

## **Feature Articles**

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# When Capone Murdered Roger Touhy:

The Strange Case of Touhy, "Jake the Barber" and the Kidnapping That Never Happened

Books Worth Buying

By John William Tuohy

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John Tuohy's book, <u>The Last Gangster; The Life and Times of Roger Touhy and the Chicago</u> <u>Mob</u>, released by **Barricade Books**.

When Capone Murdered Roger Touhy: The Strange Case of Touhy, "Jake the Barber" and the Kidnapping That Never Happened.

Written by John William Tuohy An interview with the author follows this review. Published by Barricade Books. New York, New York ISBN: 1569801746 Hard cover, 288pp. 16 pages of photos Available on Amazon.Com, Barnes & Noble. Com or through the publisher, 1-800-592-6657

### **BOOK REVIEW**

John William Tuohy, one of the most prolific crime writers in America, has penned a tragic,

but fascinating story of Roger Touhy and John Factor. It's a tale born out of poverty and violence, a story of ambition gone wrong and deception on an enormous, almost unfathomable, scale. However, this is also a story of triumph of determination to survive, of a lifelong struggle for dignity and redemption of the spirit.

The story starts with John "Jake the Barber" Factor. The product of the turn of the century European ethnic slums of Chicago's west side, Jake's brother, Max Factor, would go on to create an international cosmetic empire.

In 1926, Factor, grubstaked in a partnership with the great New York criminal genius, Arnold Rothstien, and Chicago's Al Capone, John Factor set up a stock scam in England that fleeced thousands of investors, including members of the royal family, out of \$8 million dollars, an incredible sum of money in 1926.

After the scam fell apart, Factor fled to France, where he formed another syndicate of con artists, who broke the bank at Monte Carlo by rigging the tables.

Eventually, Factor fled to the safety of Capone's Chicago but the highest powers in the Empire demanded his arrest. However, Factor fought extradition all the way to the United States Supreme Court, but he had a weak case and deportation was inevitable. Just 24 hours before the court was to decide his fate, Factor paid to have himself kidnapped and his case was postponed. He reappeared in Chicago several days later, and, at the syndicates' urging, accused gangster Roger Touhy of the kidnapping.

Roger "The Terrible" Touhy was the youngest son of an honest Chicago cop. Although born in the Valley, a teeming Irish slum, the family moved to rural Des Plains, Illinois while Roger was still a boy. Touhy's five older brothers stayed behind in the valley and soon flew under the leadership of "Terrible Tommy" O'Connor. By 1933, three of them would be shot dead in various disputes with the mob and one, Tommy, would lose the use of his legs by syndicate machine guns. Secure in the still rural suburbs of Cook County, Roger Touhy graduated as class valedictorian of his Catholic school. Afterwards, he briefly worked as an organizer for the Telegraph and Telecommunications Workers Union after being blacklisted by Western Union for his minor pro-labor activities.

Touhy entered the Navy in the first world war and served two years, teaching Morse code to Officers at Harvard University.

After the war, he rode the rails out west where he earned a living as a railroad telegraph operator and eventually made a small but respectable fortune as an oil well speculator.

Returning to Chicago in 1924, Touhy married his childhood sweetheart, regrouped with his brothers and formed a partnership with a corrupt ward heeler named Matt Kolb, and, in 1925, he started a suburban bootlegging and slot machine operation in northwestern Cook County.

Left out of the endless beer wars that plagued the gangs inside Chicago, Touhy's operation flourished. By 1926, his slot machine operations alone grossed over \$1,000,000.00 a year, at a time when a gallon of gas cost eight cents.

They were unusual gangsters. When the Klu Klux Klan, then at the height of its power, threatened the life of a priest who had befriended the gang, Tommy Touhy, Roger's older brother, the real "Terrible Touhy," broke into the Klan's national headquarters, stole its membership roles, and, despite an offer of \$25,000 to return them, delivered the list to the priest who published the names in several Catholic newspapers the following day.

Once, Touhy unthinkingly released several thousand gallons of putrid sour mash in to the Des Plains River one day before the city was to reenact its discovery by canoe-riding Jesuits a hundred years before. After a dressing down by the towns people Touhy spent \$10,000.00 on perfume and doused the river with it, saving the day.

They were inventive too. When the Chicago police levied a 50% protection tax on Touhy's beer, Touhy bought a fleet of Esso gasoline delivery trucks, kept the Esso logo on the vehicles, and delivered his booze to his speakeasies that way.

