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12/15/67 2305

1 MAY 1967

MEMORANDUM FOR: Deputy Director for Support

**SUBJECT : Claimed Agency Affiliation by
Conspiracy Case Figures**

1. This memorandum is for your information only.

2. On the afternoon of 24 April 1967, the Federal Bureau of Investigation advised this Office of claimed Agency affiliation by a fugitive witness in the New Orleans investigation into a conspiracy to assassinate the late President. According to the FBI information, received from a news media source, Gordon Dwane Novel, the fugitive witness, had indicated he is currently employed by the CIA and the alleged burglary of a munitions bunker at Houma, Louisiana, in 1961, involved CIA and was not a burglary. According to Novel, the Schlumberger Well Service had an arrangement with CIA wherein it leased a bunker in which ammunition, bomb casings and other material would be stored for CIA. According to Novel, it was intended to ship the material out of the U. S. in Schlumberger boxes labeled "machinery". Again according to Novel, following the Bay of Pigs invasion, the Schlumberger interests became upset and wanted out of their contract with CIA. Three months after the invasion, states Novel, arrangements were made for the material stored in the bunker to be removed by Novel and his group. At the time the material was removed, he states, an individual involved also took some of Schlumberger's low grade powder and fuses and other material. Novel has reportedly supplied someone with the names of the others involved with the burglary. He specifically told the media source that he and one Arcacha Smith are still employed by CIA and that should he be returned to New Orleans to face charges of burglary of the bunker, he would offer this as his defense.

3. The following day, 25 April, a story in the New Orleans States Item charged there is mounting evidence of Central Intelligence Agency links in District Attorney Garrison's presidential assassination conspiracy probe, noting that at least one figure in

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the case intends to use his CIA connections as part of his defense and that "still others linked to the Garrison investigation have been named as acting for the super-secret espionage organization--as informers, as couriers and munitions carriers". It named Novel as having the strongest ties to CIA, and quotes him as calling the alleged bunker burglary as "the most patriotic burglary in history". He reportedly has told associates, states the news item, that the alleged theft was a war materials pickup made at the direction of his CIA contact. According to Novel, the late David William Ferrie, and others were involved in the bunker incident. He stated that the explosives were picked up and consolidated soon after the bunker incident and eventually taken by boat to Cuba for use in a diversionary operation in connection with the Bay of Pigs invasion. (This statement conflicts with Novel's reported statement to the FBI's media source, paragraph one above, which dates the bunker theft as three months after the Bay of Pigs. District Attorney Garrison also has charged the bunker incident took place three months after the Cuban invasion.) The newspaper also quotes Novel as contending that he operated the Evergreen Advertising Agency in New Orleans as a front for CIA communications in an elaborate use of commercials to alert agents to the date of the Bay of Pigs invasion.

4. Novel, according to the press report, has said "I think Garrison will expose some CIA operations in Louisiana", but did not elaborate. His attorney, however, would appear to place little faith in Novel's claims. In a Columbus, Ohio, interview, Jerry Weiner, attorney for Novel, when told of the press reports of Novel's statements, said: "It's utterly ridiculous. Novel is not now and has never been a CIA agent."

5. There is no record of any utilization of Gordon Dwane Novel, Sergio V. Arcacha Smith, or the Evergreen Advertising Agency. (In addition to Office of Security records, WH/Cuba, RID, and CI Staff were checked for possible indication of operational involvement.)

6. Inquiries with WH/Cuba, the Office of Logistics, and several Agency officers involved with munitions storage in the New Orleans area at the time of the Bay of Pigs fail to develop any indication of past operational activity of the nature described by Novel. Officers who handled project munitions storage in the area have indicated that all the munitions were stored at a reactivated Naval depot

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and completely under Agency control. Munitions in transit were guarded, and there is no knowledge of utilization of commercial storage facilities of the Schlumberger interests or any other commercial firm. (The Office of Logistics has had dealings in the past with Schlumberger-related firms, but has avoided activities with the Schlumberger firm because of its foreign ownership and questionable personalities in the firm. DCS has had an interest in the past in some personalities affiliated with Schlumberger, but reportedly unrelated to any matters as alleged by Novel.)

7. As noted above, Novel has claimed to the press that the munitions from the bunker were to be used for a diversionary operation at the time of the Bay of Pigs. Agency officers familiar with the operation at the reactivated Naval depot, the Belle Chasse Ammunition Depot, have indicated that such a diversionary operation was based at Belle Chasse, but that the operation was cancelled before a landing was made. Any number of participating Cubans would be aware such a diversionary operation was planned.

8. The CI Staff, in a detailed staff study of the Garrison investigation, has noted past CIA contact with only two figures named in the inquiry, Clay L. Shaw and Carlos Bringuier, in both cases the contact was limited to Domestic Contact Service activities. The study specifically notes there have been no documented Agency utilization of Novel, Ferrie or Arcacha Smith, those named by Novel in his statements to the press about the bunker incident.

9. During the course of our inquiries into Novel's charges, one tenuous link was developed which conceivably could be exploited and distorted in attempts to link this Agency with Novel and others. An interlinking with a personality reportedly from Ramparts Magazine might also indicate a connection between Novel's charges and the concerted efforts of some to smear the Agency. This situation is described in an attachment to this memorandum.

Howard J. Osborn
Director of Security

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A. NOVEL Is Polygraphed by Lloyd FURR on Garrison's Charges.

Gordon Dwane NOVEL, already a fugitive witness in the Garrison inquiry, is reported in the Washington press of 27 March 1967 as having been polygraphed the previous day on the case under investigation by Garrison. According to the press reports, NOVEL submitted to a polygraph examination conducted at McLean, Virginia by Lloyd FURR. In statements to the press, FURR indicated there was no indication of deception to NOVEL's charges that Garrison's case is a "fraud".

