't turn out a decent dish of *imam bayildi*, but the consul flatly refused. It was regulations. Regulations be damned! Burning up

chos. The woman: Ingeborg Dedichen.

When Onassis met Ingeborg, she was unhappy because her husband had left her. She had taken this trip to forget.

Although Ingeborg's transient husband had left her without a *kroner*, she soon had a cozy house in Paris where she entertained her newfound friend. Some men want dozens of women. But there are others, and Aristotle Onassis is one of them, who like all women but seem to only love one at a time. All his serious romances have lasted for years. His relationship with Ingeborg Dedichen, curiously, proved to be the most lasting of them all. Long after their ten-year affair ended and he married, they remained the best of friends. They still are today: She will never want for money as long as Onassis has a few million left.

One of the first places they went in the first flush of their romance was to Sweden and Norway. Through her father, Ingeborg knew many Scandinavian shipping people. Certainly, she was helpful when, a year later, Onassis followed up his tanker-building plans by negotiating with the Swedish shipyards in Göteborg.

Making all the motions of a man in love, but not enough to prove it with marriage, Aristotle took Ingeborg along to Argentina, the U.S. and England, wherever he went to nurse his fleet from infancy into sturdy growth. Aristotle improved his French enormously, made an occasional trip to Van Cleef & Arpels, and began to appreciate the value of fine furniture and paintings and the luxury of a chauffeur-driven car.

Despite his love of Paris, his headquarters remained in Buenos Aires, and he began to spend his summers in Greece. It was in Athens that he first met his future sometime brother-in-law; sometime partner and sometime hated rival; Stavros Niarchos.

The Onassis-Niarchos relationship is a saga in itself, and the driving force behind each man's life. Today, they are two of the richest men in the world, and without question, the two greatest tanker operators. In business, their ferocious rivalry, although abnormal, has been mutually

Aristotle Onassis was then 28, already a millionaire and a burgeoning shipping magnate. That was the year he met Ingeborg Dedichen. Niarchos had already been married and separated from his first wife after only a year.

Superficially at least, the two greatest shipowners of our time liked each other when they met. Niarchos no doubt admired the wily acumen that had advanced Onassis from a penniless Greek emigrant to a millionaire Argentine entrepreneur in a few short years. Certainly, he envied Onassis' personal ownership of an embryo merchant fleet, for Niarchos' own growing passion for ships and shipping was not to be satisfied with a small percentage of the ships owned by his uncles.

Onassis must have admired Niarchos' gleaming Bugatti and his graceful handling of his sailing yacht. He may well have envied his dash, his easy manner and his arrogant polish. What Onassis didn't know was that the Bugatti wasn't paid for, and the yacht belonged to a Niarchos cousin. They shared a taste for high living, but neither would let his appetites interfere with his primary purpose: achieving success in shipping and the wealth it would bring.

Onassis had been treated as a pushy intruder by the old established Greek shipping families in London and Greece. By this time, his fleet, though small, was operating around the world, and he was seriously considering building his own tankers. By most standards, he could consider himself as having "arrived." Yet the old-line Greek shipping families still did not seem to want to accept him. He could hardly have escaped the feeling that they didn't think he was quite as good as they were.

The Greeks harbored a vague mistrust of those few who became successful under the Turks, suspecting them of being roadies. As a 16-year-old boy, Aristotle-Onassis had indeed cultivated the Turkish general who had requisitioned the family house in Smyrna, and it was only the intervention of such influential Turks that saved his father's life. Onassis has never been a professional Greek in the same sense that so many New Yorkers be-

putting in rules and regulations covering operation of vessels, and even some sort of retirement and injury benefits for Greek seamen. Worse still, there were rumors in Athens of raising the almost nonexistent taxes on Greek shippers.

Things were getting so bad that an Onassis ship was held up in Rotterdam until it could replace a cook with a Greek, and there wasn't a Greek seaman—much less a Greek cook—in the port. Onassis himself hurried from London to Holland to intercede personally with the Greek consul there to let his ship proceed with another cook even if he couldn't turn out a decent dish of *imam bayildi*, but the consul flatly refused. It was regulations. Regulations be damned! Burning up the telephone and cable lines, by the next morning, Onassis had changed the registry of his ship from Greece to Panama.

Panama was the first country to invent the "flag of convenience," which means that no matter what nationality a ship's owners have, the ship can be registered in Panama and fly the Panamanian flag. Panama's standards for its ships are the minimums an insurance company will allow. No other country's tax rates on shipping profits can compete with Panama's. The only tax there is a minuscule ten cents per annum per ton. Onassis was a pioneer in registering his ships under the Panamanian flag of convenience.

As the Onassis ships began to move into more parts of the world, so did their owner. In his quest for more and better cargoes (and always more ships), Onassis began to make trips to Europe and the United States with increasing regularity. His rise was steady and assured now.

In 1934, during a trip to Europe, Onassis met a man and a woman who were to play vitally important roles in his life. The man: Stavros Niarchos.

van Cleef & Arpels, and began to appreciate the luxury of a chauffeur-driven car.

Despite his love of Paris, his headquarters remained in Buenos Aires, and he began to spend his summers in Greece. It was in Athens that he first met his future sometime brother-in-law; sometime partner and sometime hated rival: Stavros Niarchos.

The Onassis-Niarchos relationship is a saga in itself, and the driving force behind each man's life. Today, they are two of the richest men in the world, and without question, the two greatest tanker operators. In business, their ferocious rivalry, although abnormal, has been mutually stimulating. It has produced fundamental changes in world shipping and shipbuilding and has had an impact on world economy and politics.

During this time, their personal lives have often seemed intertwined through partnerships, marriage, nationality, business vision, occupation, taste, habits, age and even appearance. Though each would loudly deny it, it is doubtful if either has made any major personal or business decision without thinking of how it would affect the other.

The paradox in their dislike for each other has its roots in their basic similarities and superficial differences. They are both highly competitive, driving, ambitious men. Each wishes to surpass or preferably wipe out the other in every field of endeavor, including the attractiveness of wives. Thus they have become rivals not only in business, but also in their social lives. Again, the underlying bitterness of feeling each has developed for the other far surpasses mere rivalry.

When the two men first met in Greece in 1934, Stavros Niarchos was 25. He was a hungry businessman but a well-established member of Athens society. He had everything but money.

tankers. By most standards, he could consider himself as having "arrived." Yet the old-line Greek shipping families still did not seem to want to accept him: He could hardly have escaped the feeling that they didn't think he was quite as good as they were.

The Greeks harbored a vague mistrust of those few who became successful under the Turks, suspecting them of being traitors. As a 16-year-old boy, Aristotle-Onassis had indeed cultivated the Turkish general who had requisitioned the family house in Smyrna, and it was only the intervention of such influential Turks that saved his father's life. Onassis has never been a professional Greek in the same sense that so many New Yorkers become professional Irishmen after their seventh beer or third martini. But he had done nothing to be ashamed of during the Smyrna episode, and in later years recounted his role with pride. Nevertheless, his enemies have consistently painted the story in such a way as to impugn his patriotism and twist him into a Greek junior Quisling. Onassis has retorted this, and with reason.

Stavros Niarchos' mother's family were leading Greek flour millers by the turn of the century. With well-established business and social connections through his mother's family, and with his father, a partner in a very successful business, Stavros enjoyed a happy and secure youth. Unlike Onassis, he did not grow up in conditions of constant fear and intimidation.

While the 18-year-old Onassis was working the night shift as an operator for the Buenos Aires Telephone Company, the precocious 15-year-old Niarchos was being fitted by the family tailor for clothes appropriate for a young man about to enter Athens University. But before he could enter law school and take what he considered his rightful position in Athens business

continued

shipping. The Onassis fortune of untold millions dates from this period, and its major contributors were United States business and the American taxpayer. One oil executive recalls that every time he turned around, there was Onassis, or one of his contact men, inviting him to a party.

Finally, Onassis persuaded the head of the National City Bank to lend him the necessary money to buy 16 Liberties. The bank put up only half the money, and the terms of repayment were stiff, but this was a major breakthrough for Ari. He was able to chip through the frosty New York bank not only because he had convinced them the loan was sound, but because he had already persuaded Government officials that he was a logical shipper to use for the dispatch of coal to devastated France and Germany under the continuing U.S. aid program. In effect, the loan was guaranteed by the Government contracts, and the whole program was, in the final analysis, underwritten by the U.S. taxpayer.

Now he was ready to put his master plan into effect. He needed brand-new, enormous tankers built to his specifications and incorporating everything he had learned from the shipping business. They would all be built with other people's money. Forty million dollars worth of OPM. It was a brilliant concept that was to make him one of the largest fortunes in the world.

I am certainly no business economist, but I am a keen observer of billionaires. How this Greek immigrant wheeled and dealt his way into one of the largest fortunes in the world is ingenious. This is how he did it: First, he planned to sign a contract with an oil company to carry its oil at a fixed price for a long period of time, using a ship that would satisfy its standards.

The oil companies have never had enough tankers of their own to carry all their oil, and they didn't particularly want them. American oil companies' tankers would have to fly the American flag and pay high American wages. It was always cheaper to hire foreign tankers.

With his plans made, Onassis now went after the rumormongers around the deep stone

in the United States—the five largest tankers in the world. They would cost a total of \$40 million, and Onassis had engineered the whole thing without putting up a dime of his own money. Triumphant, he and his young wife sailed for Europe for their first summer holidays.

At Santa Margherita Ligure, he met his old friend and mentor from Argentina, Alberto Dodero, who was escorting Evita Perón on her European grand tour. Aristotle, Alberto and Evita had a cozy lunch, cooked by Evita herself, but Ari picked up the tab by writing Evita a check for \$10,000 for one of her charities. It's one of the very few charitable gestures of Ari's I've ever been able to uncover. Of course, Evita and her husband, the dictator of Argentina, were grateful, so you could say it was for a good cause.

The personal life of Aristotle Onassis and Tina seemed happy during these early years of marriage. In the spring of 1948, they became the parents of a son, christened Alexander.

ON JUNE 25, 1950, North Korean troops invaded South Korea, and two days later, the United States found itself at war again. Onassis cabled the American Government, offering his ships, "as if they were of United States ownership," and his personal services:

... UNCONDITIONALLY AND UNDER ANY CAPACITY WHATSOEVER NO MATTER HOW HUMBLE OR RISKY OR DANGEROUS STOP I SPEAK SIX LANGUAGES GREEK BORN A NATURALIZED ARGENTINE CITIZEN WITH SEVERAL YEARS OF CONSULAR SERVICE AS ACTING CONSULAR GENERAL OF GREECE IN BUENOS AIRES WITH MANY YEARS OF THOROUGH KNOWLEDGE AND CONNECTIONS IN THE NEAR EAST WESTERN EUROPE AND THE AMERICAN CONTINENT I AM MARRIED TO A BRITISH BORN GIRL AND FATHER OF AN AMERICAN BORN BOY TWO AND A HALF YEARS OLD

ARISTOTLE S. ONASSIS  
His growing list of enemies and envious competitors put down his offer as an attempt to curry favor with the Americans, who had been so useful, and with the American Government, where questions were beginning to be asked about the

have known that her father had absolutely forgotten her to see Vatis again. What he didn't know was that if Eugenia didn't want to marry Aristotile Onassis, Tina would. This 17-year-old girl had a will as strong as her father's. She was determined to marry Ari as he was determined to get ships. They both succeeded.

After the wedding ceremony, when Tina opened the envelope containing her dowry, the rumor among the Greek shipowners was that her husband had been far from overjoyed. There had been talk that many millions of dollars or at least thousands of tons of the Livanos fleet would go to the newlyweds. The rumor is that the envelope contained only the promise of two ships, which the old man later changed to one ship, a surplus Liberty that he was to acquire through the Athens surplus quota. As only the down payment had been made on it, the new owners were responsible for the mortgage payments.

For their house, however, Mr. Livanos came through. Tina and Ari found a four-story town house at 16 Sutton Square, and although the price tag seemed outrageous, Papa Livanos dutifully plunked down \$460,000. It was decided not to the couple, but to a special corporation set up for Tina, called the Tina Realty Corporation.

By assuming the expenses of furnishing and practically rebuilding the house, Ari contributed as much as, if not more than, his father-in-law. When it was finally finished in the fall of 1946, it had cost Onassis a cool million dollars.

Mrs. Onassis was a pleasant if not vibrant hostess, and the couple were to be found almost nightly at the theater, which they both loved, at El Morocco or at home giving dinner parties:

IN NEW YORK, Ari was busy with negotiations that were to take him to leadership in world oil

I am certainly no business economist. I am a keen observer of billionaires. How this Greek immigrant wheeled and dealed his way into one of the largest fortunes in the world is ingenious. This is how he did it: First, he planned to sign a contract with an oil company to carry its oil at a fixed price for a long period of time, using a ship that would satisfy its standards.

The oil companies have never had enough tankers of their own to carry all their oil, and they didn't particularly want them. American oil companies' tankers would have to fly the American flag and pay high American wages. It was always cheaper to hire foreign tankers:

With his plans made, Onassis now went after the money. He scampered around the deep stone canyons of Wall Street and whirled up into the dizzying heights of its elevators, seeing the leaders in American banking and the high priests of financial institutions, outlining his proposition. He needed two million dollars to build the largest and most modern tanker in the world. What was his collateral, they asked? His collateral was the contract with the oil company, which would more than cover the loan. Only he didn't have it yet. Still running, he convinced the Mobil Oil Company to sign a charter for 60 months for a gigantic 28,000-ton tanker:

With the contract from the oil company in his pocket, he went to see Paul Manheim of Lehman Brothers, who thought the formula was brilliant and turned him over to his associate, Herman Kahn, who in turn brought him to Harry Hagerly of the Metropolitan Life Insurance Company. Hagerly arranged a loan of \$2 million to build his first ship.

