

Golden Lily
Chapter Fourteen
LOOSE CANNONS

Robert Curtis had paid a very high price for becoming involved in gold recoveries with Ferdinand Marcos, but he was stubborn, and he still had the only copies of the full set of Japanese treasure maps to have surfaced since the war. Slowly putting his ruined life back together, he moved from Reno to Las Vegas where he found work as sales manager of a big Chevrolet dealership. In his spare time at home with Yolanda, he studied the maps, figured out many of the coded riddles of Golden Lily cartographers, and decided how he would approach a recovery next time if there ever was a next time. So when the phone rang one day in 1978, he could hardly believe his changed luck. A man he knew and trusted asked Curtis to meet privately with a foreign diplomat whose government wanted to sponsor a big clandestine recovery of war gold from the Philippines. The rendezvous took place in a Las Vegas hotel, where Curtis found himself in direct contact with the prime minister of a major Western nation, who was prepared to put everything including a submarine at his disposal, for a fifty-fifty split. On the condition that we would not reveal the name of the country or prime minister, Curtis recounted what follows.

The prime minister was well informed about earlier Marcos recoveries, and the role Curtis had played. He wanted Curtis to pick targets suited to a midnight recovery from a sub. Curtis chose Corregidor where he knew of three stashes. As a base, the prime minister would provide a navy cruiser, which would stand off Luzon in international waters, in the South China Sea. To avoid an international incident, the prime minister's own military would not do the recovery. As Marcos was still in power, Curtis could not go to Manila because he would be arrested and murdered. His men must get the ingots to the beach, where commandos from the sub could retrieve them. His men could be extracted by the sub. This was exciting, Curtis told us. I was mad at Marcos and this would let me get even, although I would never be able to talk about it. Getting rich in the process would heal a lot of wounds. I settled on the south shore of Corregidor. The deep water was beneath a cliff, under the head of the tadpole-shaped island. (See map page **TK**.) To get around the steep cliffs you had to traverse one of two ravines that came up the hill from a very narrow beach. At high tide, this beach was submerged. When the commandos came in their rubber rafts, it had to be a moonless night, with a low tide. Corregidor lies in the mouth of Manila Bay, off the Bataan Peninsula, where President Marcos had his summer palace on the bight at Mariveles. The island lies east west, with the head of the tadpole (Topside) on the west. The low-lying eastern hill was Bottomside. In 1978, less than half a dozen people lived in the town of San Jose in Bottomside. Each morning a tourist boat arrived from Manila. Curtis decided to target the concrete bunker beneath the Crockett mortar emplacement. This was off the beaten path for tourists. The U.S. Coast Guard had built these mortar emplacements in 1901. Beneath a concrete pad, two intersecting tunnels served as a munitions magazine. During the defense of Bataan and Corregidor in early 1942, a direct hit on Crockett by an incoming round blew up the powder magazine and destroyed most of the bunker. When the Japanese were in control, Prince Chichibu saw the concrete-lined tunnels beneath the ruined emplacement, and decided to hide a mass of 65-pound gold bars there, covering it over with a six-foot thick slab of concrete. As a metallurgical chemist, Curtis thought he could burn a man-sized hole through that slab using an enhanced form of thermite. Thermite is a simple compound of equal parts powdered aluminum and powdered iron oxide. Once it ignites, it burns at around 3,000 degrees centigrade. Thermite was used as an incendiary weapon during World War II. Today it is used in armor piercing ammunition, or as a thermal decoy for heat-seeking missiles. It takes a lot of heat to ignite thermite. The simplest method is to light a fireworks sparkler, which burns, is hot enough to ignite the thermite. In the Nevada desert, Curtis tested ordinary thermite on a six-foot thick concrete slab and found it worked too slowly. He added other ingredients, till he had a blend that would burn at close to 5,000 degrees centigrade. This burned through six feet of concrete in forty minutes, making a hole big enough for a man to crawl through. Curtis figured two men could make the recovery and hunk the gold to the beach. He knew two who seemed right for the job, and they were enthusiastic. Both had served in the Special Forces with Colonel Abo Gritz, so Curtis figured they could handle this job. One was a big macho military type named Gary, Curtis said, who was head of security for a large company in Las Vegas. He had a friend with similar background who was the son of a former sheriff of Las Vegas. We will call him Mike. Both men needed to learn how to use the enhanced thermite, and toughen up physically so they could make repeated trips up and down the ravine to lug the ingots to the beach. For this, Curtis had a saddler make two heavy-duty backpacks to carry the gold bars. After many weeks of strenuous training, Gary and Mike decided they could each manage two bars at a time. They decided that two 25-pound bags of thermite would do the job. Because thermite is an incendiary, it cannot be carried on airliners. So the Curtis mixture was taken to Manila in a diplomatic pouch. Gary and Mike assembled everything needed for two weeks living in a patch of rainforest on Corregidor, including machetes, food and water, high-tech sleeping bags, mosquito nets, medicines, and cobra anti-venom. Two weeks would give them time to