In 1930, when Capone invaded the labor rackets, the union bosses, mostly Irish and completely corrupt, turned to the Touhy organization for protection. The intermittent gun battles between the Touhys and the Capone mob over control of beer routes which had been fought on the empty, back roads of rural Cook County, was now brought into the city where street battles extracted an awesome toll on both sides. The Chicago Tribune estimated the casualties to be one hundred dead in less then 12 months.

By the winter of 1933, remarkably, Touhy was winning the war in large part because joining him in the struggle against the mob was Chicago's very corrupt, newly elected mayor Anthony "Ten percent Tony" Cermak, who was as much a gangster as he was an elected official.

Cermak threw the entire weight of his office and the whole Chicago police force behind Touhy's forces. Eventually, two of Cermak's police bodyguards arrested Frank Nitti, the syndicate's boss, and, for a price, shot him six times. Nitti lived. As a result, two months later Nitti's gunmen caught up with Cermak at a political rally in Florida.

Using previously overlooked Secret Service reports, this book proves, for the first time, that the mob stalked Cermak and used a hardened felon to kill him. The true story behind the mob's 1933 murder of Anton Cermak, will changes histories understanding of organized crimes forever. The fascinating thing about this killing is its eerie similarity to the Kennedy assassination in Dallas thirty years later, made even more macabre by the fact that several of the names associated with the Cermak killing were later aligned with the Kennedy killing.

For many decades, it was whispered that the mob had executed Cermak for his role in the

Touhy-syndicate war of 1931-33, but there was never proof. The official story is that a loner named Giuseppe Zangara, an out-of-work, Sicilian born drifter with communist leanings, traveled to Florida in the winter of 1933 and fired several shots at President Franklin Roosevelt. He missed the President, but killed Chicago's Mayor Anton Cermak instead. However, using long lost documents, Tuohy is able to prove that Zangara was a convicted felon with long ties to mob Mafia and that he very much intended to murder Anton Cermak.

With Cermak dead, Touhy was on his own against the mob. At the same time, the United States Postal Service was closing in on his gang for pulling off the largest mail heists in US history at that time. The cash was used to fund Touhy's war with the Capones. Then in June of 1933, John Factor en he reappeared, Factor accused Roger Touhy of kidnapping him. After two sensational trials, Touhy was convicted of kidnapping John Factor and sentenced to 99 years in prison and Factor, after a series of complicated legal maneuvers, and using the mob's influence, was allowed to remain in the United States as a witness for the prosecution, however, he was still a wanted felon in England.

By 1942 Roger Touhy had been in prison for nine years, his once vast fortune was gone. Roger's family was gone as well. At his request, his wife Clara had moved to Florida with their two sons in 1934. However, with the help of Touhy's remaining sister, the family retained a rumpled private detective, actually a down-and-out, a very shady and disbarred mob lawyer named Morrie Green.

Disheveled of not, Green was a highly competent investigator and was able to piece together and prove the conspiracy that landed Touhy in jail. However, no court would hear the case, and by the fall of 1942, Touhy had exhausted every legal avenue open to him.Desperate, Touhy hatched a daring daylight breakout over the thirty foot walls of Stateville prison.The sensational escape ended three months later in a dramatic and bloody shootout between the convicts and the FBI, led by J. Edgar Hoover.

Less then three months after Touhy was captured, Fox Studios hired producer Brian Foy to churn out a mob financed docudrama film on the escape entitled, "Roger Touhy, The Last Gangster." The executive producer on the film was Johnny Roselli, the hood who later introduced Judy Campbell to Frank Sinatra. Touhy sued Fox and eventually won his case and the film was withdrawn from circulation. In 1962, Columbia pictures and John Houston tried to produce a remake of the film, but were scared off the project.

While Touhy was on the run from prison, John Factor was convicted for m ail fraud and was sentenced and served ten years at hard labor. Factor's take from the scam was \$10,000,000.00 in cash.

Released in 1949, Factor took control of the Stardust Hotel Casino in 1955, then the largest operation on the Vegas strip. The casino's true owners, of course, were Chicago mob bosses Paul Ricca, Tony Accardo, Murray Humpreys and Sam Giancana. From 1955 to 1963, the length

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of Factor's tenure at the casino, the US Justice Department estimated that the Chicago outfit skimmed between forty-eight to 200 million dollars from the Stardust alone.

In 1956, while Factor and the outfit were growing rich off the Stardust, Roger Touhy hired a quirky, high strung, but highly effective lawyer named Robert B. Johnstone to take his case. A brilliant legal tactician, who worked incessantly on Touhy's freedom, Robert Johnstone managed to get Touhy's case heard before federal judge John P. Barnes, a refined magistrate filled with his own eccentricities. After two years of hearings, Barnes released a 1,500-page decision on Touhy's case, finding that Touhy was railroaded to prison in a conspiracy between the mob and the state attorney's office and that John Factor had kidnapped himself as a means to avoid extradition to England.