Within a few months, The Texas Company (Texaco) signed up with Onassis, and now he had a total of five supertankers under construction

GUAGES GREEK BORN A NATURALIZED ARGENTINE CITIZEN WITH SEVERAL YEARS OF CONSULAR SERVICE AS ACTING CONSULAR GENERAL OF GREECE IN BUENOS AIRES WITH MANY YEARS OF THOROUGH KNOWLEDGE AND CONNECTIONS IN THE NEAR EAST WESTERN EUROPE AND THE AMERICAN CONTINENT I AM MARRIED TO A BRITISH BORN GIRL AND FATHER OF AN AMERICAN BORN BOY TWO AND A HALF YEARS OLD

#### ARISTOTLE S. ONASSIS

His growing list of enemies and envious competitors put down his offer as an attempt to curry favor with the Americans, who had been so useful, and with the American Government, where questions were beginning to be asked about the acquisition of surplus ships by aliens, through subterfuge. Anyway, the Government failed to accept his generous offer.

In December, 1930, Tina and Ari's second child, Christina, was born. During the next five years, Onassis created, operated and then sold the largest and most efficient whaling fleet in history. He created the most modern tanker fleet ever to sail the seven seas. He bought and gently revived Monte Carlo, formerly the most fashionable resort in Europe, which was fading like an elderly courtesan. He feuded with her storybook prince and princess and made world headlines. He was indicted by the U.S. Government for fraud. He was fingerprinted like a common, everyday criminal and formally committed to jail (for 15 minutes). He began negotiations to buy a national airline. He bought abodes around the world that rivaled the Xanadu of Kubla Khan. He met with kings, presidents and prime ministers on terms of equality. He made hundreds of millions of dollars.

Although Tina is known as terribly thrifty, neither she nor Ari had to worry too much about

continued



how much the yacht he was building in Germany was going to cost. When the *Christina* was completed, she would be the most luxurious private yacht afloat.

There was only one man in the world who had a vessel that could compare to the one that Tina and Ari were designing. That was Stavros Niarchos, whose graceful new *Grave* is still the largest and most opulent privately owned sailing vessel afloat. There was only one man who could compete with the Onassis fleet of tankers: Stavros Niarchos, who, as soon as he heard the 45,270-ton *Tina Onassis* had been launched, announced he was building the 45,700-ton *World Glory*, which would be the largest tanker in the world.

Niarchos' breath grew hot on the sensitive neck of Aristotle Onassis. What had begun as business rivalry was mounting to a death battle of two giants.

FOR THE GROWING Onassis family, home was Cap d'Antibes and the Château de la Croe, with Monte Carlo only a few pleasant miles away.

Monte Carlo was originally Greek. In the 1950's, a very modern Greek set down in Monte Carlo, where the ruler was Prince Rainier III, then a handsome bachelor in his thirties.

An independent principality, Monaco has no corporate or personal income taxes, a factor that had much to do with this very modern Greek moving his financial command post there from Paris. Looking for space, Onassis saw the empty Sporting Club as ideal. But the directors of the Société des Bains de Mer, which owned most of Monte Carlo, refused to rent it to him. Onassis, through his 30 corporations, quietly bought up the shares of the Société.

Soon the Onassis staff was installed in the Sporting Club, and the Prince decided it was prudent to meet the man who had bought out most of Monaco's 370-acre realm. The Société des Bains de Mer also owned the Casino, the hotels, the golf course and the only theater.

The pair met in the musty 200-room palace. The tension was gratefully melted, and the Prince

were Rainier's family retainers, who screamed to their monarch that Onassis couldn't run Monaco like one of his non-union tankers.

Then there were the yachts. During the Ari-Rainier salad days, Onassis had arranged for Rainier to find a real bargain in the 135-foot *Des Jumeaux*. The rumors, which both men tried to squelch, insisted it was a gift from Onassis. But Ari's new yacht, the \$2,500,000 *Christina*, sat bigger than life in Monte Carlo harbor.

When the Prince was invited aboard, he found Onassis surrounded by titles as illustrious as, or more so than his own: ex-King Peter of Yugoslavia and Queen Alexandra, who always wore bright-colored beach clothes; ex-King Farouk, who liked to perch on a lobby radiator of the Hotel de Paris; the Begum Aga Khan. There were also Greta Garbo, with her friend Dr. Gaylord Hauser; movie-man Darryl Zanuck, and Juliette Greco, Jack Warner, and Porfirio Rubirosa.

By the time Grace Kelly put her white gloves aside and married Rainier, Onassis was as famous as the groom. It was a marriage made between heaven and Wall Street, with the assistance of Father Francis Tucker, an American priest who was the Prince's closest adviser, a gentle nudge from Lehman Brothers and a hip, hip, hooray from the publicity-hungry, heir-hoping citizens of tax-free Monaco. Ari first met the future Princess Grace when Cary Grant, with whom she was making a picture in Monaco, brought his costar to lunch. Quite innocently (he says), Ari asked her if she too was connected with the picture-making business. Grace wasn't pleased.

Later, Rainier complained to an editor of *Look* magazine about Onassis, and declared he wouldn't have anything more to do with him. Ari didn't pour oil into the harbor of Monte Carlo when the same reporter asked what Rainier had against him.

"Did that kid have the nerve to say something nasty about me?" he said. "I thought when we got him that boat, he wouldn't talk so much."

Tina and Ari were present at the royal wedding, but when the newlyweds returned from their

and was examining the books.

The whole episode was incredibly complicated and hopelessly tangled in legal technicalities. Onassis employed the service of no fewer than 375 of the best lawyers in America alone. Onassis' law firms had gone over every detail of the transactions at the time and advised him that they were strictly within the law. The War Shipping Administration had approved all the deals, but now the Justice Department was using these same approved deals as a basis for legal action.

At the beginning of February, 1954, Onassis flew to New York and called a legal council of war. He arrived on a Monday. When by Thursday nothing had happened, he sent a telegram to the Attorney General, placing himself at his disposal. Incidentally, the Attorney General happened to be Herbert Brownell, Jr., whose law firm, Lord, Day & Lord, was one of those that had originally advised Onassis that his proceedings were legal.

The following day, Onassis was lunching at his favorite corner table in the bar of the Colony restaurant when he was placed under arrest. The arresting officers waited outside until Onassis finished his lunch, and then told him to come down to the marshal's office later.

Onassis arrived in Washington on Monday morning, presented himself to the U.S. District Attorney, who read the charges of fraud, and handed him over to another marshal, who then escorted him to jail.

He pleaded not guilty and was released on \$10,000 bail. He had only spent a few minutes in custody, but was quietly furious. He still is.

**A**fter the U.S. indicted him, he said the British would have knighted him for the

same service

in custody, but was quietly furious. He still is.

# After the U.S. indicted him, he said the British would have knighted him for the same services

Grace wasn't pleased. Later, Rainier complained to an editor of LOOK magazine about Onassis, and declared he wouldn't have anything more to do with him. Ari didn't pour oil into the harbor of Monte Carlo when the same reporter asked what Rainier had against him.

"Did that kid have the nerve to say something nasty about me?" he said. "I thought when we got him that boat, he wouldn't talk so much."

Tina and Ari were present at the royal wedding, but when the newlyweds returned from their honeymoon, the *Christina* sailed arrogantly out of the harbor of Monte Carlo.

Finally, in 1967, a special law was passed by Monaco, which in effect forced Onassis to sell his shares in the Société to Monaco at a fixed price of \$16 a share instead of the \$30 Onassis said they were worth. "We were gypped," said Ari. But considering his initial investment was only a little over \$1 million, and he received a check for \$10 million for his holdings from the Treasury of Monaco, it was a gyp anyone would sit still for. Anyway, Ari didn't like the feeling and didn't set foot in Monaco for several years.

IN THE MID-1930's, Aristotle Onassis was indicted for fraud by the U.S. Government. He was only one of a dozen Greek shipowners who had bought surplus ships through American corporations set up for the purpose, but he was the biggest fish because, since his conquest of Monte Carlo, he was the best known to the public. Symbolically, it was in Monte Carlo that he received the disquieting news that a U.S. Government official had installed himself in his, Onassis', New York office

Sporting Club as ideal, but the directors of the Société des Bains de Mer, which owned most of Monte Carlo, refused to rent it to him. Onassis, through his 30 corporations, quietly bought up the shares of the Société.

Soon the Onassis staff was installed in the Sporting Club, and the Prince decided it was prudent to meet the man who had bought out most of Monaco's 370-acre realm. The Société des Bains de Mer also owned the Casino, the hotels, the golf course and the only theater.

The pair met in the musty 200-room palace. The tension was gratefully melted, and the Prince of Monaco and the King of Tankers formed an alliance to revive Monte Carlo. The first step was to find a wife for the Prince. At that time, Prince Rainier was up tight with French movie star Giséle Pascal, and their romance was flourishing. A romance was all right, but the Montégasques disapproved of Giséle as a wife. They were anxious, however, that the Prince marry soon and produce an heir. If there were no prince to carry on the ancient line of the Grimaldis, Monaco, under a binding treaty, would revert to France.

Rainier and Onassis spent long hours discussing plans to recapture and even surpass Monte Carlo's former glory. Leaders of international society were urged to come to Monte Carlo. For the first time since World War I, the Casino actually showed a profit, but Rainier didn't appear to be overly grateful. Maybe he would have been less than human if he hadn't been a trifle annoyed to see Ari and Tina described as the king and queen of Monte Carlo. But the first real friction seems to have been over the Onassis plan to fire some of the old and unneeded staff. Featherbedding, Onassis would have called it, but many of the employees

AFTER MONTHS OF DELAYS and uncertainty, Onassis, in the summer of 1955, suddenly decided to try and settle the case himself. He flew to America, where a meeting was arranged in Washington with Assistant Attorney General Warren E. Burger, now Chief Justice of the United States. The Government claimed Onassis owed them \$20 million. Onassis claimed he owed nothing but was willing to work it out point-by-point. The two sides haggled back and forth in a dozen meetings, like traders in an Oriental bazaar. A tentative agreement of \$5,700,000 was reached, then called off by the Government. More delay. It was not until the end of the year that all the details were sorted out.

The result was that Onassis agreed to pay the Government \$7 million in compensation. Also, he agreed to build 198,000 tons of tankers in the United States, to be operated under the American flag and to be owned in trust by Alexander and Christina Onassis, two bona fide Ameri-

can citizens. In return, he was allowed to sail 13 of the T2 tankers under whatever flag he wished. Everybody was happy.

As part of the package, the United States dropped the criminal charges against Onassis. Only a few congressmen and senators were unhappy. Onassis felt that if he had done as much for the British shipbuilding industry as he did for the American, "I would have been knighted. In America, I was indicted."

Legally, he was vindicated. If his international reputation had been slightly tarnished, well, there is a price to pay for everything. He still was the undisputed champion of all the tanker operators in the world.

IN HIS DOMESTIC LIFE, the dark clouds were gathering. When they were married, Tina had been 17 and Ari 40. From being a schoolgirl with a cash allowance far smaller than that of her schoolmates, Tina was suddenly given the responsibilities of furnishing and running a million-dollar New York town house and other luxurious establishments on three continents. Before she had a chance to enjoy her newfound freedom as a married woman, however, she assumed the additional responsibilities of motherhood.

Life with Ari had to be exciting and glamorous, but that bouquet of roses would not be without thorns. Aly Khan, Cary Grant and Margot Fonteyn were amusing to be with, but there were other guests to whom a wife had to be pleasant for her husband's sake. J. Paul Getty may be one of the richest and most important men in the world, but his lugubrious demeanor hardly qualifies him as one of its fun people. Hjalmar Schacht may have been Hitler's financial genius, but never the ideal companion for a midnight supper after the opera. The top oilmen and the financial executives involved in Ari's business were hardly a barrel of laughs. Some of them were old enough to be her father, and a good many were her father's friends whom she had known as a child. Conversations about deadweight tons and fuel consumption were subjects she was glad to have left behind to her father's old friends.

envy you the most. Close friends are happy to tell you who your husband was dining with in New York or Paris, while you were in London or Switzerland. Close friends who are too busy to linger half an hour after lunch can spend hours clipping blind items about you from gossip columns and mailing them to you anonymously. These same friends can tell your husband, with wide-eyed innocence, how you were dancing nightly in Paris at L'Etoile with a handsome young Italian and also mention the South American millionaire who seems to be madly in love with you.

IN GREECE, a new premier, Constantine Karamanlis, had been elected early in 1957. Part of his ambitious plans for the country included the construction of a shipyard and expansion of the money-losing Greek national airline. To raise the necessary money, Karamanlis put out feelers for possible investment among rich Greeks living abroad. Soon a lunch was arranged between Onassis and Premier Karamanlis in Athens, after which the Premier set his staff to work preparing concrete proposals for both the airline and a shipyard. Onassis thought he had both concessions safely in his pocket. He said it was sentiment rather than hope of profit that motivated his sudden interest in the Greek economy. That may be, of course, but until now, I have noticed a marked lack of flag-waving among the wealthier Greek shipowners. A government-sponsored shipyard, with the special tax advantages, looked like a darn good investment, especially if you were in the shipping business to begin with.

Onassis waited and waited. Always, there were unexpected delays. Demands for changes in the terms and specifications. Evasion and general stalling. There was a fly in this bowl of cream, and the frisky devil was Stavros Niarchos.

A very special friend of Niarchos, at that time and now, was Queen Frederika, who tried and failed to make the Greek crown more powerful than the state.

Niarchos often entertained the royal family aboard the *Croale*, while his adversary, Onassis

ficially called the Hellenic Shipyards, has proved maybe even more profitable. Nobody except the keeper of the privy purse knows for sure, but at the time, it was assumed in Greece that the royal family also participated in the organization of the Hellenic Shipyards. Non-fans, whom Frederika has in great quantities, refer to her as Niarchos' junior partner.

LET'S LEAVE GREECE NOW and go to Venice, where Aristotle Onassis first met Maria Callas in 1957. The *Christina* was anchored at the mouth of the Grand Canal, and Ari invited the Greek diva and her husband to visit the yacht.