carry down enough gold bars to please the prime minister. As their cover for Philippine immigration, Curtis obtained credentials attesting that Gary and Mike were missionaries on their first evangelical assignment. They flew to Manila looking like unusually rugged Mormons, and were lodged by the embassy in diplomatic quarters. When they took the tour boat to Corregidor for a reconnaissance, the Crockett battery was much as they expected, and Topside was empty of people. Returning to Manila with the other tourists, they gathered their gear and were driven by a diplomat to Bataan. There, at a harbor town called Cabcaben opposite Corregidor, they rented a *banca*, a brightly painted Filipino dugout with outriggers and a good sized outboard motor, paying a big deposit to use it without a paid skipper. The *banca* looked overloaded, but its owner assured them that it was safe. They told him they were going camping. It would have been wise to let the sub put them ashore in a rubber boat, but for some reason that was not considered. Taking a casual fix on the small notch in Corregidor that was their destination, they shoved off as planned an hour and a half before nightfall. It would take an hour to get there, and then they would loiter offshore like fishermen, and make a run for the beach when darkness came. Unfortunately, neither Gary nor Mike knew much about boats or the sea. Every sailor knows Sods law: if it can go wrong, it will. With the tide racing out of Manila Bay, they should not have headed straight toward their target. They should have headed into the tide, and let it carry them back to their destination. In the mouth of Manila Bay, fighting the tide proved too much for their outboard motor, which suddenly died. They tried desperately to restart it, as the *banca* was swept miles out into the deep swells of the South China Sea. Several breaking waves hit them broadside, foaming over their low freeboard, carrying away the backpacks and the thermite. This area was notorious for sharks scavenging on dog bodies and garbage flushed out from Metro Manila, and both men were now desperately afraid. To lighten the boat, they jettisoned the rest of their equipment. Providentially, the motor roared into life. They were able to turn the *banca* and make their way slowly back to Bataan. After midnight they stumbled ashore, found a phone and called Bob Curtis in Nevada. Curtis was stunned and deflated. He wanted to abort the mission, but Gary and Mike were recovering from their fright, and wanted to save face. They would try drilling through the concrete using a star drill and a sledgehammer. Curtis knew it would fail, but Gary insisted, so Curtis reluctantly agreed. Shock and disappointment were so great all around, it never occurred to them that Gary and Mike could lie low while a diplomat brought more enhanced thermite. Returning to Manila, Gary and Mike purchased new supplies and tools, and then rehired the troublesome *banca*. This time they made it to Corregidor. As Curtis foresaw, drilling the concrete proved hopeless. In two days they made a hole only three inches deep. They called Curtis again from Bataan and said they were giving up. He phoned the embassy in Washington and passed word to the prime minister. The sub lurking off Bataan was called home. Successful recoveries did happen during the 1980s. Japanese groups were well organized and their security was good because they kept their mouths shut. One group was headed by a man we will call Toshi, resident of a Tokyo suburb, who had been an intelligence officer with Golden Lily during the last year of the war, when he was in his early twenties. Toshi told his story to one of our researchers on the condition that we would not reveal his name. During 1944-45 he said he was often in the company of Prince Chichibu, Prince Mikasa, Prince Takeda and Prince Asaka Yasuhiko, the butcher of Nanking. Toshi said he often observed Ben Valmores bringing tea and cigarettes to the princes, while they toured Golden Lily sites. After the war Toshi returned to university and inherited money from his father. A handsome, cosmopolitan man, fluent in English and French, Toshi decided to devote himself full time to recovering the gold he had helped to hide. He bought a small house set in gardens on the outskirts of Manila, and went about his recoveries with single-minded dedication and total secrecy. When his son graduated from university, Toshi set him up in the gold business in Tokyo. In 1981, Toshi was one of a group of Japanese involved with President Marcos in a very large recovery from a vault in the Santa Maria Mountains. The gold was sanctified by Johnson Mathey Chemicals at the refinery Marcos had built with equipment provided by Curtis in 1975. When Marcos sold a mass of gold in May 1983 through one of the leading international banks in Luxembourg, Toshi said some of the gold came from his recoveries. The first transaction alone was for 716,045 bars, at a sale price of \$124-billion. The deal was signed by a number of attorneys representing the buyers, who were members of the London gold pool. The memorandum of agreement on Philippine presidential letterhead was signed by one of the Marcos trusted gold ladies, Konsehala Candelaria V. Santiago. (See copies in our appendices.) These papers were photocopied by a CIA mole in the Luxembourg bank, who turned the copies over to the U.S. Embassy, where they were certified authentic with the stamp and seal of the vice consul. According to Norman Tony Dacus, who was paid a commission on the deal, the gold was flown out of the Philippines to Hong Kong by U.S. Air Force planes from Clark, at sixty tons a week. Toshi used his share from the Luxembourg deal to buy real estate in Japan. Among his acquisitions, he bought prime land opposite a suburban Tokyo railway station, and built a large apartment block where he installed all his relatives on the top floors, and rented out the reminder. He made trips to America where he bought electronic devices for detecting metal in the ground, including a Filter King Plus, and an underground scanner, paying for everything from a big roll of crisp new hundred dollar bills. Genial and easygoing, Toshi was happy to pull out color photos showing him at various digs, including before and