Released from prison in 1959, Touhy wrote his life story "The Stolen Years" with legendary Chicago crime reporter, Ray Brennan. It was Brennan, as a young cub reporter, who broke the story of John Dillenger's sensational escape from Crown Point prison, supposedly with a bar of soap whittled to look like a pistol. It was also Brennan who brought about the end of Roger Touhy's mortal enemy, "Tubbo" Gilbert, the mob owned chief investigator for the Cook County state attorney's office, and who designed the frame-up that placed Touhy behind bars.

Factor entered a suit against Roger Touhy, his book publishers and Ray Brennan, claiming it damaged his reputation as a "leading citizen of Nevada and a philanthropist."

The teamsters, Factor's partners in the Stardust Casino, refused to ship the book and Chicago's bookstore owners were warned by Tony Accardo, in person, not to carry the book.

Touhy and Johnstone fought back by drawing up the papers to enter a \$300,000,000 lawsuit against John Factor, mob leaders Paul Ricca, Tony Accardo and Murray Humpreys as well as former Cook County state attorney Thomas Courtney and Tubbo Gilbert, his chief investigator, for wrongful imprisonment.

The mob couldn't allow the suit to reach court, and considering Touhy's determination, Ray Brennan's nose for a good story and Bob Johnstone's legal talents, there was no doubt the case would make it to court. If the case went to court, John Factor, the outfit's figurehead at the lucrative Stardust Casino, could easily be tied in to illegal teamster loans. At the same time, the McClellan committee was looking into the ties between the teamsters, Las Vegas and organized crime and the raid at the mob conclave in New York state had awakened the FBI and brought them into the fight. So, Touhy's lawsuit was, in effect, his death sentence.

Twenty-five days after his release from twenty-five years in prison, Roger Touhy was gunned down on a frigid December night on his sister's front door.

Two years after Touhy's murder, in 1962, Attorney General Robert Kennedy ordered his Justice Department to look into the highly suspect dealings of the Stardust Casino. Factor was AmericanMafia.com - Feature Articles 151

still the owner on record, but had sold his interest in the casino portion of the hotel for a mere 7 million dollars. Then, in December of that year, the INS, working with the FBI on Bobby Kennedy's orders, informed Jake Factor that he was to be deported from the United States before the end of the month. Factor would be returned to England where he was still a wanted felon as a result of his 1928 stock scam. Just 48 hours before the deportation, Factor, John Kennedy's largest single personal political contributor, was granted a full and complete Presidential pardon which allowed him to stay in the United States.

The story hints that Factor was more then probably an informant for the Internal Revenue Service, it also investigates the murky world of Presidential pardons, the last imperial power of the Executive branch. It's a sordid tale of abuse of privilege, the mob's best friend and perhaps it is time the American people reconsider the entire notion.

The mob wasn't finished with Factor. Right after his pardon, Factor was involved in a vague, questionable financial plot to try and bail teamster boss Jimmy Hoffa out of his seemingly endless financial problems in Florida real estate. He was also involved with a questionable stock transaction with mobster Murray Humpreys. Factor spent the remaining twenty years of his life as a benefactor to California's Black ghettos. He tried, truly, to make amends for all of the suffering he had caused in his life. He spent millions of dollars building churches, gyms, parks and low cost housing in the poverty stricken ghettos. When he died, three United States Senators, the Mayor of Los Angles and several hundred poor Black waited in the rain to pay their last respects at Jake the Barber's funeral.

## ~ An Interview With Crime Writer John William Touhy ~

O'Laughlin: First things first, are you related to your books subject, Roger Touhy.

Tuohy: No, not in the least. His last name was actually Tewy. Mine is Tuohy. Different tribe, literally.

O'Laughlin: But John Factor, the other leading subject in the book is related to Max Factor, the cosmetic king, right?

Tuohy: More or less. Same father, different mother. I don't think the brothers were very close because of the age difference between them, and as far as I know, Max Factor was an upstanding guy who kept out of trouble and was an honest business person.

O'Laughlin: You started "When Capone's Mob murdered Touhy as an undergrad, how long ago was that?

Tuohy: Long ago. I'm an old guy. That was in 1976 when I was attending the criminal justice

program at the University of New Haven. The instructor, by the way, was Dr. Henry Lee. He later turned up at the O.J. Simpson trial. I was originally going to work on the Sam Sheppard murder case, but several other students had already declared that as their subject. I had heard about Touhy, and on a fluke, did some research, it lasted almost thirty years.

