

N.Y. Grand Jury Disbelieves Death, Indicts Missing Argentine Financier

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NEW YORK — A Manhattan grand jury has broken wide open the fascinating case of Argentine financier David Graiver who may have died two years ago in a Mexican plane crash or who — as international rumor has it — may be living it up in parts unknown with 50 million stolen dollars.

Ignoring the reports of his death, the grand jury last week indicted the shadowy wheeler-dealer on multimillion-dollar bank swindling charges.

"The jury was not satisfied that he is dead," said a member of Manhattan District Attorney Robert M. Morgenthau's office, which obtained the indictments against Graiver and four New York bankers. "Obviously we're looking for him."

MEXICAN AUTHORITIES listed the 35-year-old Graiver and two U.S. pilots as dead in the August 1976 Mexican crash after the Argentine's supposed remains were claimed by his brother at a small Mexican morgue.

Graiver's brother, unable to positively identify the charred remains at the morgue, eventually decided to claim a headless, limbless torso as the financier's body on the basis of a necktie scrap, according to a witness.

The haphazard identification apparently did not satisfy the Manhattan grand jury.

The jury indicted Graiver on 83 felony counts of misappropriating funds and doctoring the records of American Bank & Trust Co. in New York, which collapsed five weeks after the plane crash. The grand jury is pushing its investigation and may even consider possible homicide charges in the case.

The homicide charges presumably would involve the remains found in the plane crash wreckage if, indeed, they did not include those of Graiver.

THE INDICTMENTS named the bearded Argentine as the kingpin in a conspiracy that allegedly defrauded ABT of millions in the fourth largest bank failure in U.S. history.

An estimated \$50 million disappeared in the shuttling of funds from ABT to a Graiver-owned Belgian bank and beyond. The end of the money trail still has eluded authorities.

Graiver, reputed money handler for Argentina's outlawed Montonero guerrillas and a former Peronist government official, was in the process of buying ABT at the time of the plane crash. He is suspected of using guerrilla funds to purchase New York's Century National Bank in 1975 and to make a \$14-million down payment on ABT.

Graiver's parents, brother and wife have been convicted of laundering \$17 million in Montonero ransom and extortion money through family businesses on four continents. They sit in Argentine jails.

A Graiver relative in Buenos



David Graiver
... dead or hidden?

Aires was enraged at the indictment. "It is inconceivable and incredible that the indictments say he is alive," he said.

WITH THE INDICTMENT, the FBI and Interpol are re-entering the global search for Graiver that begins in the morgue in the Mexican town of Chilpancingo, where the remains were brought from the crash site of the U.S.-owned executive jet.

Graiver had chartered the jet with its two-man crew from Hansa Jet Corp. of Fort Lauderdale, Fla., for a flight from New York to Acapulco. Hansa is a subsidiary of Pre-

cision Valve Corp., headed by Robert Abplanalp, a confidant of former President Nixon.

The Argentine tycoon, who built a banking empire in the United States, Europe, Latin America and Israel, commuted weekly from New York City to his legal residence in Mexico.

On the approach to Acapulco, the Falcon jet slammed into an 8,000-foot mountain at 2:37 a.m. CDT on Aug. 7, 1976. A rescue team reached the remote crash site 12 hours later and found no survivors.

"There was no way of identifying the bodies visually," according to a sworn statement by Edward J. Chandler, president of Hansa, who rushed to the Mexican morgue to try to identify his two pilots.

THERE WERE two trays containing 25 pounds to 30 pounds of "burnt meat," he said, and "a body with no arms, legs or head that obviously had been burned substantially."

Graiver's younger brother, Isidoro, urged Chandler to attempt to identify one or both of the pilots.

"I returned from the mortuary and told Graiver that there was no way that I could give him any assistance in a positive identification of either of the pilots, thus eliminating the third body as his brother," Chandler said.

The Hansa president, a former FBI agent, also said, "One of the bodies or remains had a piece of cloth or clothing which he, Graiver, felt could have been a piece of a necktie recognized by him as possibly having been owned by his brother, David Graiver."

'There was no way of identifying the bodies visually.'

— Edward Chandler,
Hansa president

STILL UNSURE, Isidoro Graiver told Chandler he wanted to discuss the identification with his father and David's wife.

The next morning Graiver called Chandler and said he had made a decision "based on the cloth and-or clothing and was identifying the torso as his brother."

Graiver reasoned that "a passenger in the rear of the aircraft would have more chance of a body surviving in a recognizable form than that of the pilots."

Chandler then "identified the other two remains as that of the two pilots," according to his statement.

The Mexican government never invited the U.S. National Transportation Safety Board to investigate the accident, as is usual in such cases.

The official Mexican crash report named the two U.S. pilots — Capt. Michael Baan, 34, and Kevin Barnes, 26 — but did not identify the passenger.

Isidoro Graiver's decision to have the remains cremated — an unusual practice in the Orthodox Jewish faith — fanned world speculation that the financier had not been aboard the plane when it crashed.

He Still Waits for an FDR

FORT WORTH, Texas — (UPI) — In 1944, on a morning when he was more optimistic, 14-year-old Calvin Graham picked up a phone in a Houston congressman's office and heard President Franklin D. Roosevelt promise him an honorable discharge from the Navy, his battle medals and a Navy Cross.

"I'm still waiting," said Graham, the "Baby Vet" of World War II whose enlistment as a 12-year-old so embarrassed the Navy that he spent three months in a brig when his age was discovered.

The Navy still refuses to give Graham, 48, his discharge, arguing he never legally enlisted.

SENATORS LLOYD Bentsen (D., Texas) and John G. Tower (R., Texas) say bunk.

"Apparently . . . forgiveness is only afforded those who showed a lack of enthusiasm to serve in the Armed Forces, not those like Mr. Graham who were over-enthusiastic," Bentsen said in a letter to Sen. John Stennis, chairman of the Senate Armed Services Committee in reference to amnesty offered Vietnam era deserters and draft resisters.

Graham's Navy service, begun in the autumn of 1942, encompassed the Pacific front, including the battles of Guadalcanal and Santa Cruz.

During his combat tour he was awarded the Asiatic Pacific Service medal with two campaign stars, the World War II Victory medal and a Navy Unit Commendation with one star. But when his age was discovered his service record and medals were revoked.

GRAHAM'S MOTHER secured his release from a Corpus Christi, Texas, Navy prison — where he was placed in handcuffs and leg chains after presenting his sealed orders to report — by showing officers his birth certificate.

With a new suit and a bus ticket, the 13-year-old returned to his hometown of Houston where he was met by actor Pat O'Brien, millionaire oilman Glenn McCarthy and city officials. A year later, Roosevelt promised to provide the discharge his service merit.

But Graham found himself too old, perhaps too hardened, for junior high school and too young to work. He dropped out, only to face the irony at age 20 of being classified 1-A. He joined the Marines, suffered a broken back and saw his health deteriorate steadily.

He has developed degenerative arthritis and diabetes. His front teeth have blackened and fallen out, possibly as a result of being knocked to the deck of the battleship South Dakota during a Pacific battle.

His brief career with the Marines resulted in a medical discharge and 40 per cent disability. A Navy discharge would help cover the expense of dental work and other medical expense.

"I had already given up fighting (for the discharge), he said. "But then they came along with this discharge program for deserters. I'm not an educated man. I know they had their reasons for doing what they did. But I figure I damn sure deserved (an honorable discharge) more than they did."