after photos. There were offshore recoveries as well during this period. In 1976 Curtis had been contacted by a group of Americans who wanted to salvage the fake Japanese hospital ship *Awa Maru*, lying off the coast of China. The *Awa Maru* was sunk in April 1945 by the U.S. submarine *Queenfish*. The subs skipper, Commander Charles Elliott Loughlin, was court martialed because Japan claimed he had sunk a genuine hospital ship, implying that 2009 people who died were mostly patients. (The only survivor was an illiterate crewman blown off the fantail and picked up by the sub.) After the war Commander Loughlin was vindicated when records were discovered showing that the *Awa Maru* was a fake hospital ship that had carried munitions, crated fighter Aircraft, and VIP families to the South Seas, and was bringing war loot and VIPs to Japan. The *Awa Maru* was, in fact, carrying over \$5-billion worth of treasure when it was sunk. She had aboard 40 metric tons of gold, 12 metric tons of platinum, 150,000 carats of diamonds, large quantities of titanium and other strategic materials. Astronaut Scott Carpenter and Jon Lindbergh, son of Charles Lindbergh, had found a copy of the subs log in naval archives showing exactly where the sinking occurred, and confirmed this with the subs executive officer, who was still alive. Because the hulk was lying fairly close to Chinese territorial waters, they tried to make a deal with Beijing to carry out a joint venture and share the recovered treasure. When they started the salvage operation, pinpointing the site, they were run off by the Chinese navy. Beijing then carried out the recovery itself. A more intriguing recovery was that of the Dutch liner *Op ten Noort*, whose capture off Java was described in Chapter Four. Her name was changed several times, ending up as the *Tenno Maru* and she spent the rest of the war as a fake hospital ship in the service of Golden Lily, carrying treasure to Manila and Yokohama. Just before the war ended, she arrived in Yokohama with 2,000 metric tons of gold. A few days later she was moved to Maizuru Naval Base on the west coast of Japan. Maizuru is an almost landlocked bay, meaning that any ship sunk there will remain where she goes down, instead of being moved by strong ocean currents and *tsunami*. There *Tenno Maru* took on more treasure from underground bunkers in the hills around the naval base. Late one night, the ship was taken into the bay, her captain and twenty-four crewmen were murdered, and the ship was scuttled by opening its Kingston valve, which flooded the hull. The murderers were a group of high-ranking Japanese Navy officers who were anxious to keep this treasure to themselves. They liked to boast that some day they would recover the treasure and use it to rebuild the power of the Imperial Navy.