O'Laughlin: Why did they kill Touhy?

Tuohy: He intended to enter a 300 million dollar suit against the state of Illinois for wrongful imprisonment. But suing the state was only a pretext to drag people like Ricca, Accardo, Giancana into court so that he could reveal the relationship between the Mafia, the Teamsters money, the Stardust casino and John Factor. In 1959, those relationship were still very hush-hush. So they killed him.

O'Laughlin: But could he have won the case?

Tuohy: I don't think he was suing to win or lose the case, he was suing to get revenge He would have embarrassed a lot of people with the information he could have revealed. You know, he was surrounded by a motley crew. His private detective was a cop with a shady past, his lawyer had a history of mental problems and his co-author drank to much, but combined they were a highly effective group, very good and very committed to Touhy. They could have shed light on a lot of profitable areas for the Outfit.

You know, that's an interesting asset Touhy had, by the way. People around him were loyal to him, he had a charisma. Betty Brennan, Ray Brennan's wife said it the best "He made you want to protect"

O'Laughlin: Do you think Factor knew about the murder in advance?

Tuohy: No, Jake the Barber, as Factor was known, was a lot of things, but not a killer. I think he would have taken steps to stop the killing if he had known about it.

I do think the murder was designed by Murray Humpries and carried out by Sam Giancana and two others. Humpries had the most to lose with Touhy alive and I'm told that the fact Touhy referred to him as a pimp really set Humpries off. Humpries considered himself something more than what he was, a cheap hood. He thought he was above it.

I think Giancana and the other two who may have actually carried out the killing, because they were ordered too of course, but because they were former members of the 42 gang, the group that fought against the Touhy's in the 1931-32 union wars. A lot of 42 members, kids mostly, were killed in that war.

O'Laughlin: So revenge was not a motive in his death?

Tuohy: No. The murder brought international attention to his case. They, Mafia, didn't want that. I think that if Touhy had simply retired to Florida and left well enough alone, they would have let him live. Besides, if they wanted him dead, they could have had him killed in prison with much less attention.

O'Laughlin: Would you say Touhy was a typical Irish mobster?

Tuohy: Yes and no. He was a mobster who happened to be Irish-American, but he was a hood, a likable hood, but still a hood. Some things about him were very Celtic, like his aversion to prostitution, although to some degree that was more of a business decision than anything else.

O'Laughlin: Why?

Tuohy: Well he knew that the people who lived in the suburbs that he controlled would draw the line on prostitution in their towns. That's the interesting thing about Touhy and Factor, they understood the importance of public perception Most gangsters didn't.

They both knew that the public will allow a certain amount of bad behavior, but it was a fine line. Capone never understood that. Frankie Nitti understood that.

Even when Touhy was in prison, he sent Christmas cards to the media. Factor gave millions of dollars to the poor, although some of that may have been actual remorse for his past life.

O'Laughlin: And Factor ended up with a Presidential pardon didn't he? How did that happen?

Tuohy: Frankly, I think he bought it. I think the larger picture is that when the Kennedy's and the mob were still on a best friend basis, that a lot of hoods got favors from them. Its an area that needs to be looked into.

O'Laughlin: Why don't you look in to it?

Tuohy: Well I have, but most of the records are locked up with the CIA and the Navy. I don't know why the Navy has them. Its one of those projects that could years to unlock and I have other fish to fry.

O'Laughlin: When do you write?

Tuohy: Constantly. When I'm not sitting in front of the keyboard, I'm writing in my mind. I edit, move around paragraphs, change structure. Its difficult to turn it off. I've read that writing is a craft, but I don't know. I mean how many carpenters stay awake at night rebuilding a cabinet in their mind?

You know writing this stuff, mob stuff is harder than it seems. Because unlike other subjects, the writer can't get to involved with the subject, writing with emotion isn't a real option, you have to stay detached but at the same time it can't be devoid of feeling. Its a fine line.

O'Laughlin: Any favorite crime writers?

Tuohy: Rick Porello is a good writer, dedicated researcher. I like Jerry Capcici's style too. Very uncomplicated, very New York. You don't have to read his stuff twice to understand what he's saying. Nor should the reader have to do that in this type of writing. This isn't rocket science. This isn't deep. This is mob stuff.

Dan Moldea is a dedicate researcher and has a clear style. If Moldea wrote it, you can be damn sure he researched the hell out of it first. He's caught hell for some of his political stances, and I don't necessarily agree with his take on everything, politically, but that's his style. Moldea and Capcici have an understanding of the subject matter and its shows in their work.

