

# An Anglo-American intelligence project: the Mafia and Sicily's separatism

by Michelle Steinberg

Were it not for the officers of the Anglo-American intelligence forces that occupied Sicily beginning in 1943, and which struck up a strange alliance with organized crime and Freemasons to shape the future of Italy, the so-called Sicilian Mafia would have remained the confederation of petty criminal overlords used for centuries by the Sicilian oligarchy to settle the affairs of the island. But with the assistance of British and American elites, such as British Special Operations Executive head, Sir William Stephenson; former New York Governor and Republican Party scion, Thomas E. Dewey; former Central Intelligence Agency Counterintelligence chief, James Jesus Angleton; and OSS Station Chief Allen Dulles; the Sicilian Mafia was reorganized and upgraded into a sophisticated enforcement apparatus, interlinked with the London-directed Scottish Rite Freemasonic lodge Propaganda-2.

The setting up of Sicily as the Mediterranean base of operations for international narcotics smuggling, arms traffic, and terrorism was one feature of an international reorganization coordinated by operatives of the British Royal family in both Europe and the United States, to exert social control in an international arena no longer dominated by the British Empire. The tools of this new order were to become terrorism, drugs, and regional destabilizations coordinated through international criminal networks like the Sicilian Mafia.

Over the last three years, a series of scandals involving Italy has begun to peel away the cover of the decades-old criminal enterprises created by the Anglo-American intelligence cabal in the post-war period. In early 1980, the Billygate scandal surfaced, revealing an organized crime network inside Sicily which functioned as agents for Libyan dictator Muammar Qaddafi, and headed locally by Michele Papa, a leader of the Sicilian separatist movement. By June 1981, it was revealed that among Papa and Qaddafi's criminal friends were the members of a secret Freemasonic lodge in Italy, controlled out of London, and responsible for almost 15 years of terrorist bloodshed in Italy.

The networks presently involved in the Sicilian separatist operation are the same as those identified in the Billygate affair, and in the Propaganda-2 scandal. In the

early 1960s, these same networks operated an international assassination bureau under the name of Permin-dex—Permanent Industrial Expositions—and successfully carried out the assassination of President John Kennedy, and Italian industrialist Enrico Mattei, as well as more than 30 unsuccessful attempts on the life of Charles de Gaulle. In December 1981, these networks once again emerged as the controllers of the leftist terrorists who kidnapped NATO Gen. James Dozier.

One of the major assets of this network is the Italian Socialist Party headed by Bettino Craxi, a party which owes its existence and influence to the Anglo-American Mafia and Freemasonic networks. The following report will document the interconnections among these networks since 1942, and provide the basis for an international effort to shut down the criminal enterprises they are using to destabilize Italy and the European-American alliance.

## Operation Underworld

The recent round of indictments of alleged Mafiosi for drug and arms smuggling in Sicily is aimed at a long-standing network of organized crime figures who were recruited from the ranks of the Sicilian separatist movement by British and American intelligence, and who are related not only by blood and business, but in their long-standing desire to see Sicily as an independent base for their operations. Taking a step back in history makes the picture clearer.

In spring 1942, on the heels of the first "total war" on organized crime carried out by then-New York gubernatorial candidate and former special prosecutor Thomas E. Dewey, the New York B-3 Section of the Office of Naval Intelligence began a project to recruit leading organized crime figures to provide intelligence on enemy operations and protection for allied ships docking in New York.

The prime target for recruitment into this project was Salvatore "Lucky" Luciano, then serving a 30 to 50 year jail sentence in New York as a result of the celebrated show-trial prosecuted by Dewey. Ironically, it was Dewey, through his long time second-in-command, Murray Gurfein, head of the New York District

Attorney's Rackets Bureau, who initiated the plan to recruit Luciano into the secret project, and incidentally, to provide an arrangement whereby Luciano could meet several times monthly with his syndicate lieutenants—Meyer Lansky, Frank Costello, and Joe Adonis (Giuseppe Doto)—in a private visiting room of the Great Meadow Prison in New York.

The Luciano project, later a source of scandal against the ambitious Dewey, was in fact the basis for the entire restructuring of Mafia operations in Italy after the war. Though disputed in some detail (the records have allegedly been destroyed by the Office of Naval Intelligence), the key contact for ONI and later OSS was not a Sicilian or Italian-American, but Meyer Lansky, the still top-ranking boss of organized crime in the United States.

From 1942, when Operation Underworld began, till long after the July 1943 invasion of Sicily, Lansky met weekly with Commander C. Radcliffe Haffenden, the head of the ONI's B-3 Section, and later with Gurfein, who left the District Attorney's office to join ONI for this project and later became a colonel in the Office of Strategic Services.

In fact, many of the staffers of Haffenden's organized crime unit—which grew to a staff of dozens of men—had been part of Dewey's investigative team. When the British command and Prime Minister Winston Churchill prevailed over U.S. military leaders and President Roosevelt to make Sicily the first point of Allied invasion into Europe, Haffenden received clearance from Washington to bring his organized crime network into the secret plans. His first contact was Lansky, who assigned Joe Adonis to make contact with Sicily.

The Luciano/Lansky group already had an inside source in Fascist Italy. In 1932, Vito Genovese, New York's leading narcotics trafficker, fled the United States to avoid prosecution for murder. Armed with between \$1 and \$2 million, Genovese was a generous

contributor to the Fascist Party, and became an intimate of the Mussolini inner circle in Rome. One of Genovese's principal jobs was supplying some of Mussolini's intimates, most notably his son-in-law Count Ciano, with cocaine and other narcotics.