The *Tenno Maru* recovery began in 1987 when the last survivors of this group of officers approached underworld fixer Sasakawa, who had worked with Kodama in the 1930s and 1940s, then made major recoveries in Indonesia and the Philippines in partnership with President Marcos and President Sukarno. Efforts were made to bring in underwater recovery specialists and equipment necessary for deep diving. But quarreling over Sasakawa's share caused negotiations to break down. In 1990 the recovery began again, with the participation of big Japanese corporations including huge sea-crane ships of the Moricho Corporation. The Japanese enlisted the help of international deep recovery experts, who brought in a submersible belonging to Divcon International, aboard an Australian salvage vessel called the *Torrens Tide*, owned and managed by Tidewater Port Jackson Marine Pty. Ltd., of Sydney. (See our color photos of the recovery.) Participants in the recovery told us that once the treasure was safely aboard the *Torrens Tide*, the Japanese went ashore that night to celebrate. During their absence, our sources said, the Australian ship slipped anchor and made it to international waters before her disappearance was discovered at sunrise.

The most publicized treasure hunters the last thirty years were the Nippon Star group of General John Singlaub, a leading member of The Enterprise. Singlaub first became a national hero near the end of the Pacific War when he parachuted into China's Hainan Island and released hundreds of POWs from Japanese concentration camps. In the 1970s he was America's top military commander in Korea when he had a public difference of opinion with President Jimmy Carter and was abruptly fired. He remained a hero of the far right, one of the paramilitary Cold Warriors of The Enterprise, supporting hard-right regimes in Central America, and climaxing in the Iran-Contra arms scandal. Funding for The Enterprise came from the John Birch Society, the Moonies, the Hunt brothers, and other arch conservatives. But Nippon Star needed billions of dollars to finance its pet project, a worldwide private vigilante force. While Marcos still was in power, Singlaub and Nippon Star came to Manila to begin hunting for gold. When Marcos was removed, Singlaub switched to working with President Cory Aquino. Through the mid-1980s, newspapers were full of stories about Singlaub and Nippon Star digging for treasure.

Early in January 1987, Robert Curtis received a phone call from someone named Alan Foringer in Seattle. Foringer said he wanted to come to Las Vegas the next morning to see Curtis about the Philippine treasure.

How do you know about that? Curtis asked.

Im with Jack Singlaub and Nippon Star, Foringer replied.

You guys are CIA, Curtis said, and I'm not interested. He slammed down the phone. When Curtis arrived at the Chevrolet dealership for work the next morning shortly before 9 a.m., the two men waiting in his office were Foringer and a colleague, John Voss. They said they were actually with an outfit called Phoenix Exploration based in Denver, which was collaborating with Nippon Star. Later, Curtis learned

