

How to steal \$174,241,840.14 —

and get away with it

# The Biggest Theft in History

Sam Boal  
and Serge Fliegers



THE SLUMBROUS SIESTA HOUR ON that muggy afternoon of October 10, 1948, had dragged most of Havana's business and social life to a halt. Here and there — in the bar La Florida, in the Prado 86 club, in the Café Al Laska — a few of Havana's celebrated pleasure girls sat sipping rum and lemon. There wasn't much for the girls to do. The tourist season in Cuba was over, and the tourists — the girls' best customers — had gone on home, back to Painted Post and Apple Valley. And of course the girls

didn't bother to talk to the few men in the bars. They were local boys, and as such were penniless.

The girls, like everyone else in Havana that day, were brilliantly wrong. The Cubans were penniless, it is true. But in a few hours they would all be almost indescribably rich. They would have pulled off the greatest theft in history, part of a scheme through which, in the end, they would have stolen the staggering, fabulous sum of \$174,241,840.14.

It was a crime so fantastically grandiose that it makes previous embezzlers look like little boys, caught with their hands in a cookie jar. The amount they stole was revealed when an indictment naming names and detailing figures was recently handed down in Havana. But how

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they did it has never till now been made public. Furthermore, the whole crime might have gone undetected if it had not been for the dogged skill with which a Cuban Senator named Pelayo Cuervo tracked down the crooks.

"They stole \$174,241,840.14," Senator Cuervo told us, in revealing the machinery of the crime. "That's all we could definitely pin on them. That we know for sure. But my opinion is that they got a lot more. Maybe as much as \$300,000,000. It was surely the most colossal crime in history."

The crime was colossal, but it was not complicated. It was, in its way, a work of art, a masterpiece of crookery.

THE GRAND PLAN of the theft — the Havana criminal court lists it as "Case 82" — emerged from the strange brain of a kindly, smiling super-crook named Manuel José Aleman. His was the master mind of "Case 82"; he hatched it and executed it. And, in a sense, the man Aleman is even more fantastic than the crime Aleman. Aleman appears to have been some new kind of maniac — a psychotic so far unreported by the various head doctors of the Jung, Adler, or Freud schools. It is not easy to get a true picture of the man. His former colleagues in Havana are naturally not at all inclined to talk about him. And the legend of Aleman, which

has spread over all of South and Central America, tends to obscure his real personality. But there is one fact that definitely emerges from the whole picture. Aleman apparently hatched his prodigious plot because he liked to make presents to people. Most crooks steal because they want to take. Aleman stole, mostly, because he wanted to give.

To understand how Aleman could have pulled off his fabulous job it is first necessary to understand the average Cuban's feeling for money. He does not trust a check. To him it's a suspicious, possibly worthless, piece of paper. He buys and sells for cash, settles his debts for cash, and most important of all, pays his taxes in cash. A Cuban tax collector really collects — pesos and centavos, which he puts into a little leather bag and later brings to the Cuban Treasury Building, at the corner of Cuba and Obispo streets in downtown Havana. The Treasury building, where one of the fantastic acts of "Case 82" was played, is a rambling, massive structure whose architecture might be described as Late Nothing. It was built forty-eight years ago for the Banco de Cuba and, at the time, its architect told an admiring public that "this is one bank that can't be cracked." In view of what happened, that remark will live.

The funds in the Treasury are stored there in cash. In Washington, the "coffers" of the Treasury are

merely a figure of speech; the money is recorded in books. But in Cuba, the coffers were just that. The Treasury was full of dough, sugar, moola — real money that could be spent in bars and restaurants, at race tracks or on the velvety sin of Havana's famed *maisons fermées*.

On that humid day in October, the vaults of the Treasury were literally bulging. One of the four vaults was so full that its door could not be closed. Money flowed out into the corridor, and it was necessary to keep a twenty-four-hour guard on it.

At 1:25 that afternoon, four green GM trucks marked "Ministry of Education" rumbled into the Treasury courtyard. It was quite normal for trucks to come in like this, and none of the guards saw anything suspicious — or so they later said. Some men — including those "pen-niless" loungers in the bars — got out of the trucks. Each of them was carrying a suitcase. Accounts vary, but there seems to have been at least a dozen of them. In any case, and unthinkable as it may seem, one guard, a banjo-eyed former sugar worker named Juan Gomez, greeted the men. "Hi, hombres," he said, winningly. "What're you going to do? Rob the Treasury of the pesos?"