B. Lloyd FURR's Relationship to Richard L. BAST and REDEX.

Lloyd FURR, a former District of Columbia policeman and now a private detective, is a self-proclaimed polygraph "expert" and sound device specialist. He has received publicity in the past for planting sound devices for the late Fulton Lewis, Jr. in the St. Mary's County vice case in 1953 and in 1958 when he discovered listening devices being used against Bernard Goldfine. In 1964, information was received that a Washington, D. C. firm, REDEX, operated by FURR and Richard L. BAST, was attempting to sell electronic equipment to Communist China via an agent in Hong Kong. (TSD had unclassified contact with FURR in 1962 to see equipment offered for sale by FURR.)

C. Richard L. BAST and REDEX.

Richard L. BAST, a Washington, D.C. private detective, gained notoriety in 1965 by turning up a missing witness, previously unlocated by the Department of Justice, in connection with the Bobby Baker case. He is known to operate at least four enterprises: 1) CAPITAL BUREAU OF INVESTIGATION, a private detective agency; 2) REDEX VIETNAM, INC., a firm which imports a variety of commodities ranging from liquor to automobiles into South Vietnam, including, of late, U. S. -recruited "go-go" girls for a Saigon nightclub he is planning; 3) REDEX CORP., a firm which sells almost anything to anybody abroad, other than South Vietnam; and 4) CONSOLIDATED ARMAMENTS, INC., a firm which sells small arms to foreign governments and private individuals abroad. BAST also produces and distributes both positive audio and counteraudio devices in the U. S. and

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overseas. BAST, described as "unscrupulous and untrustworthy", is known to have attempted to contract with another private detective for planting a remote-controlled bomb in the headquarters of the Haiti Secret Police, and has been reported to have undertaken similar extreme assignments for exile groups from Haiti and the Dominican Republic. (Based on derogatory information on file, DCS, in March 1967, decided against previously contemplated contact with BAST as a source of information on Asia.)

D. BAST, REDEX, and William W. TURNER of RAMPARTS

CA Staff has provided information that during January 1967, William W. TURNER, who identified himself as a free-lance writer, visited the offices of the Asia Foundation, requesting information for a magazine article. He stated that he had been asked by Sol Stern of New York to gather information for an article in the New York Times. During his visit, however, it became obvious that TURNER was primed to ask questions about the financing of the foundation, rather than its actual purpose or activities. When TURNER concluded the interview he left a calling card with the firm name "REDEX-PACIFIC". He explained he had to have new cards printed. TURNER, reportedly dismissed from the FBI in 1961, is noted to have authored an article in the November 1966 issue of RAMPARTS Magazine in which he describes alleged wiretapping, surreptitious entry, etc., performed by him while with the FBI. Sol Stern, whom he claimed to represent, is assistant managing editor of RAMPARTS Magazine.

E. Role of FURR and BAST in CIA Meeting of Exile

(The foregoing has attempted to detail the contact of NOVEL with FURR, FURR's connection with BAST, and a possible connection between BAST's organization and RAMPARTS. The following indicates the only CIA involvement in the chain which might be exploited in subsequent attempts to link CIA to the entire affair in question.)

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On 29 April 1963, Robert E. Owen, then Chief, WE/3 and now of [redacted] directed a memorandum to the Chief,

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WH/6 in which he documented a conversation he had on 27 April 1963, with Raymond CASSAGNOL, an anti-Duvalier exile from Haiti. In the memorandum he relates that the conversation took place in the home of Richard L. BAST whom Owen had met through a neighbor, Lloyd FURR.

The memorandum relates CASSAGNOL's background, family, political stance, etc. Reported as significant by Owen is a statement by BAST that the following week BAST would be sending a shipload of arms to a CASSAGNOL-affiliated group in the Dominican Republic. Owen noted: "Raymond CASSAGNOL gives appearance of thinking well of Richard BAST. According to CASSAGNOL, his brother, Jacques, also knows BAST and respects him. Thus BAST, in spite of certain personal shortcomings from the intelligence standpoint, does represent an established channel to at least one segment of the Haitian opposition to Duvalier. Since according to his own statement, BAST is supplying arms to CASSAGNOL's groups, further transactions of this type via BAST presumably would not be difficult to arrange." He also provided a detailed information on what he learned of BAST, noting that BAST had mentioned Dominican distrust of State and AID and the fact that "CIA double-crossed them" (the Dominicans).

An FBI report on BAST dated 19 June 1963 reports that Owen, "Foreign Service Reserve Officer, USDS" (his cover) had reported 16 May 1963 his attendance at dinner at BAST's home on 27 April 1963. Owen told of his meeting with CASSAGNOL, BAST's intention to sell arms to the Dominican Republic and Haitian exiles, etc. He also reports that on 7 May 1963, BAST asked him to perform some translation work. The translation, he stated, related to BAST giving a power of attorney to one Luis MORENO Martinez of the Dominican Republic to prepare documentation for legal establishment of REDEX CORPORATION, C POR A, a DR branch of BAST's firm. According to Owen, 40% of the stock was to be held by the head of the DR National Security Agency, the head of the DR secret police, and an individual well-connected with Dominican Republic police and intelligence groups. BAST is also noted to have told Owen of an offer BAST had made to "bug" the office of the Dominican

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Secretary of State for the Armed Forces on behalf of Juan Bosch. BAST did not indicate to Owen if had performed the job.

(There is no record of a clearance having been issued for utilization of Richard L. BAST or REDEX.)

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