Ari and Callas met again in Milan, and soon Ari arranged to see her again in London, where she was to sing her great Medea at Covent Garden. That night, Onassis himself arranged a supper party for Callas at the Dorchester Hotel after her performance. Ari arrived at the opera a good hour before the performance, where he handed the tickets around to his guests as though he were the producer. At the party, Ari and Tina, Callas and her husband, good old Giovanni Battista Meneghini, were the center of attention. Ari toasted Callas again and again. Tina did seem slightly more reserved.

But it was the cruise of the *Christina* the following July that brought things to a climax. The cast was headed by the greatest man of our times, Sir Winston Churchill, accompanied by his personal physician, Lord Moran. In his book *Churchill: Talent from the Diaries of Lord Moran*, his lordship tells us:

"Ari, as Winston calls him, hardly takes his eyes off his august guest; one moment he will fetch him a glass of whisky, and the next, when Winston finds it cool on deck, he will tuck him in a blanket. Once, noticing hairs on the collar of his coat, he hurried away to find a clothes brush. We were in the games room, waiting for dinner. Ari pulled his chair nearer and held a teaspoon of caviar to Winston's lips, as one feeds a baby. Three times he repeated this little ritual. Ari

with the special tax advantages, looked like a darn good investment, especially if you were in the shipping business to begin with.

Onassis waited and waited. Always, there were unexpected delays. Demands for changes in the terms and specifications. Evasion and general stalling. There was a fly in this bowl of cream, and the frisky devil was Stavros Niarchos.

A very special friend of Niarchos, at that time and now, was Queen Frederika, who tried and failed to make the Greek crown more powerful than the state.

Niarchos often entertained the royal family aboard the *Crews*, while his adversary, Onassis, catered to the more flamboyant members of the international set. But Onassis and Frederika had met along the way, and she also found time to accept his hospitality aboard the *Christina*.

A granddaughter of Wilhelm II, the last German Kaiser, she has been accused of being pro-German. There has never been a question that she wore the purple pants of the Greek royal family. Niarchos certainly had her support, and he too had submitted bids for both the shipyard and the airline. But Frederika, a shrewd gut fighter, wasn't about to overlook Onassis, who was by now a man of fearful wealth and power.

Karamanlis actually pleaded with Onassis not to put him in the middle. How about a compromise, maybe, or taking over both projects in partnership with Niarchos? But by now, the two men were long past the point where they would be partners in anything.

At last, a compromise was worked out. Niarchos got the shipyard, and Onassis got the airline. We can wonder what Queen Frederika got.

Onassis was happy with his part of the division. As for Niarchos, the Skaramanga Yard, of-

other guests to whom a wife had to be pleasant for her husband's sake. J. Paul Getty may be one of the richest and most important men in the world, but his lugubrious demeanor hardly qualifies him as one of its fun people. Hjalmar Schacht may have been Hitler's financial genius, but never the ideal companion for a midnight supper after the opera. The top oilmen and the financial executives involved in Ari's business were hardly a barrel of laughs. Some of them were old enough to be her father, and a good many were her father's friends whom she had known as a child. Conversations about deadweight tons and fuel consumption were subjects she was glad to have left behind in her father's Plaza suite. But there they popped up again when she was with Ari.

Tina and Ari had lived for years in Monte Carlo, but that wasn't exactly what you could call perfect. There was the constant badgering of the press, which she hated. There was the friction with Rainier and, later, Princess Grace. Ari's friends were not necessarily Tina's friends. Nor were her friends his friends. She had had the British gentlewoman's passion for horses since she was a child. Ari is not a horse lover, and somehow the idea of his thumping cross-country in wild pursuit of the hounds is sort of funny. She loves winter sports. He can't stand them. Ari traveled constantly, tending his empire.

When Ari was thoroughly immersed in his Saudi Arabian crisis, Tina broke her leg skiing in St. Moritz. Ari wasn't there. Again in St. Moritz, when she was injured in an automobile accident, Ari wasn't there, although he arrived within 24 hours from New York.

When you are young and beautiful and very rich and very secure, every morsel of gossip about you is fondled first, then passed on by those who

his personal physician, *Lord Chubb*: Taken from the *Diaries of Lord Moran*, his lordship tells us:

"Ari, as Winston calls him, hardly takes his eyes off his august guest; one moment he will fetch him a glass of whisky, and the next, when Winston finds it cool on deck, he will tuck him in a blanket. Once, noticing hairs on the collar of his coat, he hurried away to find a clothes brush. We were in the games room, waiting for dinner, Ari pulled his chair nearer and held a teaspoon of caviar to Winston's lips, as one feeds a baby. Three times he repeated this little ritual. Ari learned bezique in order to play with him."

Mr. and Mrs. Onassis were superb hosts. Near Athens, the Greek Premier was entertained by Onassis and his wife; and off Istanbul, the premier of Turkey came aboard. The highlight of the trip for Onassis must have been the visit of the *Christina* to Smyrna. If ever a hometown boy made good, here he was: rich as cream, with a beautiful wife, his friend Churchill, and his friend the great Maria Callas. The cruise had lasted a month. When they returned to Monte Carlo, it was the end of the Onassis marriage.

Onassis flew to Milan, where Maria Callas announced she had separated from her husband, and then joined Onassis on his private plane and flew to the south of France. Wounded but not slain, the elderly Meneghini officially announced his marriage had ended and recalled when he and Maria first met: "She was a fat, clumsily dressed woman. She had not any prospect of a career, and I had to rent her a hotel room and put up seven hundred dollars so she could remain in Italy. I created Callas, and she repaid my love by stabbing me in the back."

Where was Ari during all this? He was on the

continued

*Christina* with Callas. His sister Artemis and her husband acted as chaperones.

The world press turned the split into a three-ring circus, badgering Ari and Callas for comment wherever they went. The few public statements Tina made were through her attorney. Ari, it seems, couldn't stop talking.

"Friends have described me as a sailor," Onassis said, "and sailors don't usually go for sopranos, but I would indeed be flattered to have a woman of her class fall for me." In Venice, he was quoted as saying that he was a sailor, and sailors always had a girl in every port.

At the end of 1959, Tina filed suit for divorce in New York state (where the only grounds were adultery), citing another woman described only as Mrs. J. E. Now just everybody knew that the mysterious J. R. was none other than Jeanne Rhinelandt. Jeannie and Tina were good friends and had gone to the same school in New York.

"But why Jeannie?" friends were beseeching each other. "Why not Maria Callas, who is Tina's real rival?"

I suppose a lot of Livanos pride was responsible for Tina's decision. Also, Tina had been seen together often with Venezuelan millionaire "Renaldito" Herrera in small intimate restaurants, and there were pictures to prove it. Maybe if Tina had cited Maria, observers say, Onassis could have charged that his wife had been involved with another man before Maria appeared on the scene.

Tina's family tried their best to work out a reconciliation, and the serene Grimaldis did what they could serenely. Ari was desolate. He called his estranged wife in New York and begged her to forget the divorce. Tina was adamant, and in June, 1960, she was granted an uncontested divorce and custody of the two Onassis children.

FOR THE NEXT TEN YEARS, Ari and Maria lived together openly. He often expressed his admiration and respect for La Callas' achievements. Outside of opera, which really bored him, they did

April, 1941, the Germans and Italians occupied Athens. They wanted to keep the opera going, both for entertainment and propaganda. Many of the leading artists of the Greek theater and the opera refused to perform, but Maria became a permanent member of the Athens opera during the Occupation. She would entertain the officers with selections from Italian opera, and they would bring her family food.

When Italy surrendered to the Allies in the fall of 1943, the Greek Resistance began to drive the Germans out of their country. In October, 1944, Athens was liberated, and civil war broke out. Maria's anti-Communist sympathies were known. Her apartment was machine-gunned, and her pro-Communist janitor wrote, "We will kill Maria, first knocking out her brains with a sledgehammer." Despite such gruesome threats, the only casualties in the Callas household were the canaries, which were drilled in their cages. The British then occupied Athens, and the war was over.

In 1947, after Maria went to Italy, she got herself a sponsor in the portly form of Giovanni Battista Meneghini. They were married in 1949, and two days after the ceremony, Maria left, alone, for Buenos Aires to sing at the Teatro Colon. Back home, Meneghini began to devote himself full-time to the promotion of his wife's career. Soon, Callas was the brightest star in the musical galaxy. She fought with managers, she fought with singers, she fought with her weight—and licked them all. A worldwide sensation, she sang in Rome, Naples, Mexico, Covent Garden, the Metropolitan and, finally, La Scala.

When she met Ari, she was at the top of her profession. Suddenly, singing engagements were canceled for obscure reasons. She seemed to be spending more time with Ari than on her career, until finally she gave it up completely.

SHORTLY BEFORE THE BREAKUP of their marriage, Ari and Tina had been entertaining Churchill aboard the *Christina* in Monte Carlo harbor. Sen-

Athens by Premier Constantine Karamanlis and his wife, who escorted them to the villa of millionaire Greek shipowner Markos Nomikos and his wife Aspasia. I am told this didn't sit too well with Queen Frederika, who was Karamanlis' political enemy and would have liked to have been hostess to the wife of the American President.

Aristotle Onassis stopped by the villa to pay his respects to Mrs. Kennedy before the party left for a cruise aboard the *Nerib Wind*, the 123-foot Nomikos yacht. Jackie visited the island of Hydra, swam in the Bristol-blue waters off the island of Delos, where Apollo was born. She went to Mykonos, where it is hot and the beaches are gray and the sea and the sky are so blue and so bright you don't know where one ends and the other begins. She had lunch with King Paul and Queen Frederika (finally) at the summer palace at Tatoi. She ate Greek food, danced Greek dances, water-skied and was adored.

Jackie's next significant excursion took place in Italy, where she mixed business with pleasure and got something done about sister Lee's marriage and the Roman Catholic Church. With Jackie married to the President of the United States, and with her almost Madonna-like preoccupation with the Church, it didn't seem right that her sister's marriage was not recognized in the eyes of the Church. "Just what marriage they wanted annulled," *Time* reported, "was at first not quite clear, since 'Sash' was once married to shipping heiress Grace Kolin, who last year married the Earl of Dudley, who was formerly married to Laura Charteris, who is now married to Michael Canfield, who was the first husband of Lee Bouvier, who since March 19, 1959, has been married to Prince Stanislaus Radziwill."

Because the President did not want to appear to be asking favors from the Vatican that would be denied the average Catholic, an emissary was dispatched to act as liaison between the Holy See and the yacht of Fiat millionaire Gianni Agnelli, on which the two sisters were lolling around at Ravello, close to Amalfi, with Capri at their feet.

John F. Kennedy and his wife were visiting

had cited Maria, observers charged that his wife had been involved with another man before Maria appeared on the scene.

Tina's family tried their best to work out a reconciliation, and the serene Grimaldis did what they could serenely. Ari was desolate. He called his estranged wife in New York and begged her to forget the divorce. Tina was adamant, and in June, 1960, she was granted an uncontested divorce and custody of the two Onassis children:

FOR THE NEXT TEN YEARS, Ari and Maria lived together openly. He often expressed his admiration and respect for La Callas' achievements. Outside of opera, which really bored him, they did have a great deal in common. Both were self-made. Both were considered foreigners by the other Greeks, whom they forced to accept them, grudgingly, by the sheer force of their personalities.

Times had been hard for Maria during her adolescent years in Greece. It would have been impossible for her to study singing at all if a sympathetic teacher had not arranged a scholarship. And although her voice was impressive, her appearance was against her. She was awkward, wore thick glasses and weighed 180 pounds. She also had the unpleasant habit of chewing her fingernails down to the quick.

If, as a child, she had been shy and reluctant when her mother had pushed her, as a girl, she became as aggressive as her mother. It was as if she had told herself that if the other girls had dates and the boyfriends she didn't have, she'd get more attention than they ever dreamed of because she had a voice.

In April, 1939, she sang the leading role in the National Conservatory production of *Cavalleria Rusticana* and was so good that in December of the same year, she was admitted to the Athens Conservatory. In 1940, she made her professional debut in a small role at the Athens opera. Then, in

galaxy. She fought with managers, and with singers, she fought with her weight—and licked them all. A worldwide sensation, she sang in Rome, Naples, Mexico, Covent Garden, the Metropolitan and, finally, La Scala.

When she met Ari, she was at the top of her profession. Suddenly, singing engagements were canceled for obscure reasons. She seemed to be spending more time with Ari than on her career, until finally she gave it up completely.

SHORTLY BEFORE THE BREAKUP of their marriage, Ari and Tina had been entertaining Churchill aboard the *Christina* in Monte Carlo harbor. Sen. John F. Kennedy and his wife were visiting Joseph P. Kennedy nearby, and Ari asked if the presidential aspirant would like to come to cocktails, to meet Sir Winston.

The future President and the past Prime Minister had a long and pleasant discussion as the shipowner's guests. Jackie didn't appear to be terribly bored when her host accompanied her on a tour of the yacht.

Ari had met the senator from Massachusetts and his Jackie earlier, and they had all dined together in Washington.

Later, when Sir Winston visited New York aboard the *Christina*, the new President of the United States made a personal call to ask the aged statesman to come and be his guest at the White House. Unfortunately, Churchill's health would not permit an unscheduled visit. But when Jack Kennedy called, it was Onassis who answered and renewed his acquaintance with the President.

In 1961, Jack and Jackie visited London. The President returned to Washington, and Jackie, with her sister and brother-in-law, Prince and Princess Radziwill, and two Secret Service men, left London for Greece for a nine-day unofficial visit. The party was met at Hellenikon airport near

clear, since "Sash" was once married to shipping heiress Grace Kolin, who last year married to Earl of Dudley, who was formerly married to Laura Charteris, who is now married to Michael Canfield, who was the first husband of Lee Bouvier, who since March 19, 1959, has been married to Prince Stanislaus Radziwill.

