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WH/COG: 344-74

10 January 1974

MEMORANDUM FOR: Chief, Western Hemisphere Division

SUBJECT : Salvatore Giancana and Richard Cain

REFERENCE : Chicago Tribune Articles of 23 and 31
December 1973

1. A routine name check was conducted on Salvatore Giancana with negative results. A check was then made with the Office of Security to determine whether their records reflected that one Salvatore Giancana was ever employed by CIA as alleged in the referenced Chicago Tribune article of 31 December 1973. We were advised that any inquiries concerning this matter should be made to Mr. Breckinridge, Deputy Inspector General. WH/COG touched base with Mr. Breckinridge who said that he had received a copy of the referenced article.

2. We have developed the following information on Richard Cain, subject of the referenced 23 December 1973 Chicago Tribune article. Richard S. Cain was born in Chicago, Illinois in October 1931. He dropped out of the first year of high school in 1947 and enlisted in the U. S. Army where he served until discharged in 1950. Following his army service he was associated with investigative enterprises in Miami and Chicago. In 1956 he entered the Chicago Police Department (Vice Squad) where he remained until 1960. Concurrent with that employment he operated the Accurate Laboratories, a private investigative business. Listed below is a chronology of CIA contacts with Cain:

A. Fall of 1960 - Cain initiated contact with the DCD Chicago Field Office and voluntarily provided information on the activities of Cuban exile groups in the Chicago area.

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Richard Cain
CAIN # 272141
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B. June 1961 - Cain contacted Mr. Lohmann, of the Chicago Field Office, to report an approach made to him by a Mr. Kroupansky who reportedly was negotiating with the President of Panama to investigate communism in Panama. Cain was to assist Kroupansky in this endeavor.

C. Summer of 1961 - Cain was met in Mexico City by a CIA staffer, identity unknown, purpose unknown.

D. October 1961 - Cain wrote to Mr. Lohmann from Panama. He reported on his findings of attitudes toward the U. S. in certain Central American countries and offered his services to the Agency.

E. April 1962 - Cain made an unannounced visit to Agency representatives Winston Scott and [redacted] in Mexico City and informed them of an investigative agency he had in Mexico (with branches in Chicago and Los Angeles) which he used to provide police training to Mexican Government agents. Cain could provide no proof of U. S. citizenship. He was told by Messrs. Scott and [redacted] that the U. S. Ambassador did not approve of American citizens becoming involved in Mexican politics.

F. 4 June 1962 - Cain was deported from Mexico for carrying a loaded revolver and brass knuckles, impersonating a Mexican Government official, and violating his tourist permit by working.

G. 19 August 1963 - Cain was met at the Lake Shore Drive Athletic Club and Adolphs Club in Chicago, Illinois by WH Division staff officer, [redacted] and the Chief of the Chicago DCO Office. The contact report states that in the distant future Cain would like to work overseas, possibly with CIA. It was pointed out to Cain that his current cooperation with CIA might be of benefit to him should he apply for employment with CIA in the future. At this time Cain worked

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for the Cook County Sheriff's Office. He also was in contact with Cubans in the Chicago area who were involved in ventures which were not completely legal. Cain was told of Agency requirements in general, and agreed to assist the Agency by providing information on undercover activities of the Cubans, especially Paulino Sierra and his contacts, providing names of any Cubans who might be useful to CIA, and noting in particular rumors of any CIA contacts in the Chicago area.

H. 26 and 30 August 1963 - Information from Cain to the DCD Chicago Office was passed to the Cuba Desk at Headquarters. The 26 August information concerned the Student Directory, a Cuban exile group located in Miami, Florida. The 30 August information reported Hiro Cordozo's interest in purchasing arms.

I. 11 September 1963 - [redacted] requested a PCSA/CSA on Cain but there is no indication it was ever granted.

J. 12 September 1963 - Cain reported to the Chicago Field Office information on persons claiming to be representatives of the DRE - Directorio Revolucionario Estudiantil - who purchased arms for the DRE. Cain planned another meeting with the alleged DRE representatives. [redacted], via DCD Washington and DCD Chicago, got word to Cain to "get out of the picture" as soon as possible and to make no commitments.

K. 1967 - The Office of Security files show that the FBI in 1967 initiated an investigation on Cain because of alleged Mafia connections. For this reason the FBI recommended that CIA terminate its association with Cain.

L. 15 April 1972 - Cain returned to Chicago from Mexico City, then disappeared about 1 May 1972

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saying he was going to Latin America. Cain allegedly was involved in illegal international arms deals and on various occasions stated he was working for CIA.

M. 16 May 1972 - An FBI agent in Mexico City asked Mexico City Station for traces on Cain. According to the FBI an Eastern Airlines pilot had identified Cain as the skyjacker who forced him to fly to Honduras on 5 May 1972.

3. There is no indication that a clearance was ever granted for the use of Cain by the Agency or that he received any compensation from the Agency. We have been unable to substantiate Cain's claim that he worked for the OSS during WW II.

Orville Sathe
C/WH/COG

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