The leader of the men smiled his warm smile, a smile familiar to every Cuban. "*Quien sabe?*" he said, and strode by. "Who knows?" This man

was Aleman — a short, almost doll-like figure with a round boy's face — and his presence on the trucks was a gesture of infinite swagger. The man who was the greatest crook in history was also one of history's hammiest actors.

The men, led by the smiling Aleman, went directly to the vaults. No one could question Aleman's right to be there. He was Minister-without-Portfolio in the Cuban government, and he was also its strongest figure. He could sign orders for the release of money from the Treasury. The only unusual thing was that he should choose to strut across the stage himself.

The men calmly began filling their suitcases. They took everything that wasn't nailed down, but that was only because nothing *was* nailed down. If anything had been, they'd have grabbed that, too. They took peso notes, in denominations down to one. They took French francs and Portuguese escudos. They latched on to Italian lire and English sterling. They even scooped up \$2,700 worth of Russian rubles which had found their way into the treasury.

And as a final bit of insouciance, the boys grabbed just under \$19,000,000 in U.S. currency. The irony lay in the fact that Aleman had been inducing the Cuban government to buy these dollars, on the argument that this would strengthen Cuban currency.

They swept their way through the Treasury like vacuum cleaners, quickly and efficiently. Then they moved back onto their trucks and without a wrong turning, headed directly for Rancho Boyeros Airport.

Waiting at the airport was a chartered DC 3. Aleman and three henchmen got on it, taking only the American money. Later, little by little, the other currency was changed at various Cuban banks. All very legal. The plane took off for Miami, and landed. Since it was an international flight, American customs men asked if Aleman had anything to declare. No, he had not. Well, what was his cargo?

"United States currency," he said, smiling.

"What?" cried the customs men. "How much?"

"I'm not sure," he said. "But about \$19,000,000."

The customs men, certain that they were dealing with a madman, examined the suitcases, and there they saw it, neat and green. Aleman said he didn't have to declare it, but they said he must. Call Washington, he told them. They did, and Aleman was right. There is no law against importing American dollars into America—even nineteen million of them. Aleman had looked up the law.

Aleman was always friendly to newspaper reporters and later, in an interview with a Miami newspaper-

man, he was his usual affable self.

"How could you get so much money out of the treasury?" the baffled reporter asked.

"It was easy," Aleman said. "In suitcases."

**M**ANUEL JOSÉ ALEMAN, who was to become one of the world's richest men, was born in the proper tradition: he was born poor, in 1903, in Havana. When he finished school—where he did brilliantly—young Aleman got a clerk's job in the Ministry of Education. He also got himself a wife and child. His salary at its height was \$153 per month, which isn't much for any man, let alone one who is apparently pathologically devoted to giving things away. For some twenty years Aleman sat at his little desk in the Ministry, and there is no evidence that during this time he hoisted so much as one hot peseta.

But from the audacity of his later coups, maneuvers which obviously required detailed, glacially detached planning, he must have been thinking very profoundly about those overflowing coffers in the Treasury building, dozing in the sun at the corner of Cuba and Obispo streets. That money and Señor Aleman would have a rendezvous. The only question seemed to be when. The Hollywood touch was lacking.

However, that touch came, and it came in the outlandish person of

a huge bulldog of a woman named Paulina Grau Alcina. She was the sister-in-law of a Cuban physician who had turned politician, Dr. Grau San Martin, another almost unbelievable figure in the almost unbelievable "Case 82." Dr. San Martin has many eccentricities, but perhaps his most peculiar is a total disinclination to speak in anything but parables. As one Cuban who can speak English put it recently, "It's too bad there is no word in Spanish for 'double-talk' because without that word it is impossible to describe San Martin." However, the Cuban electorate seemed to like parables, because in 1944 San Martin was elected President of the Republic.

THE HOUR HAD STRUCK. Aleman went to Paulina and kissed her hand. He also flattered her and smiled his boyish, winning smile. What could she do for him, the fat lady sighed. Oh, nothing much. Perhaps a little promotion. There was a job vacant as Director of the Polytechnic School. There, Aleman promised, he could really do something for *la Republica* and its new government. But of course, the President's sister assented. And Aleman was in. It was a field promotion: from clerk to Director, from private to general. And being a general, Aleman began to plan his war. The stronghold to be taken was the treasury, and to take it Aleman mustered up an army.