that Phoenix Exploration was a CIA front, and that Foringer was the administrative head of the CIA station in Manila, and Voss his deputy. Curtis was about to throw them out of the show room when Foringer pointed at the clock and said, In three minutes you will get a very important call from the Pentagon switchboard, which will explain why this is so important. Exactly at 9 a.m. the phone rang and Curtis found himself talking to Major General Robert L. Schweitzer, until recently President Reagan's senior army adviser at the National Security Council. In 1986, as the Iran-Contra arms scandal was breaking, Schweitzer retired from active service and joined Singlaub and others in The Enterprise. But Schweitzer still had an office at the NSC, and remained the man President Reagan turned to for advice on military matters. Schweitzer kept his hand in through his NSC deputy, Colonel Dick Childress, who had the Far East portfolio. Others in this group were General Daniel Graham, former head of the Defense Intelligence Agency, and General Jack Vesey, former chairman of the Joint Chiefs of Staff. Schweitzer also worked closely with former CIA deputy director Ray Cline, who now headed the Center for Strategic Studies at Georgetown University. Curtis said General Schweitzer told him he was calling from the Executive Office Building beside the White House. He said President Reagan whom he referred to as the old man in the funny house next-door C had personally endorsed the effort by Nippon Star and Phoenix Exploration to make war loot recoveries in the Philippines. Because the White House and the CIA had to maintain deniability, they could not give the project official sanction, but the U.S. Embassy in Manila was fully briefed, along with U.S. commanders at Subic Bay Navy Base and Clark Air Force Base. They would provide support in the form of men and helicopters, and secure storage for the gold in underground bunkers. Schweitzer played heavily on Curtis patriotism, urging him to meet with in Hong Kong with Schweitzer, Singlaub, Foringer, Voss, and other big hitters. Schweitzer said that very morning he had received a message from President Aquino that Ashe would cooperate one hundred percent. Reluctantly, Curtis agreed, and on February 11, 1987, checked into the Mandarin Hotel in Hong Kong where the others were waiting. Over the next four days they met in a hotel conference room, and ate their meals together. To protect himself this time, Curtis insisted upon taping the entire conference from start to finish. (He gave us copies of all the tapes from which we have drawn much of what follows.) As a further safeguard against being railroaded by lawsuits again, Curtis brought along as his partner Dennis Barton, chief criminal investigator for the Internal Revenue Service in Nevada. If anybody could make sure that Curtis did not get falsely accused of anything this time around, Barton could. Later in the week they were joined by the Swedish psychic Olof Jonsson who Curtis regarded as indispensable. Singlaub told the group their greatest danger was that Japans victims would ban together to get the World Court to freeze further recoveries of war loot until its true ownership could be established. He said thirty-two countries in all claimed to have been looted of a total of 600,000 metric tons of gold. He did not say where he got these figures, but he and his group had access to CIA archives that are not accessible to the public. To Curtis anger and dismay, it now emerged that Singlaub had persuaded the John Birch Society to take over funding Nippon Star, and it was Jay Agnew and his son Dan who had Foringer recruit Curtis. Foringer's first phone call to Curtis that January had been from Agnew's office in Seattle. This was truly bizarre, because it was the Agnews who had destroyed Curtis financially and professionally in 1975, bringing criminal charges against him, as recounted in Chapter Twelve. Having wiped out Curtis financially, and destroyed his businesses, the Agnews told Singlaub they would only finance Nippon Star recoveries in the Philippines if he and Foringer recruited Bob Curtis, to gain access to his maps and engineering. The Agnews ruined my life, Curtis said, and now they wanted my help. You don't forgive something like that. I had been called the biggest criminal of the twentieth century, or words to that effect. If I was, I am certainly the dumbest. I was flat broke when I came back from the Philippines in 1975, and I remain that way today. At the Mandarin Hotel in Hong Kong, Generals Singlaub and Schweitzer worked on Curtis, whitewashing the Agnews involvement. They told Curtis that they were offering him his best chance by far to make a major recovery -- with the U.S. Government backing them all the way, including the U.S. Embassy, and the commanding officers of Subic and Clark. You could not do better than that. It was a powerful argument. Having come this far, Curtis felt sickened, but decided reluctantly to let matters play themselves out. Singlaub admitted spending over a million dollars during the previous thirteen months, trying and failing to make recoveries at several sites. He was steered to these sites by two Pointers, Dr. Cesar Leyran and Pol Giga, who had given maps to Nippon Star claiming they were authentic. When Curtis saw the maps he knew they were fakes. Foringer told Curtis: Our game plan all along has been to hit a small site we control which is under water, on private property, and take a bar from there and demonstrate it to [President Cory Aquino]. That should give us the full and complete blessings of the [Aquino] administration for all other sites. Problem was, Curtis discovered that this was the anchor site on a reef in Calicagan Bay, which Giga and Leyran had been flogging to gullible people for years. Those two hustlers claimed that a solid platinum anchor had been pushed off the fantail of a Japanese naval vessel, chained to a bronze box filled with gold bars, and the anchor and box were lying on the reef. Curtis knew this was phony, but he did not know how to tell a man like Singlaub that he had been conned. When Nippon Stars divers found nothing on the reef, Pol Giga insisted that the anchor and box must have slipped down into a crevice. Once