Because the President did not want to appear to be asking favors from the Vatican that would be denied the average Catholic, an emissary was dispatched to act as liaison between the Holy See and the yacht of Fiat millionaire Gianni Agnelli, on which the two sisters were lolling around at Ravello, close to Amalfi, with Capri at their feet. It was an easy traveling distance for the emissary, who commuted from Rome by launch.

Jackie did not openly consult with the emissary, but secret meetings were held aboard, and the yacht skittered from port to port in an effort to put off reporters.

It wasn't until the summer of 1963 that Onassis first spent any time with Mrs. Kennedy, and that resulted from his association with Lee Radziwill. Twice in his life, Aristotle Onassis has been linked with two sisters, and twice he has married the one nobody was watching.

Onassis met Lee Radziwill in London, and by 1963, it began to look like a friendship to keep your eye on. Prince Stanislaus is a descendant of Polish kings; at one time, the Radziwill estates in Poland and Russia covered hundreds of square miles. Unfortunately, the family emerged from the Russian Revolution and World War II with nothing much left but a glorious history. The Prince accompanied his wife to Athens, but was not aboard during most of the summer while Ari was Princess Lee's host on the *Christina*. If the Prince wasn't there, neither was Maria Callas, who always seemed to disappear at exactly the right time, an

asset that may have had much to do with the longevity of her romance with Onassis.

To what degree the friendship blossomed during this cruise nobody knows for sure, but tongues wagged in the far-flung headquarters of the international set. Drew Pearson wrote that Onassis' ambition was to be the brother-in-law of the President; and for once, Pearson didn't go far enough. In that same summer of 1963, Jackie Kennedy suffered the tragic loss of her baby Patrick and wanted to see her sister, who has always been her closest friend. (Jackie has never liked girls very much; in fact, I've never seen her lurching or shopping with a lady.) Whether it was to recuperate after her ordeal or whether, as Washington columnists said, she was dispatched by the President to break up an affair that was raising eyebrows on both sides of the Atlantic, she went to Greece to see her sister while she was the guest of Aristotle Onassis aboard the *Christina*.

The President could not have been enthusiastic about having Onassis in the family, if indeed the star indicated that marriage was in the air. First of all, the Kennedys were without question the first Catholic family of America, if not the world. Ari was not only divorced but had been maintaining a well-publicized romance with a married opera star whom he gave no indication of making his legal wife. It had taken a bit of Kennedy know-how to get approval from the Vatican for the divorced Lee to marry her prince in a Catholic ceremony. If she upped and divorced Stash after all that, how would the Kennedys look then? Jack Kennedy had to be disturbed.

Nor was the President dazzled by a Greek shipowner who had been indicted by the U. S. and was tarred in the public's mind not only with shipping oil to Red China and Castro's Cuba but with being friendly with Nasser, Juan Perón and "Papa Doc" Duvalier of Haiti.

Jackie duly left for Athens, and her secretary announced she would be cruising the Mediterranean on the yacht of Aristotle Onassis. Naturally, Lee and Stash would be there, also Under Secretary of Commerce Franklin D. Roosevelt, Jr., with his young wife Sue, and, of course, Onassis himself, who, when asked about the

resented Mrs. Kennedy with a whopping diamond-and-ruby necklace. Princess Lee's favor was something nice in pearls. Sweet, but hardly the gift from a man in love.

When the cruise was over, Jackie returned to Athens, then shot off to Morocco. Tanned and buoyant, Lee Radziwill returned to her Prince, and Onassis returned to Callas. Everyone involved kept a dignified silence, and it was unthinkable that the press would question the President's wife about so delicate a matter.

Evidence of how close the sisters are is indicated by an incident during their stay in Athens. Lee had developed a case of flu and had a high temperature. Onassis' sister called her husband, a physician, and he prescribed a shot of penicillin. Jackie, knowing how terrified her sister was of needles, gave her the shot herself.

When Ari and Jackie eventually married, Princess Lee's reaction was, if anything, unusual. In public, she expressed delight. But she is said to have been privately very upset. In fact, only ten days before she cut short a vacation in Tunisia to join the wedding party, she was saying to people, "I said to my sister recently: 'I see no reason why you would ever want to marry again. You have already had a great love affair with a wonderful man. You have children. You have already had everything, love, romance and all that marriage can offer. Why would you ever want to marry again?'" In retrospect, these remarks were made at a time when the Princess already knew her sister was planning to marry Onassis, so they do evidence a negative attitude on her part. Friends close to the Lee-Jackie-Ari triangle tell me that Onassis never proposed marriage to Lee.

millionaire signed it in Greek."

From 1964 until the end of 1967, Jackie Kennedy went from city to city, ruin to ruin and resort to resort, traveling and soaking in the cheering crowds, photographers and adoration like a giant bone-dry sponge. Her list of escorts was boundless. In no order at all, they included John Kennedy Galbraith, Robert McNamara, Mike Nichols, Mike Forrestal, George Plimpton, Averell Harriman, Lord Harlech, Anthony Quinn, André Meyer, Oliver Smith, Truman Capote, Randolph Churchill, Franklin D. Roosevelt, Jr., Arthur Schlesinger, Jr., Ted Sorensen, William Walton, Richard Goodwin, Charles Spaulding, Charles Bartlett, Leonard Bernstein, Alan Jay Lerner, Gian-Carlo Menotti, Roswell Gilpatrick, and I could go on and on.


DURING THE LATTER PART of this period, Greece became a military dictatorship. Onassis, a man of business, loves countries and their people, not forms of governments, whether they be dictatorships, monarchies or democracies. He became one of the major bidders on a new plan for economic development under the dictatorship. The plan calls for an oil-refinery, steel and aluminum mills, power plants and a long list of heavy and light industrial establishments to convert Greece from an underdeveloped agricultural country into an industrial nation.

The other bidder is Stavros Niarchos. The stakes amount to almost a billion dollars and virtual economic control of Greece.

Both Onassis and Niarchos have submitted overall plans calling for huge investments. It appears that the major difference between the two plans is that, as usual, Onassis' intention is to have somebody else put up the bulk of the actual money. In March, 1969, Onassis seemed to have defeated Niarchos in the bidding over a contract to build the oil refinery.

WHILE HIS BUSINESS ACTIVITIES in recent years have been formidable, it is Onassis' personal life that has captured the attention of the world.

In the spring of 1968, Jackie Kennedy began to be seen around with Aristotle



**Caroline Kennedy  
seemed  
unhappiest  
of all at  
the prospect  
of a new**

married opera star whom he gave no indication of making his legal wife. It had taken a bit of Kennedy know-how to get approval from the Vatican for the divorced Lee to marry her prince in a Catholic ceremony. If she upped and divorced Stash after all that, how would the Kennedys look then? Jack Kennedy had to be disturbed.

Nor was the President dazzled by a Greek shipowner who had been indicted by the U. S. and was tarred in the public's mind not only with shipping oil to Red China and Castro's Cuba but with being friendly with Nasser, Juan Perón and "Papa Doc" Duvalier of Haiti.

Jackie duly left for Athens, and her secretary announced she would be cruising the Mediterranean on the yacht of Aristotle Onassis. Naturally, Lee and Stash would be there, also Under Secretary of Commerce Franklin D. Roosevelt, Jr., with his young wife Sue, and, of course, Onassis himself, who, when asked about the destination of the cruise, answered evasively. "To this or that island. Mrs. Kennedy is the captain."

First stop was Istanbul, where Jackie told a cheering mob, "I will return when my husband is no longer President."

Back at the White House, there was tension. President Kennedy was naturally very aware of his "public image"—and that of his family. Callas' gossipy ex-husband declared Onassis had thrown over Callas for Lee Radziwill. Questions were raised in Congress on the propriety of the President's wife being the guest of a foreigner who had been under indictment and now was "turning over to the disposal of a Presidential and Department of Commerce [Roosevelt] party a luxury ship, with 60-man crew, including two coiffeurs and dance bands at a personal cost of many tens of thousands of dollars." Observers say that at least one conversation on the *Célestine's* radio telephone between the President and his wife concerned her speedy return to America.

Toward the end of the cruise, Onassis pre-

everything, love, romance and all that marriage can offer. Why would you ever want to marry again?" In retrospect, these remarks were made at a time when the Princess already knew her sister was planning to marry Onassis, so they do evidence a negative attitude on her part. Friends close to the Lee-Jackie-Ari triangle tell me that Onassis never proposed marriage to Lee.

**Caroline Kennedy**  
**seemed**  
**unhappiest**  
**of all at**  
**the prospect**  
**of a new**  
**daddy**

ON NOVEMBER 22, 1963, only a few weeks after Jackie returned to the United States, President Kennedy was assassinated in Dallas.

The Onassis presence at the funeral was noted by William Manchester in *Death of a President*: "Rose Kennedy dined upstairs with Stash Radziwill; Jacqueline Kennedy, her sister, and Robert Kennedy were served in the sitting room. The rest of the Kennedys ate in the family dining room with their house guests, Robert McManama, Phyllis Dillon, Dave Powers and Aristotle Socrates Onassis, the shipowner, who provided comic relief of sorts. They badgered him mercilessly about his yacht and his Man of Mystery aura. During coffee, the Attorney General (Bobby) came down and drew up a formal document stipulating that Onassis give half his wealth to help the poor in Latin America. It was preposterous (and obviously unenforceable), and the Greek

industrial establishments to convert Greece from an underdeveloped agricultural country into an industrial nation.

The other bidder is Savros Niarchos. The stakes amount to almost a billion dollars and virtual economic control of Greece.

Both Onassis and Niarchos have submitted overall plans calling for huge investments. It appears that the major difference between the two plans is that, unusual, Onassis' intention is to have somebody else put up the bulk of the actual money. In March, 1969, Onassis seemed to have defeated Niarchos in the bidding over a contract to build the oil refinery.

WHILE HIS BUSINESS ACTIVITIES in recent years have been formidable, it is Onassis' personal life that has captured the attention of the world.

In the spring of 1968, Jackie Kennedy began to be seen around with Aristotle Onassis. On Easter Sunday, they dined in a private room at Mykonos, a Greek restaurant in New York, with Margot Fonteyn, Rudolf Nureyev and Ari's daughter Christina. Like a nervous lover, Ari arrived an hour early to check the details. The barbecued baby lamb was done to a turn, the *mesutaka* was tender and moist, and the wine was just the right temperature.

During the spring and summer, they were together often at the Colony restaurant, where Ari sat in his usual corner table and ordered the spaghetti he adored. They swam together in the rarefied waters of Bailey's Beach Club in Newport, R.I. They visited the Virgin Islands on a cruise, and before that she had flown to Nassau for a weekend aboard the *Christina*. In August, she flew with Sen. Teddy Kennedy to Skorpios, where they were guests of Onassis.

THIS GREEK ORPHAN'S WIDOWING of Jackie and Ari took place during a light drizzle in a cypress grove on the island of Skorpios, a month before the fifth

continued



anniversary of the assassination of President John F. Kennedy. In an effort to appease a swarm of newsmen and at the same time plead for privacy, Jackie told the press, "We know you understand that even though people may be well-known, they still hold in their hearts the emotions of a simple person for the moments that are the most important of those we know on earth—birth, marriage, and death."

In spite of this somewhat muddled appeal, there was hand-to-hand combat between Onassis' guards and the press.

Daughter Caroline was reported to have been the unhappiest of all at the prospect of a new daddy, while son John amused himself by taking buggy rides along the island shore in a white golf cart driven by an officer of the *Christina*.

Alexander Onassis (Ari's son) said peevishly, "I didn't need a stepmother, but my father needed a wife."

The world had mixed feelings. Said a former Kennedy aide to *Time*, "She's gone from Prince Charming to Caliban." France's *Le Monde* commented: "Jackie, whose staunch courage during John's funeral made such an impression, now chooses to shock by marrying a man who could be her father [Onassis is 23 years her senior] and whose career contradicts—rather strongly, to say the least—the liberal spirit that animated President Kennedy." Maria Callas sighed, "First I lost my weight, then I lost my voice, and now I've lost Onassis." "The American public would forgive me anything," Jackie once remarked, "except running off with Eddie Fisher." But from this moment on, cracks began to appear on the idol's pristine surface.

*Women's Wear Daily*, a feisty fashion publication, stuck a pin in the first balloon by dubbing Onassis Daddy-O—a title that will stick to his hide for the rest of his life.

The sensational and sometimes garish publicity that has surrounded Jackie and Ari since their marriage is certainly not their fault. But neither have they made the teeniest effort to hide, nor the futility of their lives. Of

fear, and Ari has done everything humanly possible to give his wife the privacy she not only deserves but must have.

A close friend of the Onassis tells me it is a perfect marriage. "They have come to the civilized conclusion that to stay married, they must each keep their independence." Backing this up, Daddy-O said, "Jackie is like a little bird that needs its freedom as well as security, and she gets both from me."

Ari will call his wife from his office on Fifth Avenue and tell her he is leaving in an hour for Istanbul and will call her when he arrives. There is no discussion. No pointed wifey questions like, "Well, why can't I go?" or "When are you coming back?" or "How dare you leave without me?" or "What about the children?"

According to a story confirmed by friends, Onassis was most certainly determined to lead the same life he had before his marriage to Jackie, and had continued to see Maria at the country house of their great friend, Baroness "Maggie" van Zuylen, who is a Rothschild by birth and plays excellent bridge.

In late November of 1968, less than a month after he and Jackie were married, Ari stopped off in Paris and took Maria Callas to dinner, most likely to do some explaining. At about four in the morning, *Women's Wear Daily* reported, "he called on La Callas at home, presumably to do some more explaining, but Maria barred the door. The next day at lunch at Baroness van Zuylen's house, Maggie [the Baroness] gave Daddy-O a very stern lecture on how a newlywed should behave. The groom guffawed in delight. According to financial circles, Daddy-O is still handling La Callas's affairs—fiscal, that is."