It was an underground army, but it came marching out from below with astonishing precision. In his new post Aleman had made friends. He talked, cajoled, beguiled, bewitched, and won over colleagues and subordinates, some 2,000 in all, and then he was ready for the next sortie.

Again he went to Paulina and kissed her hand, which now had a brilliant solitaire on it. Not an engagement ring, just a present. "I have worked hard at my new job," Aleman explained. "Could I be rewarded with another appointment?" The appointment came through in 1947, making Aleman Minister of Education.

The war was on. According to Senator Pelayo Cuervo, Aleman was able to milk the Ministry of Education of \$65,000,000 during his tenure of office there. Now he had friends and could buy influential people.

He soon got himself a roving assignment — Minister-without-Portfolio in the government of Dr. Grau San Martin — and proceeded to change the nature of Cuba's tax structure. By using his men, he changed it from a tax system for Cuba to a tax system for Aleman. An Aleman collector simply went to a taxpayer owing, say, \$15,000. "Look here, chico," he would say. "We think you're over-assessed. Your proper tax is only \$10,000." The taxpayer agreed, delightedly.

"Simply pay me the \$10,000," the collector would add, "and I will give you this receipt." The taxpayer would notice that the receipt was for only \$4,000.

"But this is for \$4,000. And I've paid you \$10,000. What happens to the other \$6,000?"

"A wise man," the tax collector would say, "might consider the \$5,000 he has just saved. As for the \$6,000 . . . *quien sabe?*"

Who knows? In a short while, everybody knew. The \$6,000, less commissions to collectors and various functionaries within the Aleman group, went to Aleman. The \$4,000 went to the Treasury, but only temporarily. Aleman had his eye on that as well.

The whole assessment transaction was legal. An assessor has the right to assess, and to change assessments. It was all carried out without any force or violence. There were no gang murders, no shakedown threats. Everything was sweet and serene, and the warm Cuban sun poured down its benevolence on the business transactions between two Cuban gentlemen.

FROM THE VERY BEGINNING of his acquisition of wealth, Aleman began giving things away. He started on an inexpensive level: he began by giving away roses. Not only to women, but to everybody. And not by the dozen, but by the gross. Astonished buddies of Ale-

man on coming back to their offices after lunch found they could hardly shove their way in past the flowers. Wives of his associates would look on helplessly as the florist boy staggered in with more roses. All during the summer the homes of Aleman's friends smelled like chorus girls' dressing rooms. Then, suddenly, something that possibly the master mind had not anticipated happened. Roses simply went out of season. There were no more. And Cuba has far too few greenhouses to be able to satisfy Aleman's princely demands. He had to think of something else. And he did.

In the winter of 1947-48, Aleman bought forty-one new American automobiles and proudly presented them to his chums. In the beginning, the cars were popular-priced models, but later, as his strange mania began to take on more generous proportions, Aleman gave away Cadillacs, which in Cuba cost around \$6,000 each. People friendly to Aleman soon had Cadillacs coming out of their ears.

Throughout this period there is no evidence that Aleman did anything with his own share—the lion's share—except give it away and use it to make a few wise and undercover investments for his family.

He certainly did not spend money on himself. He had no fancy girls, gave no fancy parties. He even continued living in the old Aleman

home in Havana. His wife, neighbors noticed, did not suddenly appear with blonde hair and a wardrobe of scarlet frocks.

But though Aleman himself did not spend his newly-gained money egotistically, some of his henchmen did. They can be said to have gone wild. They bought homes with swimming pools—these boys who didn't know how to swim. They chartered planes and flew pretty American party girls over from Miami. They went to Mexico, and they went to Paris. They went to Havana's race track every day and they ate only at the best restaurants. Business at Havana's floppiest bordello, the Casa Marina, became so brisk that the management was able to install air conditioning in some of the rooms. This note of modernity in the world's oldest profession turned out rather dismally, however, because the girls, accustomed to plying their art in the tropical Cuban heat, complained that they caught cold when the air conditioner was on. The management sadly had to shut it off.

Up to now Aleman's gifts had been expensive, even lavish. But they had been uninspired. However, he noticed that one of his pals was spending a lot of time in a night club in Arroyo Arena, outside Havana. So Aleman gave him the night club; the man still has it. But the thought may have crossed Aleman's twisted brain that what he

was giving away, any really rich man could give away. What could he give away that even the Maharajah of Baroda couldn't give away? He came upon a brilliant answer. To one of his fans he gave the baseball club of Marianao, a good, hard-playing club which is worth at least a half million dollars and which is the idol of the baseball-wacky Cubans.