By 1944, Genovese, who could have been tried as a Fascist collaborator, was working as an official interpreter for the Allied Military Command. This was arranged through Col. Charles Poletti, appointed as the Governor of Sicily under the Allied Military Government of the Occupied Territories (AMGOT). Poletti, who had been the Lieutenant Governor of New York under Herbert Lehman, and Acting Governor briefly in 1942, was, according to Luciano, "one of our good friends." During his one month in office, Poletti had pardoned a number of Luciano's organized crime friends serving prison terms.

Genovese was soon accused of stealing military supplies and returned to the United States to stand trial for the 1932 murder, but the witness died while in the protective custody of the District Attorney's office, and Genovese was let off. Before long, however, Luciano himself would be in Sicily to set up organized crime operations.

### Separatist plans

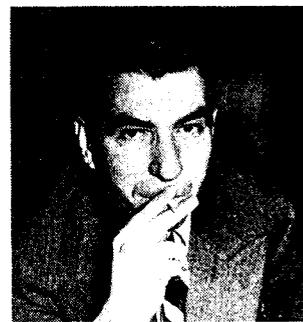
Within a year of Genovese's return to the United States, Luciano submitted a petition for executive clemency and freedom to Governor Thomas Dewey. On Jan. 3, 1946, Dewey, with the approval of the State Parole Board, announced that Luciano would go free, on condition he would be deported, permanently, to Italy. In the clemency statement, Dewey states, "Upon entry of the United States into the war, Luciano's aid was sought by the armed services in inducing others to provide information concerning possible enemy attack. It appears he cooperated in such efforts. . . ."

Luciano's return to Italy intersected a far more strategically important series of events—the organiza-

## The kingpins of 'Operation Underworld'



**Thomas Dewey**, New York District Attorney, later New York governor and presidential hopeful, recruited leading organized crime figures to Operation Underworld.



**Salvatore "Lucky" Luciano**, the mobster who was jailed, then freed by Dewey, deported to Italy, and positioned as an overseer of the independence movement in Sicily.

tion of the post-war Italian government. By this time, an ideological war was being waged between the British and American forces, with the British, specifically Prime Minister Winston Churchill favoring the restoration of the Monarchy of King Vittorio Emmanuel III.

In Sicily itself, the monarchist forces had already forged an alliance with the local Mafia, led then by Don Calogero Vizzini, a local boss who had been rewarded with a mayorship, and had a brief alliance with Vito Genovese during Genovese's time as leader of the Sicilian black market in stolen military goods.

The climate for the creation of a Sicilian separatist movement had been nurtured by Luciano's "good friend" Charles Poletti, who, as military governor of the island following the Allied victory, had banned all political activity from Sicily except that of the independence forces.

In September 1945, an extraordinary meeting was convened in the outskirts of Palermo attended by the local nobility, including Duca Gugliermo Paterno di Caraci, Barone Stefano La Motta, Prince Alliata di Monreale, and Don Calogero Vizzini. The purpose of the meeting was to decide on a strategy for Sicilian independence. The nominal leader of the independence movement, Antonio Canepa, a long-time asset of British intelligence, had recently been assassinated for being a communist. The Duca di Caraci, regarded as the most likely candidate to head a Savoy monarchy in Sicily, determined that Salvatore "Bandito" Giuliano should be recruited to head the military side of the separatist army.

Sometime later, during 1946, Luciano was personally on hand, meeting with Don Calo Vizzini at a Palermo hotel during the founding meetings of the Sicilian Separatist Party. Already in Sicily was Luciano's boyhood friend, Frank "Three Fingers" Coppola, who had been deported from the United States for criminal activities shortly after 1945. In addition to planning the separatist operations, Luciano, Don Calo,

and Coppola were using Giuliano's bandit army to create the future leadership of their underworld operations.

By April 1947, the hopes of a Savoy restoration were destroyed in a referendum, but rather than allow the Communist Party the victory they gained in the election, the Sicilian nobility hired Giuliano through Prince Alliata for one final job—the massacre of Communist leaders in the trade unions and municipal governments, carried out on May 1, 1947. In return, Giuliano was promised freedom and sanctuary in Latin America—possibly on the Brazil estate of Prince Alliata. But after the Communists were eliminated, Giuliano became dispensable, and was assassinated by one of his own lieutenants on July 4, 1950.

Despite the demise of the separatist option by 1950, the separatist movement provided the recruitment grounds for the cadre of Luciano's Italy-wide organized crime operations. From the ranks of Giuliano's army came Gaetano Badalamenti, the boss of Sicily's narcotics trade until his Mafia murder in August 1981, and Tomasso Buscetta, a patriarch of the Gambino family which dominates the Sicilian organized crime networks today.

While the death of Sicilian separatism and Bandito Giuliano ended one chapter of the Anglo-American building of the Sicilian Mafia, a parallel operation to secretly establish a British controlled Freemasonic network in northern Italy provided the basis for a future alliance. The leaders of the Freemasons were one of Mussolini's secret police operatives, Licio Gelli, and his controller Prince Valerio Borghese, who was protected by OSS operative James Jesus Angleton.

By the mid-1950s, the arrival of Luciano lieutenant Joe Adonis in Italy would become the basis for establishing Milan as a center for organized crime, and the Italian Socialist Party as one of the principal protectors of terrorism and the narcotics traffic.

*To be continued*



**Meyer Lansky**, to this day the top-ranking boss of organized crime in the United States, was the Office of Naval Intelligence's key contact in Operation Underworld.



**Murray Gurfein**, Dewey's long-time second-in-command and head of the New York District Attorney's Rackets Bureau, initiated the plan to recruit Luciano into Operation Underworld.



**Vito Genovese**, New York's leading narcotics trafficker, fled New York for fascist Italy to avoid a murder rap in 1932, and established himself in Mussolini's most intimate circles.