Curtis realized how the generals had been duped on the anchor site, he pressed them to tell him about the onshore site they were working with Dr. Leyran at Alfonso, outside Cavite. When Foringer described it, Curtis could not believe his ears. Leyran had told Nippon Star that as a boy he had seen the Japanese hide treasure in a deep pit they dug under the house next door, which belonged to the Leyran family. The generals put Leyran on a big retainer, and started digging. Over thirteen months they dug straight down 400 feet under the kitchen, bagging the dirt and hauling it away at night so neighbors would not know what was going on. Because the water table there was a hundred feet down, the next 300 feet was under water, so the generals had to bring in deep water divers from the U.S. Navy. At those depths, they had to use a decompression chamber each time the diver came up. Imagine diving down more than 300 feet inside a 6 foot by 6 foot shaft, then digging underwater at that depth and hauling the dirt up to be bagged. Curtis told us, they never asked themselves, how did the Japs dig this in the forties? It was sheer stupidity. According to their financial records they spent \$1.5-million on this. I had to argue with them to get them to stop throwing money away on that typical Leyran scam. Curtis was amazed by the backbiting in Hong Kong. Although they claimed to be old pals, Generals Singlaub and Schweitzer were privately at each other's throats. Singlaub insisted on taking charge of security personally. He said the only Filipino he trusted was Teodoro Teddy Locsin, President Aquino's minister of information. Singlaub said Locsin was his pipeline to Aquino, and was tight with U.S. Ambassador Stephen Bosworth. Cory really doesn't do anything, Singlaub said, without consulting Bosworth. Singlaub swore that he had legal contracts with the Aquino government to dig any treasure site in the country, including federal property. He showed Curtis his authorization, written on Presidential Task Force stationery and signed by Wilfredo P. San Juan. (Later it turned out that San Juan had no authority to issue treasure agreements of any kind.) Singlaub boasted about bribing people in Malacanang Palace, the Presidential Security Command, the mafia boss of Cavite, and local guerrilla leaders of the leftist New Peoples Army. As a consequence, a great many Filipinos knew about the activities of Nippon Star and Phoenix. Foringer was the brightest of them intellectually, but he had not commanded whole armies, so he could be shouted down by the professional soldiers. When they wanted his opinion, they would give it to him. They all wanted Curtis to be a partner in this joint venture. They asked him to give them an easy site where they could make a quick recovery to regain credibility in Manila and Washington. Assuming that Singlaub really did have permission from President Aquino to do a recovery on federal land, Curtis suggested targeting sites on Corregidor. While the generals prepared a game plan, Curtis went back to Nevada to resume his nine to five job as Chevrolet sales manager. On the plane, he realized he had joined a ship of fools. Singlaub and Foringer were charming and personable in different ways, but Curtis doubted they would ever achieve their fantasies. A week later he received a hand-written letter from Alan Foringer (see our appendices). Addressed to his codename George it began: Following are some quick notes I would prefer not to have to relate to you over the phone. Board of Directors of Nippon have met and decided that Singlaub must stay out of the Philippines for the foreseeable future and should publicly be disassociated from Nippon. That will be a hard pill for him to swallow ... we may find ourselves dealing with a hostile takeover attempt by investors loyal to him... He told Curtis that all three of Singlaub's existing gold recovery projects were being closed down. Nippon Star would continue as a club for super-patriots from the CIA, Pentagon, State Department, and National Security Council -- people like Singlaub and Schweitzer -- but for most people it would be a joke, diverting attention from what was really going on. In its place the CIA was setting up a new Philippine-American Freedom Foundation (PAFF) that would seriously pursue recoveries of war loot in the islands, and its sale on the world gold market. They would use one ton of gold to complete their purchase of Benguet, the top Philippine gold mining company, which Marcos had used to export re-smelted war loot. Benguet would then serve as PAFF's conduit for moving black gold into the world market. Foringer said the proceeds would go to funding national defense projects including the B-1 bomber and Reagan's Star Wars program, and in effect to build a new military industrial complex controlled by us. Accompanying his letter, Foringer had drawn a chart showing the relationship of all these people and organizations. (See chart, page TK.) As partners in this joint venture, Foringer hoped that Curtis and his friend Dennis Barton C calling themselves C&B Salvage C would endorse this new arrangement. Curtis wanted to make a gold recovery for his own sake, to get back on his feet financially. But he had serious misgivings about working with this bunch. He urged Foringer to concentrate on making a quick recovery at the movie theater site on Corregidor. Opposite General Macarthur's headquarters at Topside, there was a bombed-out movie theater. Beside it was a small cache C eighteen ingots C but simple to reach at a depth of 15 feet, if you knew where to dig. Eighteen 75-kilo bars meant millions of dollars. Curtis had learned about it in 1975, when he and President Marcos flew by helicopter to Corregidor for sightseeing. One photo taken that day showed them strolling by the movie theater, its walls peppered by shrapnel. (See photo page TK.) When Colonel Vilacrusis saw the photo he told Curtis of story he had heard from an eyewitness in Tokyo while meeting with Prince Takeda and Lord Ichivara. The eyewitness said he was visiting a senior Japanese naval officer in the headquarters building, when American forces began their assault to recapture Corregidor on the morning of February 16, 1945. A heavy bomb landed across the street by the theater, blasting a