**B**UT AT THIS TIME, just when Aleman apparently had all the material security any man could ever dream for, a new actor entered the fantastic Aleman drama. And this actor, like the other Aleman hiring-collectors, was also a kind of collector. Though they didn't know it at the time, this actor was death. And he could not be bought off. Not even with \$174,241,840.14.

Sometime in 1948, Aleman contracted a rare brain disease, a kind of cerebral leukemia. It wasn't painful, but the patient suffered spells of fainting and mental unbalance. These grew progressively more frequent. The Cuban doctors examined Aleman, but they seemed unable to cure him, let alone halt the advance of the disease. He hastened to Miami, where American doctors experienced similar failures. Aleman asked the medical men if the disease would be fatal. They didn't know. Who could tell?

He returned to Cuba just before Christmas of 1948. Something may

have told him that his curious brain was about to vanquish him. In any event, now he really began stealing, and stealing like a madman.

He pulled the old politician's trick of putting non-existent employees on the public payroll, but he did it with such a lavish hand that even his pals were shocked. He is thought to have put some 13,000 fictitious names on the payroll of the Ministry of Education alone. Then he got the Treasury to assign to the Ministry of Education the incredible sum of 2,000,000 extra pesos *per month* "to cover additional salaries and expenses." He even went so far as to run out of names, and in a moment of classic whim, hired a writer of Cuban pulp fiction simply to grind out new names for him.

He began frantically shipping money to various banks in North America, funds which it is hard to trace. One report has it that \$139,384 went to an account with the First National Bank of Boston, \$480,000 to the Bank of Nova Scotia, \$141,520 to the Royal Bank of Canada. For two million dollars he bought Cape Florida, a luxurious estate just outside Miami which reputedly belonged to the Capone interests. For his son he purchased the enormous baseball stadium in Miami, the most modern of its kind in the world. His wife received buildings along Miami's Biscayne Boulevard, where real estate values

are almost astronomical. Like a mad squirrel hiding nuts in trees, Aleman put away his money in a financial tangle of interlocking corporations.

Then, suddenly, he made a present — his biggest.

He gave the people of Cuba a \$50,000,000 hospital for children. And it was put up. Obviously, it was not his money he was giving to the people of Cuba; it was theirs. He was merely returning some of it. But he characteristically did not call it the "Aleman Hospital." It was called, simply, the Cuban Hospital for Children.

**B**UT THE SPIRIT OF ALEMAN WAS fading. He was ill, and he could devote less and less of his peculiar genius to politics. The San Martin government, under which he had grown so rich, was replaced by another government. Senator Cuervo started his investigations. The gates seemed to be closing on the super-rascal. But Aleman didn't give up.

Just before the government of Dr. Grau San Martin ended its term, Aleman phoned Señor Carlos Tristá, cashier of Havana's Customs House.

"I hear," Aleman said coyly, "that Customs is holding some \$8,000,000 in cash deposits." Yes, it was true. "I'm going to send a man around to pick up that money. I think it will be safer with us. Otherwise, someone might steal it." What could Señor Tristá do?



Aleman seemed to have a mystic and irresistible power in the government. In a futile gesture, the Customs House cashier asked Aleman's messenger for a receipt. With an ironic smile, the messenger scrawled on a piece of paper: "Received with thanks from Señor Tristá the sum of eight million dollars." Then he left, taking the money with him in one of the green GM trucks which had also served for the coup on the treasury.

But the receipt remained, and it became one of the prize pieces of evidence in the investigation started soon after by Senator Pelayo Cuervo Navarro.

**C**UERVO IS THE ACTOR who reads the epilogue in this incredible drama. A successful Havana lawyer, he had been watching Aleman's activities with almost fascinated horror. He called on his friends to help him stop this gargantuan fraud, but they were reluctant: "Anyone who starts investigating Aleman or his friends is likely to be fed to the sharks around Morro Castle within twenty-four hours." Careful but unafraid, Cuervo called home his three strapping sons who had been studying English and commando tactics at the Augusta Military Institute in Georgia. Working in three shifts, they served as Cuervo's bodyguards while he arranged midnight meetings with men who might give him information about Aleman's ac-

tivities. At first, evidence came in slowly. There was a sheet of paper slipped in between the shirts Senator Cuervo received from his laundry, naming some of Aleman's accomplices. And there were a few anonymous telephone calls: "If you look on the third shelf of room 64 in the Treasury building, you will find some of the forged records."