In January, 1969, it was reported that Maria had told Onassis that she didn't want to see him again. She felt that because of him, she had neglected her career, and as he was no longer hers, she felt the time had come to concentrate entirely on her singing. Contrary to reports, the story said, Maria is not wealthy and needs to work to live in her habitual style. "I have erased him

with so much luxury and love and adoration in the entire history of civilization. If they spend \$384,615.38 a week, as Fred Sparks assures us, the sheer splendor of their opulence has demoted Elizabeth and Richard to the middle-income brackets. People love to speculate, and I've heard everything from \$5 million to \$20 million. I can't believe that I'm the same woman who once asked Ari's friend, John Meyer, "Is Ari really rich, Johnny? I mean really rich?"

If you don't pay taxes, you don't need deductions, and it is well known in the Greek fraternity that Aristotle Onassis has never been known for his philanthropic good works. But it would seem that Jackie is changing all that.

Apparently in an effort to improve, or I should say "create," a philanthropic "image," Ari is building a child-care center in Psychiko, a suburb of Athens. It will cost him a million and will be named Onassion. Also, at the alleged suggestion of Jackie-O, Ari has given generously to Irish charities following the completion of an exceptionally favorable business deal in Belfast, where he is having some tankers built.

As if they didn't have enough houses, Daddy-O is considering buying a villa on the Lake of Geneva in Switzerland for his ladylove. He's already bought and paid for the gorgeous Barclay Douglas estate on Hammersmith Road, next door to Mummy Auchincloss' house in Newport, R.I. Friends say he will add yet another villa, at Lagonissi, on the Aegean Sea. It is said to be protected by the sea god Poseidon, a sort of Greek Pinkerton.

"Jackie doesn't like going out," a friend of the family told me, "and when she and Ari are in the same town at the same time, they like to stay in and have dinner."

What they usually eat when they are home is lamb, unborn lamb, if you can stand it, which costs from \$35 to \$55 a pound. In fact, they like lamb so much that they have a standing order from a Madison Avenue butcher for three a month, no matter where they are. If it is flown to them in let's say, their villa in Montevideo, it is packed in

whose career is a matter of course, to say the least—the liberal spirit that animated President Kennedy." Maria Callas sighed, "First I lost my weight, then I lost my voice, and now I've lost Onassis." "The American public would forgive me anything," Jackie once remarked, "except running off with Eddie Fisher." But from this moment on, cracks began to appear on the idol's pristine surface.

*Women's Wear Daily*, a feisty fashion publication, stuck a pin in the first balloon by dubbing Onassis Daddy-O—a title that will stick to his hide for the rest of his life.

The sensational and sometimes garish publicity that has surrounded Jackie and Ari since their marriage is certainly not their fault. But neither have they made the remotest effort to hide, or at least blur, the lavishness of their lives. Of course, Onassis earned his money, and he has a right to spend it as he wishes, but with the world in chaos, there are those who have taken it upon themselves to harass Mrs. Onassis by writing threatening letters and hate mail, and even making her children targets of madness and abuse. Then there were the striking employees of Onassis' Olympic Airways, one of whom shouted, "You spend 12 million dollars a year to live—how about a 25 percent increase in our take-home pay?"

Ari is a strong man and takes great pains to see that his wife is protected. Although Jackie is no longer watched over by the U.S. Secret Service, the children are, and will be until they are 16. Mrs. Onassis never travels without a bodyguard, and when she is staying in New York, extra men are assigned to her round-the-clock at an estimated cost of \$1,200 a week.

There have been a series of alleged plots against her life. On January 3, 1969, a plane carrying Jackie from New York to Athens was painstakingly searched at Kennedy Airport after police received a threat that a bomb had been hidden aboard. It's hard to live with this kind of

morning, *Women's Wear Daily* reported, "he called on La Callas at home, presumably to do some more explaining, but Maria barred the door. The next day at lunch at Baroness van Zuylen's house, Maggie (the Baroness) gave Daddy-O a very stern lecture on how a newlywed should behave. The groom guffawed in delight. According to financial circles, Daddy-O is still handling La Callas's affairs—fiscal, that is."

In January, 1969, it was reported that Maria had told Onassis that she didn't want to see him again. She felt that because of him, she had neglected her career, and as he was no longer hers, she felt the time had come to concentrate entirely on her singing. Contrary to reports, the story said, Maria is not wealthy and needs to work to live in her habitual style. "I have erased him from my life, my heart and my thoughts. He tried dangerously to kill my career."

**SNOOPY PULITZER PRIZE WINNER** Fred Sparks tells us Daddy-O picked up a \$20 million tab for the first year of life with Jackie. Jackie-O, who is usually seen wearing nothing more sensational than a pair of slacks and golfing shirt, spends \$300,000 a year on clothes, as compared to \$30,000 when she was the wife of the President. Handmaidens come high, and their retinue of 202 cost Daddy-O another \$1,030,992 for the first year of married life. Another \$3,000,000 for Jackie's jewels, so she can Sparkle Plenty; and houses in Athens, Monte Carlo, Montevideo, Paris and New York (Jackie's flat) going strong; and permanent hotel suites in London and New York; and the *Chryseis*, with an annual upkeep of \$1,400,000 a year; and another \$2,000,000 for insurance on just about everything. As my Daddy Lilly used to say, "It all adds up."

If Jackie was given a premarital settlement, only her banker knows for sure. But I don't think there was ever a man who has showered his wife

Barclay Douglas estate on Hammersmith Road, next door to Mummy Auchincloss' house in Newport, R.I. Friends say he will add yet another villa, at Lagonisi, on the Aegean Sea. It is said to be protected by the sea god Poseidon, a sort of Greek Pinkerton.

"Jackie doesn't like going out," a friend of the family told me, "and when she and Ari are in the same town at the same time, they like to stay in and have dinner."

What they usually eat when they are home is lamb, unborn lamb, if you can stand it, which costs from \$35 to \$55 a pound. In fact, they like lamb so much that they have a standing order from a Madison Avenue butcher for three a month, no matter where they are. If it is flown to them in, let's say, their villa in Montevideo, it is packed in ice, but (heaven forbid) not frozen.

Mrs. Aristotle Socrates Onassis is radiant. She's got what the rest of us only dream about: the protection and love of a powerful man, the beauty of a rose with all its sweetest leaves still folded, the unabashed worship of a billion pairs of eyes, freedom of spirit and movement, money to buy all the material things there are to be had in the whole wide world—and a warehouse to store them in.

If all this is enough to keep Jackie happy, could it be the only way to keep Daddy-O home at night is to shoot him in the legs? It's hardly a secret he's back seeing Maria Callas and was at Maxim's in Paris recently eating a plate of raw onions while Maria looked the other way. Everybody knows you don't go to Maxim's to hide. But friends close to Mrs. Onassis tell me every-thing is peaches and cream and poo-poo the divorce rumors that have been traced to Greece, predicting a summer split. "If you're as important as Jackie and Ari," one friend of Jackie's said, "people are just going to talk." You know something, I think he's got something there.

END

100-725834-25  
CHANGED TO  
190-5137-7

APR 11 1977

Miss. / 1000

ADD REPLY TO  
"THE ATTORNEY GENERAL"  
AND REFER TO  
INITIALS AND NUMBER

UNITED STATES  
DEPARTMENT OF JUSTICE  
WASHINGTON 25, D. C.

WEB:TFMcG

61-79-112

FEB 4 - 1953

(R.S.)

MEMORANDUM FOR MR. J. EDGAR HOOVER  
DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

Re: Stavros Niarchos, Aristotle Socrates  
Onassis and Stavros Livanos —  
Tanker MEMORY, et al.

*Administrative Matter*

1. Stavros Livanos is a British subject of Greek origin who is known in the shipping trade as "Stormy Weather" Livanos and operates Panamanian, Honduran and Greek flag ships in world trade. He had two daughters, one of which was married to Stavros Niarchos and the other to Aristotle Socrates Onassis. This family operates a great deal of shipping under various names and using Greek, Panamanian, Honduran, Liberian and American registration. We have forfeiture libels pending against the American flag tankers owned by companies controlled by Niarchos and Onassis. The question of law involved is the same as that covered in United States v. Meacham, 107 F. Supp. 997.

2. On January 14, 1953, the Niarchos interest applied for clemency and made a proposal to settle and compromise these cases. In the course of this proposal, it was represented as to Stavros Niarchos that "No ship owned or controlled by him has ever traded behind the Iron Curtain."

3. Using Lloyds Confidential Index of Shipowners, we have not been able to locate all of Niarchos' companies. However, in the course of this inquiry, it was developed that Livanos and his ships have been for some time the subject of an investigation by the Defense Department. Some of these ships were purchased from the Maritime Administration and are still paying the mortgage money to the Maritime Administration out of their profits in trade with Communist China. The office

K6-1  
K7-1  
K7-1  
7

*W. W. [unclear]*  
*A. J. [unclear]*

FEB 1953

*2-24-53  
yes being sent  
to his [unclear] for handling*  
67 MAR 3 1953

SE 41  
FEB 13 1953  
RECORDED - 61  
131-

6- [unclear]

in Defense which is in charge of this matter is the Office of Economic Defense and the persons to be contacted there are Mr. Robinson, extension 72569, and Mr. Humphries, extension 76313. In particular, there are believed to be photographs of the ships taken by our Navy during the later part of 1952.

Would you please arrange to have such material as may be available obtained through customary liaison?

*Warren E. Burger*

WARREN E. BURGER

Assistant Attorney General

# Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI (131- )  
 Attention: Assistant Director A. ROSEN  
 FROM : SAC, New York (131-109)  
 SUBJECT: Tanker MEMORY, et al ~~NORTH~~  
 AMERICAN SHIPPING AND TRADING  
 COMPANY; NIARCHOS AND ONASSIS  
 ADMIRALTY MATTER

DATE: 2/9/53

(21)  
 131-1  
 109-1

NR  
 ReBulet 2/3/53 to the Department.

In accordance with instructions set forth in referenced letter, the following reports are attached hereto:

- Report of SAA [redacted] 3/7/52, New York.
- Report of SAA [redacted], 3/7/52, New York.
- Report of SAA [redacted] 3/22/52, New York.
- Report of SAA [redacted] /27/52, Philadelphia.
- Report of SAA [redacted] 4/3/52, New York.
- Report of SAA [redacted] 4/5/52, New York. (b)(7)(c)
- Report of SAA [redacted] 4/19/52, New York.
- Report of SAA [redacted] 5/10/52, New York.

~~EXEMPT FROM DISSEMINATION~~

ENCLOSURE

RECORDED - 61

SE 41

131-2130-2  
 FEB 10 1953

Encs. (8)

cc: 1 - NY 46-2507

Rosen  
 [Signature]

[Large redacted block]

JJR:EMF

Assistant Attorney General  
Werron E. Burger

February 12, 1953

RECORDED - 61

Director, FBI

131-130  
TANKER MEMORY, ET AL - NORTH  
AMERICAN SHIPPING AND TRADING  
COMPANY; NIARCHOS AND ONASSIS  
ADMIRALTY MATTER  
(Department File 61-79-112)

Reference is made to my memorandum dated February 3, 1953, in the above-captioned matter.

There are being enclosed herewith the following reports in the case entitled "North American Shipping and Trading Company, et al, Fraud Against the Government" which have been received from our New York Office.

Report of Special Agent [redacted] dated March 7, 1952, at New York.

Report of Special Agent [redacted] dated March 7, 1952, at New York.

Report of Special Agent [redacted] dated March 22, 1952, at New York.

Report of Special Agent [redacted] dated March 27, 1952, at Philadelphia.

Report of Special Agent [redacted] dated April 3, 1952, at New York.

Report of Special Agent [redacted] dated April 5, 1952, at New York.

Report of Special Agent [redacted] dated April 19, 1952, at New York.

Report of Special Agent [redacted] dated May 10, 1952, at New York.

(b)(7)(c)

Upon the receipt of additional copies of reports from our Washington Field Office, same will be forwarded to you.

Enclosure

CJM:JCB

NOTE: The reports in the "North American Shipping and Trading Company, et al, FAG" case were requested by the Claims Division from memorandum of AAG Holmes Baldrige dated January 28, 1953, wherein they stated that the Criminal Division of the Department was utilizing 50th copies of the reports previously sent to the Department in the North American case.

XXXXXX  
XXXXXX  
XXXXXX

### FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

6 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

Deleted under exemption(s) \_\_\_\_\_ with no segregable material available for release to you.

Information pertained only to a third party with no reference to you or the subject of your request.

Information pertained only to a third party. Your name is listed in the title only.

Document(s) originating with the following government agency(ies) Naval Investigative Service was/were forwarded to them for direct response to you.

\_\_\_\_\_ Page(s) referred for consultation to the following government agency(ies): \_\_\_\_\_ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

\_\_\_\_\_ Page(s) withheld for the following reason(s):  
\_\_\_\_\_  
\_\_\_\_\_

For your information: \_\_\_\_\_  
\_\_\_\_\_

The following number is to be used for reference regarding these pages:

131-130-3

XXXXXX  
XXXXXX  
XXXXXX

XXXXXXXXXXXXXXXXXXXXX  
X DELETED PAGE(S) X  
X NO DUPLICATION FEE X  
X FOR THIS PAGE X  
XXXXXXXXXXXXXXXXXXXXX



~~CONFIDENTIAL~~  
SECURITY INFORMATION - CONFIDENTIAL

Assistant Attorney General

February 12, 1953

Warren E. Burger

Attention: Mr. T. F. McGovern, Room 3127, Claims Division

Director, FBI

BY SPECIAL MESSENGER

~~CONFIDENTIAL~~

131-130-3

TANKER MEMORY, ET AL.  
ADMIRALTY MATTER

RECORDED - 123

Reference is made to your memorandum dated February 4, 1953, in the above-captioned matter.

[REDACTED]

(b)(1)

[REDACTED]

(b)(1)

[REDACTED]

Enclosure

(b)(1)

cc: Mr. A.