crater twelve or fifteen feet deep. The commander still had eighteen 75-kilo bars of gold in his office, and saw his chance. He had men put the gold bars in the bomb crater. A small bulldozer nearby was used to fill in the crater. By then paratroopers of the 11th Airborne Division and the 503rd Parachute Regimental Combat Team began hitting the ground. Fighting was fierce and the navy officer was among those killed. After thirty years the eyewitness could recall that the crater was next to the theater, but not exactly where. While he was working with the Leber Group in 1975, Curtis went back to Corregidor to visit the Pacific War Memorial. The walls in its rotunda displayed vintage black and white aerial photographs showing the 1945 bombardment and the assault, each taken by reconnaissance planes a few minutes apart. One taken at 10:16 a.m. showed the crater by the movie theater and one taken at 10:38 showed that the crater had been filled in. So Curtis knew exactly where those eighteen bars had been hidden. But were they still there? By the 1980s metal detectors had advanced to a point where they could detect gold down thirty feet, so Forringer and the others could easily confirm whether the ingots were still there, and fix the location closely enough. These ingots could liberate Forringer's group from its most troublesome investors, and finance several years of serious recovery projects. When all was set, ten Americans from Phoenix and Nippon Star arrived on Corregidor. They brought with them a group of Filipino soldiers to guard the perimeter, led by a sergeant from the Presidential Security Command. Among the Americans were CIA's Forringer, President Reagan's man General Schweitzer, five colonels, a U.S. Navy Seal, and Bob Curtis's associates Dennis Barton and John Lemmon. One of the five colonels was Eldon Cummings, a veteran of CIA covert operations supporting Death Squads in El Salvador. Two others were Colonel Rock Myers, and Colonel James York, both legendary characters. The Seal was Tom Mix, now attached to a shadowy company called GIMCO or GEO-Innerspace, who worked closely with Nippon Star on offshore recoveries of Japanese treasure hulks. These were big guns. That day, they were all heavily armed in case of trouble. Leaving the five colonels in charge of work at the movie theater site, Schweitzer returned to their safe house in Manila. First the Americans got out their metal detectors and confirmed that the gold ingots were still beneath their feet. Over the next five days, they dug a hole ten feet deep. They expected to hit the gold bars the next day, or the day after -- when all of a sudden three big Philippine Army Huey helicopters came whopping in over their heads, bristling with heavily-armed soldiers in flak jackets. While the other Hueys hovered menacingly, one landed and a squad of soldiers jumped down with light machineguns, followed by a Philippine Army general. He told the Americans brusquely that he had been sent by General Fidel Ramos, head of the armed forces, to throw them off the island, which was federal property. Forringer showed him the letter Singlaub had been waving around, giving presidential authority to be on federal land. The general looked at the signature and said, that's not legitimate. This man San Juan has no authority to issue such a permit. He repeated his command to get off the island, immediately. The American colonels decided not to provoke an international incident. They broke camp and left. General Schweitzer, informed that his handpicked team had been expelled from Corregidor, was livid with rage. He threatened to phone President Reagan and have him intervene personally with President Aquino. He was persuaded by Curtis that this was not a good idea. A lot of people in the Philippine government and armed forces were offended by the highhanded behavior of Nippon Star and Singlaub. Manila journalists knew that Nippon Star was funded by John and Joan Harrigan with Moonie money. When Nippon Star first set up in Manila, Singlaub had bought weapons on the black market, including Armalites and grenade launchers for which he then was unable to get licenses because they turned out to be stolen goods. He also bought a fleet of cars cheap, which turned out to be hot. They had belonged to Marcos secret police boss General Fabian Ver, and when Ver fled into exile the cars were sold privately and Ver pocketed the money. When Singlaub tried to get the cars registered, it emerged that they were government property. These episodes were all it took for Juan Ponce Enrile and other artful dodgers in the Philippine Senate to claim that Nippon Star was running roughshod over the islands, defiling national heritage sites. One impassioned journalist wrote, If the Philippines is to remain a free and democratic society, and to not fall into the abyss of CIA engineered and created civil conflict, to prepare the stage for the forced intrusion and deployment of American troops, to force a retention of U.S. bases, the movements and activities of these enemies of democracy should be closely monitored and curtailed. When Phoenix and Nippon Star were booted off Corregidor, Singlaub was in Washington testifying before Congress about the Iran-Contra mess. In Manila, word spread that Singlaub is absolutely not invited back. I liked Jack Singlaub, Curtis told us emphatically, but he just couldn't keep his mouth shut. When Curtis sent word to Forringer that he was pulling out of the joint venture, the nucleus of The Enterprise descended in a rush on his home in Las Vegas, including Generals Schweitzer and Singlaub. They pleaded with him to reconsider. At one point, Forringer asked to speak to Curtis privately. They went outside to sit in his Chevy Blazer. He explained to me that he had to deliver me back into the fold, or they would eliminate him. I asked: You mean the CIA? He said, No, not just them. He said GeoMiliTech had threatened him, saying that he should have threatened me to stay in. He also said Agnew was giving him problems. But Curtis had made his mind up. The clincher was his discovery that the house next door to Nippon Stars safe house in Manila, where