Soon the Senator had a whole room of his house in Vedado filled with papers, pictures, and notarized testimonies. He attempted to bring his case to court. But Aleman's army was feared in Cuba. One after another, the judges of the Second Section of Havana's tribunal declined to hear the case. Some removed themselves on grounds of personal prejudice. One even hurriedly married into Aleman's family, thus disqualifying himself.

At last Judge Justiniani, a fiery and fearless Cuban of Italian extraction, announced to a dumbfounded public that he would take on the case. Immediately, Cuervo, the accuser, started transferring the evidence from his villa to the Special Court House in Jesus del Monte, Havana's oldest section. There were 5,062 documents in all, and they were stuffed into filing cabinets, empty liquor cartons, and piled on tables and chairs in one of the judge's anterooms. Justiniani set a date for the first hearing.

And then José Manuel Aleman, who had meanwhile retired to his

recently purchased estate in Miami, started planning his last and most desperate coup. He was sick and weak, but night after night he sat up in his study, drawing plans, talking to tough-looking characters who had flown over from Havana for urgent conferences. Trusting nothing to chance, Aleman wrote down every detail of this campaign, which was to be his last. Each man received instructions as detailed as an Eisenhower attack order.

AT TWO A.M. on July 22, 1950, five gunmen walked into the room where Cuervo's evidence had been stacked. The papers were guarded by two members of the National Police. One of them claims he slept through the entire adventure. The other, Sergeant Francisco Figueras, was one of those who had received instructions from Aleman. Quietly, grimly, he helped his accomplices pack the accusation papers into suitcases they had brought along. The same strong, brown suitcases, by the way, which had been used for the haul from the treasury. Within twenty minutes the suitcases were packed and carried out to a waiting truck—a green GM truck, naturally.

And the next morning, Judge Justiniani sadly announced that every last shred of evidence against Aleman had been stolen.

But Aleman did not hear that announcement. Some weeks previously, having completed all the plans and personally briefed his men in their last mission, Aleman had died of cerebral leukemia.

By dash, by smiles, by brains, he had become the richest man in Cuba and the architect of history's greatest theft. Even if he had lived, he might have escaped arrest. For he is a legend today, and who can arrest a legend?

Late last spring, the indefatigable Senator Cuervo had managed to reassemble most of the 5,062 pieces of evidence for Judge Justiniani, and an official indictment was handed down, naming ex-President Grau San Martin, Aleman, and dozens of his accomplices. Dr. Grau, on hearing of the indictment, prepared another parable in which he spoke feelingly of Judas and added: "Gratitude which greatens the elevated spirit humiliates the disloyal one." He said he would welcome a trial, that it would prove his innocence. But the likelihood of a trial seems remote, at present. After all, the very scope of the crime provokes some kind of admiration, and Aleman with his open-handed generosity was a real "Caballero." Did Aleman do wrong? they ask in Havana. And they shrug their shoulders.

*Quien sabe?* they say.

## In Our Readers' Opinion

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» Last week I purchased my first copy of *THE AMERICAN MERCURY*. I cannot begin to express my appreciation of this worthy little volume. I was particularly impressed by your editorial entitled, "This Is the Pivotal Year." Surely all America is impressed by this pointed and unbiased summation of our present political position. This editorial might well be stapled to every signboard and post across the land.

Yet I feel that you overestimate the importance of the November election. I am a firm believer in the intrinsic moral strength of the people of this country. They are good people; sincere and earnest lovers of liberty.

Sadly, though, ours is the age of the minority. It is obvious that our present situation is the result of the work of a wantonly selfish minority. . . . If, then, these unsatisfactory conditions were brought about by a minority, a minority can effect the change we so desperately need. . . .

Democracy being what it is, confusion is the nemesis of all liberty. And today confusion reigns supreme. It is the duty of every American citizen to work diligently to lift this veil of confusion. I am sure the editors of *THE MERCURY* are well aware of this. I only hope that this letter will help to encourage you as you continue to support this cause, the cause of freedom.

CHARLES T. STEEDLE, JR.  
PITTSBURGH, PENNSYLVANIA

» *THE AMERICAN MERCURY* has been brought back up to standard. It is a ray of hope — and Truth — in a day when much of the country's journalistic talent is given over to sweet wind, whitewash and political propaganda.

KARR SHANNON  
LITTLE ROCK, ARKANSAS