APPROPRIATE AGENCIES  
AND FIELD OFFICES

ADVISED BY SLIP(S)

DATE

GJM:ige

DATE

5/13/53

MAILED 16  
FEB 13 1953  
COMM. FBI

~~CONFIDENTIAL~~

CLASS. & EXT. BY 505/SLW  
REASON-FCIM II, 1-2.4.2  
DATE OF REVIEW 2/19/80

Handwritten signature and initials

ELR-3

~~CONFIDENTIAL~~

SECURITY INFORMATION - CONFIDENTIAL

MAR 3 1953

- Tolson
- Ladd
- Nichols
- Belmont
- Mohr
- Winterrowd
- Tele. Rm.
- Mr. Holloman
- Miss Gandy

ADDRESS REPLY TO  
"THE ATTORNEY GENERAL"  
AND REFER TO  
INITIALS AND NUMBER

AHB:TFMcG:ams

61-79-112

UNITED STATES  
DEPARTMENT OF JUSTICE  
WASHINGTON 25, D. C.

JUN 28 1953

MEMORANDUM FOR MR. J. EDGAR HOOVER  
DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

Re: Tanker MEMORY, et al. - North  
American Shipping & Trading Co.;  
Niarchos and Onassis.

*ADMIRALTY MATTER*

Mr. Tolson	_____
Mr. Boardman	_____
Mr. Nichols	_____
Mr. Belmont	_____
Mr. Ladd	_____
Mr. Clegg	_____
Mr. Glavin	_____
Mr. Harbo	_____
Mr. Rosen	_____
Mr. Tracy	_____
Mr. Egan	_____
Mr. Gurnea	_____
Mr. Hendon	_____
Mr. Pennington	_____
Mr. Quinn	_____
Mr. Nease	_____
Miss Gandy	_____

1. The Department has filed libels for the forfeiture of the following vessels belonging to the Niarchos group:

~~SEVEN SEAS  
JEANNY  
MERRIMAC  
MONITOR  
MERMAID~~

In addition, a libel has also been filed against one vessel of the Onassis group, the FORT BRIDGER. These libels have been filed in the Eastern District of Virginia and also in the Southern District of New York. When the vessels come back to the United States, we shall have the libels presently on file transferred to the district where the vessel arrives. The libels had to be filed because of a five-year statute of limitations which is tolled by the commencement of the lawsuit. They generally follow the legal theories which were litigated in the Meacham case, 107 F. Supp. 997, which has been appealed to the Fourth Circuit by the owner of the MEACHAM.

2. The first of the Niarchos vessels is expected to come back to some North Atlantic Port, north of Hatteras, around the second week of February, 1953. We do not yet have any definite word as to whether the ports of destination will be Norfolk, Baltimore, Philadelphia, one of the New Jersey oil ports, the Staten Island oil ports, or Everett, Massachusetts. The litigation will start promptly.

3. It is expected that other Niarchos ships which are presently in the Pacific will arrive at Los Angeles harbor with oil from the Persian Gulf or Borneo. The litigation on the West Coast will be handled by Keith R. Ferguson, Esq., Admiralty & Shipping Section, Dept. of Justice, P. O. Box 502, San Francisco, California, with the assistance of our Admiralty & Shipping Section here. Ferguson took testimony in the Meacham case and is apprised

SE 42

CC Moran

130-4  
*[Handwritten signatures and initials]*

of the general background of these cases but does not have any particular bureau file.

4. The Criminal Division investigation, under the heading of North American Shipping & Trading Company, has produced a great deal of background information. Further investigations on particular aspects which are important to the Admiralty case but not to the Criminal Division case will be requested shortly. The immediate problem is to provide the Admiralty Section with one complete copy of the reports to date. These reports are to be sent down and allocated to our File 61-79-112, tanker MEMORY. The Criminal Division has taken its second copy back and we have no copy. In addition, if another copy can be obtained from the office of origin, it is desired to have you send it to Keith R. Ferguson so that he can have some background on the matter which he may have to try on very short notice.

*Holmes Baldridge*  
HOLMES BALDRIDGE

Assistant Attorney General

131-130-4  
Assistant Attorney General  
Warren E. Burger

February 3, 1953

RECORDED-20

Director, FBI (131- )

4 p  
SEP 42

Tanker HEMARI, et al. - NORTH AMERICAN SHIPPING AND TRADING COMPANY GIARCHOS AND ONASSIS ADMIRALTY MATTER (Department File 61-79-112)

ef 7-1  
ef 8-1  
UNRECORDED COPY FILED IN 46-17710-1

Reference is made to the memorandum of Assistant Attorney General Helms Baldrige dated January 28, 1953, in the above-captioned matter.

Mr. Baldrige's memorandum stated that in the case entitled "North American Shipping and Trading Company, et al., Fraud Against the Government," the Criminal Division is utilizing both copies of the reports which were sent to the Department and requests that the Bureau provide two additional copies of all reports, of which one copy is to be utilized by the Admiralty Section of the Claims Division and the other copy to be forwarded to Special Assistant to the Attorney General Keith R. Ferguson, San Francisco, California.

For your information, the Bureau's files do not contain sufficient extra copies to provide the Claims Division with two additional copies of reports. In some instances, we have no extra copies available in the Bureau's files and we are requesting our interested offices to furnish two copies in those instances for transmittal to you. In the case of some reports, we do have one extra copy in the Bureau's files which is being enclosed herewith and we are asking our field offices to provide a second copy for transmittal to you in order that you may forward the second copy to Mr. Ferguson.

Our records reflect that two copies of the report of Special Agent [redacted], dated April 11, 1952, at Washington, D. C., were forwarded to Mr. Thomas F. McGovern of your staff on April 16, 1952, and consequently no additional copies of this report are being furnished to the Claims Division. Our records also reflect that one copy of the report of Special Agent [redacted] dated November 21, 1952, at New York, New York, was forwarded to Mr. J. F. Staley

- cc: 2-Washington Field, with enclosure
- 2-New York, with enclosure
- 2-San Francisco, with enclosure

cc: 46-17783

FEB 20 1953

Handwritten signatures and initials, including "J. F. Staley" and "L. R. [unclear]".

COMM - FBI  
MAILED 27  
FEB - 4 1953

Assistant Attorney General  
Warren E. Burger

of your staff on November 24, 1952. One copy of this report for transmittal to Mr. Ferguson is being enclosed herewith and our field offices are not being requested to furnish any additional copies of this report. Our records reflect that one copy of the report of Special Agent [REDACTED] (b)(7)(c) dated October 21, 1952, at Washington, D. C., was forwarded to Mr. J. P. Staley of your staff on October 24, 1952. One copy of this report for forwarding to Mr. Ferguson is being enclosed herewith and no additional copies are being requested from our field offices.

One copy of the following reports is being enclosed herewith:

Report of Special Agent [REDACTED], dated March 12, 1952, at Washington, D. C.

Report of Special Agent [REDACTED] dated March 21, 1952, at Newark, New Jersey.

Report of Special Agent [REDACTED] dated April 3, 1952, at Miami, Florida.

Report of Special Agent [REDACTED] dated March 31, 1952, at Washington, D. C.

Report of Special Agent [REDACTED], dated April 17, 1952, at New York, New York. (b)(7)(c)

Report of Special Agent [REDACTED] dated April 11, 1952, at New York, New York.

Report of Special Agent [REDACTED], dated May 9, 1952, at Washington, D. C.

Report of Special Agent [REDACTED] dated May 9, 1952, at Washington, D. C.

Report of Special Agent [REDACTED], dated May 8, 1952, at Los Angeles, California.

Report of Special Agent [REDACTED] dated June 9, 1952, at New Orleans, Louisiana.

Tolson \_\_\_\_\_  
Ladd \_\_\_\_\_  
Nichols \_\_\_\_\_  
Belmont \_\_\_\_\_  
Clegg \_\_\_\_\_  
Glavin \_\_\_\_\_  
Harbo \_\_\_\_\_  
Rosen \_\_\_\_\_  
Tracy \_\_\_\_\_  
Mohr \_\_\_\_\_  
Tele. Rm. \_\_\_\_\_  
Holloman \_\_\_\_\_  
Gandy \_\_\_\_\_

Assistant Attorney General  
Warren E. Burger

Report of Special Agent [redacted] dated June 6,  
1952, at New York, New York.

Report of Special Agent [redacted] dated  
June 18, 1952, at Philadelphia, Pennsylvania.

Report of Special Agent [redacted] dated  
June 10, 1952, at Washington, D. C.

Report of Special Agent [redacted] dated  
June 9, 1952, at Boston, Massachusetts.

Report of Special Agent [redacted] dated  
July 2, 1952, at New York, New York.

Report of Special Agent [redacted] dated  
July 15, 1952, at Los Angeles, California.

Report of Special Agent [redacted] dated  
November 21, 1952, at New York, New York.

Report of Special Agent [redacted] dated  
December 17, 1952, at New York, New York.

Report of Special Agent [redacted] dated  
December 11, 1952, at New York, New York.

Report of Special Agent [redacted] dated  
October 21, 1952, at Washington, L. C.

Upon the receipt of additional copies of reports from  
the field, same will be forwarded to you.

Enclosures (20)

NOTE TO WASHINGTON FIELD, NEW YORK AND SAN FRANCISCO:

There is being enclosed herewith for each office one copy  
of a memorandum dated January 28, 1953, from Assistant Attorney  
General Holmes Baldrige.

In compliance with the Claims Division's request, the  
Bureau desires to furnish the Claims Division with two copies of  
All reports not already transmitted directly to the Claims Division

(b)(7)(c)

with the exception of the two-week report of Special Agent [redacted] [redacted] dated February 28, 1952, at New York, and the two-week report of Special Agent [redacted] dated March 7, 1952, at New York. As explained in Bureau memorandum to Assistant Attorney General Burger, it will not be necessary to forward the Claims Division any additional copies of the reports of Special Agent [redacted], dated April 11, 1952 and October 21, 1952, at Washington, D. C., and report of Special Agent [redacted] dated November 21, 1952, at New York.

The Washington Field and New York Offices should immediately review their files in the "North American Shipping and Trading Company, et al., FAG," case and the following should be done:

- (1) In those instances wherein the Bureau is forwarding one copy of a report to Assistant Attorney General Burger, the Washington Field Office should furnish one copy to the Bureau for transmittal to the Claims Division in order that the Claims Division may forward the second copy to SAAG Ferguson, San Francisco, California.
- (2) In those instances where the Bureau is not forwarding any copies to AAG Burger, the Washington Field Office has three copies of the report, the Washington Field Office should forward two copies of the report for transmittal to the Claims Division.
- (3) In those instances where the Bureau is not forwarding any copies to AAG Burger and WFO and New York Offices each have two copies, the Washington Field and New York Offices should each furnish one copy to the Bureau for transmittal to the Claims Division.

It is requested that the Washington Field and New York Offices forward these reports to the Bureau by letter for the attention of Assistant Director A. Rosen.

In the event the San Francisco Office receives any requests for investigation in this matter from SAAG Keith R. Ferguson, San Francisco, California, the Bureau should be immediately advised.

Tolson \_\_\_\_\_  
Ladd \_\_\_\_\_  
Nichols \_\_\_\_\_  
Belmont \_\_\_\_\_  
Clegg \_\_\_\_\_  
Glavin \_\_\_\_\_  
Harbo \_\_\_\_\_  
Rosen \_\_\_\_\_  
Tracy \_\_\_\_\_  
Laughlin \_\_\_\_\_  
Mohr \_\_\_\_\_  
Tele. Rm. \_\_\_\_\_  
Holloman \_\_\_\_\_  
Gandy \_\_\_\_\_

XXXXXX  
XXXXXX  
XXXXXX

FEDERAL BUREAU OF INVESTIGATION  
FOIPA DELETED PAGE INFORMATION SHEET

\_\_\_\_\_ Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- Deleted under exemption(s) \_\_\_\_\_ with no segregable material available for release to you.
- Information pertained only to a third party with no reference to you or the subject of your request.
- Information pertained only to a third party. Your name is listed in the title only.
- Document(s) originating with the following government agency(ies) \_\_\_\_\_, was/were forwarded to them for direct response to you.

\_\_\_\_\_ Page(s) referred for consultation to the following government agency(ies); \_\_\_\_\_ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

4 Page(s) withheld for the following reason(s):  
Released in the below listed numbers

- For your information: See 46-17783-256
- The following number is to be used for reference regarding these pages:  
131-130-NR dated 2-13-53

XXXXXX  
XXXXXX  
XXXXXX

XXXXXXXXXXXXXXXXXXXXX  
X DELETED PAGE(S) X  
X NO DUPLICATION FEE X  
X FOR THIS PAGE X  
XXXXXXXXXXXXXXXXXXXXX



ADDRESS REPLY TO  
"THE ATTORNEY GENERAL"  
AND REFER TO  
INITIALS AND NUMBER

WEB:TFMcG  
61-79-112  
146-20-619

UNITED STATES  
DEPARTMENT OF JUSTICE  
WASHINGTON 25, D. C.

Mr. Tolson	_____
Mr. Boardman	_____
Mr. Nichols	_____
Mr. Belmont	_____
Mr. Clegg	_____
Mr. Glavin	_____
Mr. Ladd	_____
Mr. Rosen	_____
Mr. Tracy	_____
Mr. Harbo	_____
Mr. Mohr	_____
Mr. Winterrowd	_____
Tele. Room	_____
Mr. Holloman	_____
Miss Gandy	_____

Y-9-53

MEMORANDUM FOR MR. J. EDGAR HOOVER  
DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

Re: Tanker MEMORY et al;  
Stavros Niarchos, Aristotle Socrates  
Onassis, Stavros (Stormy Weather) Livonas.

*Administrative Matter*

In addition to the material requested in our memorandum of February 4, we have been advised that there is a background survey showing the relationship between the Greek shipowners, identified as follows:

National Intelligence Survey  
NIS 24 - Chapter 3, Section 36  
31 December 1951

Will you please obtain a copy through proper liaison.