Richard Lindberg has a unique style, he writes with flare. David Evanier is a master. There was, or is, I don't know, a New York writer named Harvey Aronson who is also a master story teller.

O'Laughlin: What do you think of the Mob as a source of stories?

Tuohy: You know, there will come a day, when some medical doctor will do a research project and discover that that organized crime is little more than a large group of dishonest people with attention deficit syndrome with hyperactivity who found each other.

I work on the theory, and its good theory, that 25% of what a bad guy tells me is a lie, 25% is inaccurate, 25% is irrelevant and about 25% is worth writing down...and most of that is sensationalized. Unfortunately, you have to listen to the first 75% to get to the worthy subject matter.

In the end, your better off getting your information from the government. Its just as good and you don't have to sit through hours of "Let me tell you abut the time I..." stories. You know, most of those guys have no concept of the larger picture. Its like somebody wrote about Joe Valachi that listening to his testimony on the Mafia was listening to an infantry private explaining the origins of the Second World War.

O'Laughlin: You've told me that you don't hold to the Mob-killed Kennedy theory?

Tuohy: These stories come from people with an agenda and no proof. There was a wonderful, small book that came and went, called "Oswald's Game", I've forgotten the authors name, but

she did a great job bringing out the real Oswald. It convinced me that he was the lone gunmen. The book didn't go anyway, because, in part, it lacked the intrigue of a conspiracy story and because, for a while, there was a lot of money to be made in the Mob killed Kennedy stuff.

You know, when you talk to some of these mob guys who were active then, people who could have known something about it, they always imply there was a conspiracy but they don't have any thing of concrete, only the "I heard stuff"

You know, a lot of it, this mob conspiracy stuff, is cultural. If you ask a reasonable person "Have you ever cracked a guys head with a baseball bat?" even if they did, they'll deny it. Ask a bad guy the same question, and even if he never cracked anybody, he'll lie and say "Yeah, a dozen times" Its a macho world down there, the rules are different. It was the same thing with the old bosses, they were very pleased that people assumed they had a hand in Kennedy's murder, it made them look all- powerful. In one way, it was good for business, in many ways it wasn't.

You know, if you look at the players, the people who spread the mob involvement stories, you see that they had reason to spread these things to a press that was willing to listen. Johnny Roselli, at an age when most men are deep in retirement, was dead broke, under a dozen indictment and facing deportation to a country he knew nothing about. He would have said anything to avoid facing the music. Its same thing with that Marcello lawyer who wrote some rubbish about Marcello having played a role in the murder. When he wrote that he was disbarred, flat broke, facing a massive tax lien and had cancer. After three decades as a mob lawyer, he really didn't have a story to tell, so he came up with "Marcello told me he did it" Of course Marcello was dead at the time the lawyer came up with this stuff.

There's a lot of speculation in this sort of writing. Like the people who write that Hoover was Gay, as though its an accusation, are the same one's who leap to defend Gay rights. They have an agenda, which is fine, but say so. But again, where are the facts? The Hoover was Gay story is right up there with the Mob killed Kennedy stories and the Loch Ness Monster tales, fascinating yarns with no evidence, and the people who have come forward have an agenda or an axe to grind. I've been all over this town, DC, for the past twenty years interviewing people who knew Hoover, on all levels. People who would have had an opportunity to see Gay Hoover in action. They speaking to me off the record, but not one of them believed the Gay stories about him or saw any evidence of it .They confirm that the guy was an abusive prick and he was a very, very strange person, but that's it. But again, whether Hoover was Gay or whatever, how is this of any importance?

### O'Laughlin: Favorite mob film?

Tuohy: I don't have one. I don't watch that stuff. I've seen them but I don't get a lot of personnel time and when I do, I like to relax. I like fluff films, Gary Grant, Rock Hudson, even the occasional Elvis film. Film is best when it deals with fantasy, and those films are fantasy.

The good guy always wins, always gets the girl, they're always filmed on great locations with nice looking people whose every third word isn't "F" this or "F" that.

O'Laughlin: But you must have one gangster film you like.

Tuohy: Well, for accuracy, I though Harvey Kietel in the film "The Bad Lieutenant" was about right. Its a quasi-mob film, but the portrayal is correct; self obsessed, weasel behavior, money hungry. Its a dark film, but its supposed to be and for what it is, its a good film.

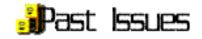
O'Laughlin: What do you think of the Soprano's?

Tuohy: I've never seen it. Its on cable, we have children, I don't think cable is healthy for children. They become TV zombies.

O'Laughlin: Will the mob survive this century?

Tuohy: Sure. The mob has always had one foot in the grave and they always will, and they'll always survive

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