*Warren E. Burger*  
WARREN E. BURGER  
Assistant Attorney General

*2/10/53  
T.F.M.C.G.  
page 146-20-619  
New Attorney  
[Signature]*

SE  
RECORDED

*W.F. Woods*

101-130-5

FEB 22 1953  
25

FEB 10 1953  
[Vertical stamp]

*W.F.S.*

*[Signature]*

Assistant Attorney General  
Warren E. Burger  
Director, FBI

February 18, 1953

~~CONFIDENTIAL~~

TAMBER MEMORY, ET AL  
ADMIRALTY MATTER  
(Department Files 61-79-112  
and 146-20-619)

Attention: Mr. T. F. McGovern  
Room 3127  
Claims Division

RECORDED

131-130-5

~~CONFIDENTIAL~~

Reference is made to your memorandum dated  
February 9, 1953, in the above-captioned matter.



Enclosure

(131 New)

CJI:eck  
*ck*

(b)(1)

APPROPRIATE AGENCIES  
AND FIELD OFFICES  
ADVISED BY ROUTING  
SLIP(S) OF

DATE

CLASS. & EXT. BY *SP5 LJA/4*  
REASON-FCIM II, 1-2.4.2  
DATE OF REVIEW *3/17/80*

~~CONFIDENTIAL~~

MAILED 6  
FEB 19 1953  
COMM - FBI

~~CONFIDENTIAL~~

78 MAR 18 1953

# Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Rosen *Rosen*  
 FROM : Mr. Pennington *Pennington*  
 SUBJECT: TANKER MEMORY, ET AL.  
 ADMIRALTY MATTER

DATE: February 25, 1953

## DETAILS

On 2/24/53, Attorney Thomas F. McGovern, Civil Division, called with respect to the report of Special Agent [redacted] dated April 19, 1952, at New York, in the case entitled "North American Shipping and Trading Company, Inc., et al, FAG."

Attorney McGovern stated that, although the report reflected two Photostats of certain documents were enclosed for the Bureau, only one copy of the Photostats have been sent to the Department and that copy was presently being utilized by the Criminal Division.

McGovern advised that it was very possible that testimony concerning this interview might be necessary during the trial of one or more of the various Admiralty cases relating to the North American Company, and he inquired as to whether or not [redacted] would be available for testimony.

## ACTION TAKEN

McGovern was requested to furnish the Bureau with a memorandum covering the following points:

- (1) A request for an extra copy of the Photostats enclosed with the report. (It is noted there is a copy in the Bureau's file.)
- (2) The question as to whether the Confidential Informant referred to in the report will be available for testimony, if needed.

McGovern stated he would forward a memorandum covering the above points and, upon receipt of same, it will be analyzed and the necessary action taken.

131-  
 cc: 46-17783  
 CJM:ige.

68 MAR 17 1953

RECORDED-39

131-130-6  
 22 MAR 2 1953

UNRECORDED COPY FILED

131-130-7  
CHANGED TO

131-144-7

\_\_\_\_\_

\_\_\_\_\_

# Office Memorandum • UNITED STATES GOVERNMENT

Mr. Tolson	_____
Mr. Ladd	_____
Mr. Nichols	_____
Mr. Clegg	_____
Mr. Glavin	_____
Mr. Harbo	_____
Mr. Rosen	_____
Mr. Tracy	_____
Mr. Egan	_____
Mr. Gurnea	_____
Mr. Hendon	_____
Mr. Pennington	_____
Mr. Quinn	_____
Mr. Nease	_____
Miss Gandy	_____

TO : DIRECTOR, FBI (46-17783)

DATE: 2-24-53

*[Handwritten initials]*  
FROM : SAC, WFO (46-2607)

ATTENTION: ASSISTANT DIRECTOR,  
A. ROSEN

SUBJECT: WANKER MEMORY, et al  
NORTH AMERICAN SHIPPING AND TRADING  
COMPANY, NIARCHOS AND ONANSSIS  
ADMIRALTY MATTER

Re Bureau letter February 18, 1953.

*ey 7-1*  
*ef 8-1*

Attached hereto are reports requested in relet  
as follows:

<u>Report Date</u>	<u>Agent</u>	<u>Field Division</u>
March 8, 1952		New Haven
May 8, 1952		Los Angeles
June 6, 1952		New York
June 9, 1952		New Orleans

(b)(7)(c)

EJA:DEB  
Enclosures (4)

RECORDED-45

*131-130-8*  
*1131-47-173*

30 MAR 4 1953

RECORDED COPY FILED IN 46-17783-265

*[Handwritten signature]*

Assistant Attorney General  
Warren E. Burger

February 26, 1953

RECORDED-45

~~131-47-175~~  
Director, FBI (131-  
131-130-8

TANKER MEMORY, ET AL.  
NORTH AMERICAN SHIPPING AND TRADING  
COMPANY, NIARCHOS AND ONANSSIS  
ADMIRALTY MATTER  
(Department File 61-79-112)

Reference is made to the memorandum of Assistant Attorney General Holmes Baldrige dated January 28, 1953, and to my memoranda dated February 3, 1953, February 12, 1953, and February 18, 1953, in the above-captioned matter.

There are being enclosed herewith copies of the following reports in the case entitled, "North American Shipping and Trading Company, et al., Fraud Against the Government":

Report of Special Agent [redacted] dated March 8, 1952, at New Haven, Connecticut. R-8

Report of Special Agent [redacted] dated May 8, 1952, at Los Angeles, California.

Report of Special Agent [redacted] dated June 6, 1952, at New York, New York. (b)(7)(c)

Report of Special Agent [redacted] dated June 9, 1952, at New Orleans, Louisiana.

Enclosure

cc: 46-17783

CJM:ige

NOTE: The reports in the "North American Shipping and Trading Company, et al., FAG," case were requested by the Claims Division in a memorandum dated January 28, 1953, wherein they stated that the Criminal Division of the Department was utilizing both copies of the reports previously sent to the Department in the North American

RECEIVED READING ROOM  
F B I  
MAR 2 9 55 AM '53

46-17783-255  
ENCLOSURE COPY FILED IN

- Tolson
- Ladd
- Nichols
- Belmont
- Clegg
- Glavin
- Harbo
- Rosen
- Tracy
- Laughlin
- Mohr
- Winterrowd
- Tele. Rm.
- Holloman
- Gandy

50 MAR 1 1953  
COMM - FBI  
MAR 2 1953  
MAILED 28

*[Handwritten signatures and initials]*

7256

# Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Ladd *[Handwritten initials]*

DATE: March 24, 1953

FROM : Mr. Rosen *[Handwritten initials]*

SUBJECT: TANKER MEMORY; NORTH AMERICAN SHIPPING AND TRADING COMPANY, ET AL. ADMIRALTY MATTER

- Tolson \_\_\_\_\_
- Ladd \_\_\_\_\_
- Nichols \_\_\_\_\_
- Belmont \_\_\_\_\_
- Mohr \_\_\_\_\_
- Winterrowd \_\_\_\_\_
- Tele. Room \_\_\_\_\_
- Holloman \_\_\_\_\_
- Gandy \_\_\_\_\_

### PURPOSE

To inform you of information received from the Civil Division that former Special Agent William Leege has been appointed Special Assistant to the Attorney General to handle tanker cases.

### DETAILS

On March 24, 1953, Attorney T. F. McGovern, Civil Division, stated that former Special Agent William Leege, who has recently been with the Permanent Senate Subcommittee on Investigation of Government Operations (McCarthy Committee), was appointed a Special Assistant to the Attorney General effective today. McGovern said Leege would be assigned to the Admiralty and Shipping Section of the Civil Division and would be in charge of the admiralty matters involving the tanker cases.

McGovern further stated he had been informed that the Office of Naval Intelligence was sending to the Bureau via Liaison a memorandum indicating that the tanker Atlantic Air, ex Elizabeth Blackwell, was today en route to Taku Bar on the Chinese coast. McGovern stated the vessel is owned by the Atlantic Navigation Company, which is in turn controlled by Stavros Livanos, one of the principal figures in the North American Shipping and Trading Company. Mr. McGovern requested that the information to be received by Liaison be furnished to the Civil Division inasmuch as the Assistant Attorney General of the Civil Division would probably want to take the matter up with the Attorney General since it shows that vessels controlled by Livanos are still dealing with Communist China. McGovern did not have any details as to the registry of the vessel or the type of cargo she was carrying.

### RECOMMENDATION

It is recommended that this memorandum be forwarded to the Liaison Section in order that the information reportedly en route from the Office of Naval Intelligence can be furnished to the Civil Suits Desk for dissemination to the Civil Division.

*Vessel did not call at any China port - arrived Yokohama 3/24/53 W.F.W. 3-27-53*

*T.F. McGovern  
Admiralty  
3-27-53  
Ladd  
Holloman  
Gandy*

*[Handwritten initials]*

RECORDED - 23

131-130-9

131-130  
CJM:ige

APR 6 1953

APR 1 1953

# McCarthy Sees Eisenhower OK On Ships Deal

## Nixon Reported Planning to Brief President on Issue

By the Associated Press

Sen. McCarthy, Republican, of Wisconsin, said today he looks to President Eisenhower to back his dramatic move aimed at reducing free world trade with Communist areas.

Senator McCarthy told reporters he was "amazed" by angry accusations of Harold E. Stassen, Mutual Security director, last the Senator and his Senate investigations subcommittee were "undermining" this objective of United States foreign policy.

Mr. Stassen, at a televised public hearing yesterday, lunged the accusation in a broadside denunciation of Saturday's announcement that Senator McCarthy's subcommittee staff had negotiated agreements with Greek owners of 242 ships to carry no more cargoes to Red China, North Korea, or from one Communist port to another.

Vice President Nixon, to whom Gen. Eisenhower has assigned some trouble shooting assignments on Capitol Hill, goes to the White House today to attend a meeting of the National Security Council.

### Briefed on Issues.

A high-placed source, declining to be named, said in an interview Mr. Nixon has been briefed thoroughly on issues in the McCarthy-Stassen dispute, and would report to Gen. Eisenhower at that time. The informant said the result may be a presidential decision in Senator McCarthy's favor, but not necessarily an immediate one. Both Mr. Nixon and Senator McCarthy declined to discuss it.

Gen. Eisenhower told his news conference last week he would not seek to interfere with Senator McCarthy's investigations, but the Senator's exact moves he is doing the right

interference, and he told Mr. Stassen:

"I wouldn't take your word for it."

State Department Handicapped.

Senator McCarthy added that Mr. Stassen was overlooking a big point—that the State Department can negotiate with governments, but not with individuals.

Senator McCarthy insisted that "three young men" on his subcommittee staff had done what the State Department had failed to do for years, first under Secretary of State Dean Acheson and now under John Foster Dulles.

He said the men who got the Greeks' agreement are Francis D. Flanagan, chief counsel of the subcommittee; Robert F. Kennedy, an investigator and brother of Senator Kennedy, Democrat, of Massachusetts; and William A. Leece, who has been a subcommittee assistant counsel.

Mr. Flanagan told an interviewer the agreement is a brief document, exact terms of which will not be made public until the signed copy has been placed in his file. He said it has been signed, but he has not yet received it.

"If the signers don't keep their word, obviously it's no good," he said. "If they do, it's very good, notwithstanding what any one else may say. Any agreement that keeps a ship out of the Communist trade is a good one, and this one goes farther than even the Greek government goes in its own orders to its ship owners."

### McCarthy Hopeful.

"I hope President Eisenhower gets the correct picture here. I'm sure that Eisenhower agrees with me that every ship that carries strategic materials to Red China, for instance, helps to intensify the war in Korea—to spill the blood of American boys there."

He said... respects the President's... Gr. Eisenhower... is given... fact

Senator McCarthy told Mr. Stassen he intends to continue signing any willing ship owners to agreements to cease or reduce the carrying of goods to the Communists anywhere.

And to a news conference he added:

"I am still hopeful that we will sign up the Greek owners of 150 or more ships flying the British flag to just such agreements. If the State Department is willing to take over the negotiations for the agreements, I'm willing to hand it over to them. But Mr. Stassen tells us that the State Department, just as we believed, cannot negotiate with individuals."

### Would Have Signed Sooner.

He said Stavros Livanos, a wealthy Greek ship operator who now is in New York and was one of those signing the agreement announced Saturday, told Mr. Flanagan "he'd have signed this thing a year ago if any one in a responsible position had asked him to."

The State Department announced yesterday its own agreement with the Greek government to reduce free world trade with the Communists, but McCarthy contended his agreement goes further.

The one announced by the department was imposed by the Greek Council of Ministers. It forbids a Greek ship from the Greek flag to trade with Red China or North Korea, but the State Department conceded it does not apply to shipments between other Communist ports. Nor does it apply to Greek-owned ships flying the colors of other nations.

Senator McCarthy, whose subcommittee is investigating the scope of East-West trade, called Frank C. Nash, Assistant Secretary of Defense, to elaborate today on the Pentagon's demands for an outright ban on shipment of strategic goods to Communist areas.

- Tolson
- Ladd
- Nichols
- Belmont
- Clegg
- Glavin
- Harbo
- Rosen
- Tracy
- Garry
- Mohr
- Winterrowd
- Tele. Rm.
- Holloman
- Sizoo
- Miss Gandy

- Times-Herald
- Wash. Post
- Wash. News
- Wash. Star
- N.Y. Herald Tribune
- N.Y. Mirror

NOT RECORDED  
105 APR 29 1953

Date: \_\_\_\_\_



REF. AGENCIES  
ADVISE BY SLIP(S) OF

CLASSIFIED CONFIDENTIAL

- Mr. Tolson
- Mr. Ladd
- Mr. Nichols
- Mr. Belmont
- Mr. Harbo
- Mr. Rosen
- Mr. Tracy
- Mr. Gearty
- Mr. Mohr
- Mr. Winterrowd
- Tele. Room

[REDACTED]

Not IS.R case

ARISTOTELES SOCRATES KONASSIS, INTERNAL SECURITY - FR AND GREECE. SUBJECT BORN SEPTEMBER 21, 1900 AT SALONIKA, GREECE IS BEING INVESTIGATED [REDACTED] FOR TRADING BEHIND IRON CURTAIN. REPORTEDLY US GOVERNMENT RECENTLY SEIZED 13 OF HIS SHIPS. SUBJECT HAS FINANCIAL INTEREST IN OLYMPIC WHALING COMPANY, NEW YORK. PLEASE ADVISE IF ANY DEROGATORY INFORMATION AVAILABLE CONCERNING SUBJECT'S PARTNER IN THE UNITED STATES AND REASON WHY HIS SHIPS SEIZED. ALSO ANY AVAILABLE DEROGATORY INFORMATION CONCERNING SUBJECT WOULD BE HELPFUL [REDACTED]

Mally  
670

ROLLAND O. L-ALLIER

[REDACTED]

Admiralty matter  
see 131-130 - File

RECORDED-37

131-130-10

CLASS. & EXT. BY SP 164-DH  
REASON - FCIM 11, 1-2.4.2  
DATE OF REVIEW 1-2-2000

INDEXED-37

cc. Mr. Tamm  
cc. Mr. Belmont

[REDACTED]

CONFIDENTIAL

[REDACTED]

131-130-70

COPIED COPY FILED IN 1079

C

RECORDED-37

~~CONFIDENTIAL~~

G.I.R.-5

INDEXED-37

131-130410-10

SECRET - AIR COURIER

Date: May 20, 1953

To: Legal Attache  
Paris, France

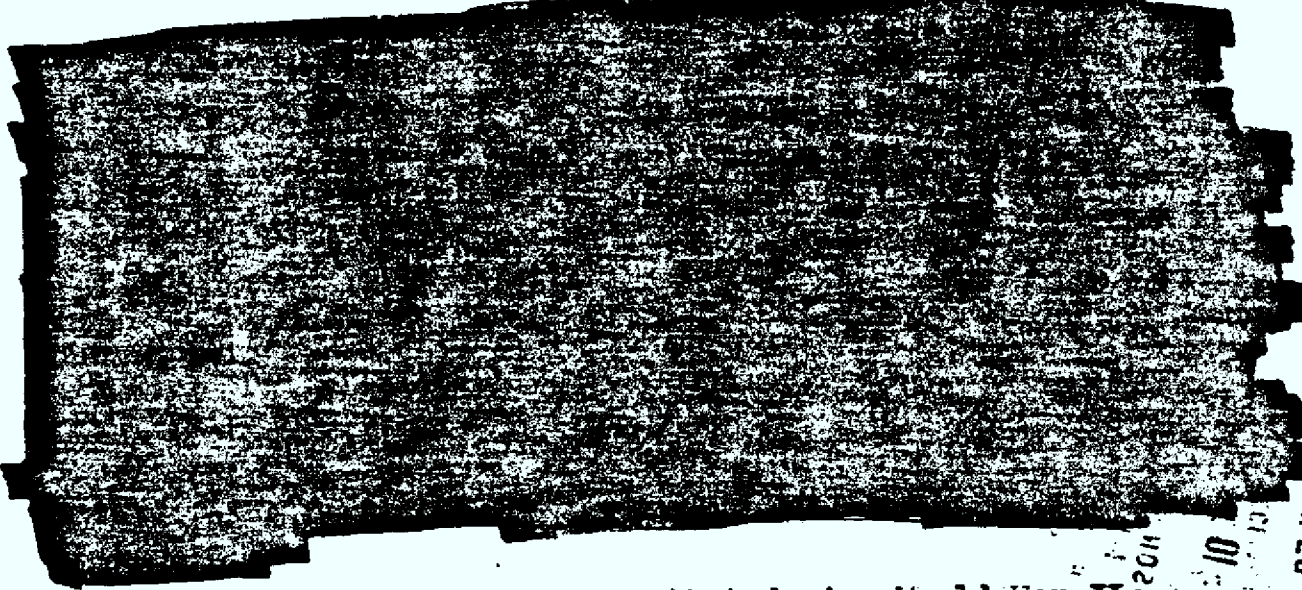
ALL INFORMATION CONTAINED  
HEREIN IS UNCLASSIFIED EXCEPT  
WHERE SHOWN OTHERWISE.

From: John Edgar Hoover - Director, Federal Bureau of  
Investigation

Subject: TANKER MENECEY  
NORTH AMERICAN SHIPPING AND TRADING  
COMPANY, ET AL  
ADMIRALTY MATTER

CLASS. & EXT. BY ses/lj/hp  
REASON-FCIM II, 1-2.4.2  
DATE OF REVIEW 3/18/70

97-1  
98-1/17/10



(b)(1)

Allegations were made that during World War II Onassis was a partner in various firms in Argentina and during this time smuggled tobacco into Argentina to avoid the high duty. It was also alleged that he did business with various German and Italian firms during World War II. No confirmation was received of these allegations.

It was also alleged that Onassis during World War II, expressed sentiments inimical to the interests of the United States. The Bureau conducted an investigation regarding this allegation and no derogatory information was developed. (100-125834)

- Tolson \_\_\_\_\_
- Ladd \_\_\_\_\_
- Nichols \_\_\_\_\_
- Belmont \_\_\_\_\_
- Clegg \_\_\_\_\_
- Glavin \_\_\_\_\_
- Harbo \_\_\_\_\_
- Rosen \_\_\_\_\_
- Tracy \_\_\_\_\_
- Gearty \_\_\_\_\_
- Mohr \_\_\_\_\_
- Winterrowd \_\_\_\_\_
- Tele. Room \_\_\_\_\_
- Holloman \_\_\_\_\_
- Gandy \_\_\_\_\_

WWR/arg

LEGAT  
COMM-FBI REC

CONFIDENTIAL

UNRECORDED COPY FILED IN 100-125834-201

7256

Onassis is reportedly an Argentine citizen and a wealthy ship owner. No further derogatory information is available in the Bureau's files other than the information set out above

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

Note: Approximately eighty file references were reviewed, as well as several main files, one of which consisted of more than twelve sections.

~~CONFIDENTIAL~~

Tolson \_\_\_\_\_  
Ladd \_\_\_\_\_  
Nichols \_\_\_\_\_  
Belmont \_\_\_\_\_  
Clegg \_\_\_\_\_  
Glavin \_\_\_\_\_  
Harbo \_\_\_\_\_  
Rosen \_\_\_\_\_  
Tracy \_\_\_\_\_  
Gandy \_\_\_\_\_  
Mohr \_\_\_\_\_  
Winterrowd \_\_\_\_\_  
Tele. Room \_\_\_\_\_  
Holloman \_\_\_\_\_  
 Sizoo \_\_\_\_\_  
Miss Gandy \_\_\_\_\_

~~CONFIDENTIAL~~



131-130-12

CHANGED TO

131-144-62

DEC 4 1966

---

---

Assistant Attorney General  
Warren E. Burger

June 30, 1954

Director, FBI (131-144)

NORTH AMERICAN SHIPPING AND TRADING  
COMPANY, INCORPORATED, ET AL.  
ADMIRALTY MATTER

*Memorandum*

(b)(7)(c)

Reference is made to the report of Special Agent [redacted] dated June 11, 1954, at Washington, D. C., captioned, "North American Shipping and Trading Company, Incorporated, Et Al; Fraud Against the Government," which indicated that the Department has accepted an offer in compromise which proposes the surrender to the United States of fourteen vessels against which suits in Admiralty are pending and five vessels as to which the Department has not been able to obtain jurisdiction. The compromise proposal also includes the payment to the United States of \$4,000,000.

The "Washington City News Service," under date of May 28, 1954, reflects that \$1,000,000 of the \$4,000,000 was paid on May 28, 1954, and the actual surrender of the nineteen vessels would be deferred for ninety days. It will be appreciated if you will inform the Bureau of the dates and amounts of all payments made to the United States as a result of the settlement of these civil cases. The Bureau would also like to be informed when any of the vessels in question are surrendered to the United States together with the value of any vessels surrendered.

The above report also states the settlement disposes of all claims originating out of the purchase of the "SS Ampac Washington" and that this vessel was not surrendered under the agreement because it had been sold in the forfeiture proceedings to satisfy a bank mortgage.

Reference is also made to your memorandum dated August 11, 1953, in the matter captioned, "Tanker Monitor, North American Shipping and Trading Co., Inc., Admiralty Matter" (Department file 61-51-1929), concerning the question of [redacted]

- Tolson
- Boardman
- Nichols
- Belmont
- Harbo
- Mohr
- Parsons
- Rosen
- Tamm
- Sizoo
- Tele. Room
- Holloman
- Gandy

as a witness in connection with these cases. It will be appreciated if you will advise whether you feel [redacted] still be a necessary witness in view of the civil settlement referred to above.

(b)(7)(c)

ORIGINAL FILED IN 68

70 JUL 8 1954  
cc: 46-17783  
131-145  
131-140

NOT RECORDED  
106 JUL 14 1954  
cc: 131-200  
131-146

YELLOW  
DUPLICATE  
JUN 30 1954  
MAILED







CONFIDENTIAL

[REDACTED]

[REDACTED]

(b1)

It was reliably reported on July 20, 1954, to this Bureau that

[REDACTED]

(b2)

(b)(7)(D)

CONFIDENTIAL

2/0

CONFIDENTIAL



XXXXXX  
XXXXXX  
XXXXXX

FEDERAL BUREAU OF INVESTIGATION  
FOIPA DELETED PAGE INFORMATION SHEET

2 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- Deleted under exemption(s) (b) (1) with no segregable material available for release to you.
- Information pertained only to a third party with no reference to you or the subject of your request.
- Information pertained only to a third party. Your name is listed in the title only.
- Document(s) originating with the following government agency(ies) \_\_\_\_\_, was/were forwarded to them for direct response to you.

\_\_\_\_\_ Page(s) referred for consultation to the following government agency(ies); \_\_\_\_\_ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

\_\_\_\_\_ Page(s) withheld for the following reason(s):  
\_\_\_\_\_  
\_\_\_\_\_

For your information: \_\_\_\_\_  
\_\_\_\_\_

The following number is to be used for reference regarding these pages:  
131-130-NR-11-29-54

XXXXXX  
XXXXXX  
XXXXXX

XXXXXXXXXXXXXXXXXXXXX  
X DELETED PAGE(S) X  
X NO DUPLICATION FEE X  
X FOR THIS PAGE X  
XXXXXXXXXXXXXXXXXXXXX

XXXXXX  
XXXXXX  
XXXXXX

FEDERAL BUREAU OF INVESTIGATION  
FOIPA DELETED PAGE INFORMATION SHEET

\_\_\_\_\_ Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- Deleted under exemption(s) \_\_\_\_\_ with no segregable material available for release to you.
- Information pertained only to a third party with no reference to you or the subject of your request.
- Information pertained only to a third party. Your name is listed in the title only.
- Document(s) originating with the following government agency(ies) \_\_\_\_\_, was/were forwarded to them for direct response to you.

\_\_\_\_\_ Page(s) referred for consultation to the following government agency(ies); \_\_\_\_\_ as the information originated with them. You will be advised of availability upon return of the material to the FBI.

2 Page(s) withheld for the following reason(s):  
See the below listed number

For your information: See 100-125834-14

The following number is to be used for reference regarding these pages:  
131-130-NR

XXXXXX  
XXXXXX  
XXXXXX

XXXXXXXXXXXXXXXXXXXXX  
X DELETED PAGE(S) X  
X NO DUPLICATION FEE X  
X FOR THIS PAGE X  
XXXXXXXXXXXXXXXXXXXXX

# Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. J. Edgar Hoover,  
Director, Federal Bureau of Investigation

DATE: AUG 3 1955

FROM : *[Signature]* Geo. S. Leonard,  
Acting Assistant Attorney General, Civil Division

GSL:AWG  
61-51-1913  
61-51-1916  
61-51-1928  
61-51-1914  
61-51-1929  
61-51-1915

SUBJECT: SSs SEVEN SEAS and JEANNY - Forfeitures.  
U.S. v. SEVEN SEAS, Adm. No. 26360, U.S.D.C. N.D. Cal.  
U.S. v. JEANNY, Adm. No. 26366, U.S.D.C. N.D. Cal.  
(Bureau references: 131-116 and 131-115.)

SSs MERMAID, MEMORY, MONITOR and MERRIMAC - Forfeitures.  
U.S. v. MERMAID, Adm. No. 1699, U.S.D.C. Del.  
U.S. v. MEMORY, Adm. No. 1700, U.S.D.C. Del.  
U.S. v. MONITOR, Civil No. 107-53, U.S.D.C. N.J.  
U.S. v. MERRIMAC, Civil No. 253-53, U.S.D.C. N.J.

This is in reference to your memoranda of July 14 and July 26, 1955, requesting certain information concerning the SSs SEVEN SEAS and JEANNY.

Pursuant to the terms of the settlement agreement with the Niarchos interests, dated May 28, 1954, consent decrees of forfeiture were entered against the T-2 tankers SEVEN SEAS and JEANNY in the United States District Court for the Northern District of California, on April 22, 1955. Forfeiture of the vessels resulted in no net gain for the Government since the outstanding Maritime Administration preferred ship mortgages on the vessels exceeded the market value of the vessels.

We also wish to advise that, pursuant to the terms of the May 26, 1954, settlement agreement, consent decrees of forfeiture were entered against the T-2 tankers MERMAID and MEMORY in the United States District Court for the District of Delaware on April 22, 1955, and against the T-2 tankers MONITOR and MERRIMAC in the United States District Court for the District of New Jersey on April 23, 1955. The Maritime Administration preferred ship mortgages on those vessels exceeded the market value of the vessels.

NOT RECORDED  
141 AUG 10 1955

MC 11 2 TP BM 21

APR 10 1955  
RECEIVED

11 AUG 11 1955

131-115

62 AUG 26 1955

*[Vertical stamp and handwritten notes on the right margin]*  
EXP. PROC. AUG 4 1955