Generals Schweitzer and Singlaub and all the big guns had stayed when they were in town, had been rented by KGB agents from the Soviet embassy, and they were monitoring and recording everything. We had all our windows open, so they just sat by their windows and heard everything we said, including our radio communications, which were decoded there. I went bonkers over this. In the months that followed, Foringer contacted Curtis again and again, pleading with him to reconsider. Singlaub and Schweitzer also phoned. Curtis remained adamant. Everyone blamed Foringer. Not long afterward, in Hawaii on his way back to Manila, Foringer was strolling along the crowded beach at Waikiki after a swim with a friend, when his bare leg was nicked by a passerby holding something sharp. An hour later, he was rushed to a hospital in agony. Doctors diagnosed shellfish toxin. For a while he was near death. Gradually, his condition improved, and he returned to Manila to recuperate at his own apartment. When his replacement at the CIA station came to visit Foringer one morning, he looked better. He even had an appetite. Foringer asked his friend to go get them some Italian food. When the man returned an hour later, Foringer was dead. Heart failure was the official explanation. John Voss told me later that it was an assassination, Curtis said. The strain took its toll on Curtis as well. On a trip to San Francisco in July 1987, in which he broke off all remaining ties to the generals, he had severe stomach trouble and had to undergo immediate surgery. When he came out of the anesthetic, he was kept on painkillers that made him groggy. One of his visitors at the hospital was Charles McDougald, who said he was writing a book about Yamashita's Gold. A former Green Beret, McDougald had studied for a while at the University of the Philippines, where he became a close friend of the dean, Noel Soriano, who was now President Aquino's national security adviser. On repeated visits to the hospital, Curtis and McDougald talked about various treasure sites. Curtis began to think that McDougald might be the right partner. He suggested going after one of the treasure vaults in Fort Santiago, under cover of restoration work. McDougald broached the idea to Soriano, who discussed it with Aquino, and she approved. They would go after the gold Prince Chichibu had placed in the third basement of the fort, at the bottom of one of the three adjacent Airshafts. The project would be carried out by a new company Curtis formed called International Precious Metals (IPM). McDougald would participate, and share in the proceeds after the Philippine government had taken its cut off the top. The project would proceed in stages. Curtis intended to tunnel through the backfill that the Japanese had placed in the way, and then drill down in hope of striking the gold with the drill bit, producing the evidence Aquino wanted to grant them additional recovery permits. Work on the tunnel began normally enough, with teams of young Filipino workers digging around the clock, and sections of sturdy wood shoring going in, to protect against cave-ins. There was an ever-present danger of booby traps. These were of four types. The most common were 100, 250, 500, or 1000 pound aerial bombs with altered firing mechanisms, activated with a spring that was released when disturbed. Poison also was used. Golden Lily teams placed bottles of sodium cyanide or potassium cyanide in the backfill where they were easily broken. There was a more elaborate device where a cable was tripped, breaking a thin vial of sulphuric acid, which combined with the cyanide to release hydrocyanic gas. At Montalban and other sites where there were underground streams, Golden Lily teams built a large underground cistern on a hillside above a tunnel, and let the streams fill the cistern. A conduit of interlocking terra-cotta pipes led down to the treasure vault, its end sealed. If diggers broke through the clay pipe, the vault quickly filled with water. Another booby trap was a sand fall, made by alternating slabs of moist clay, separated by a meter or two of fine sand. A dozen of these layers would be placed at a steep angle during backfilling. When someone dug into this trap, the sand would slide down and suffocate the digger. This was why heavy shoring was essential. Authentic Golden Lily treasure maps show what type of traps were used. Bombs are depicted by a turtle. Water traps are shown by wavy lines. Sand and rock falls are shown by angle marks, ///// for left, \\\\\\\ for right. The fatal sand trap at Fort Santiago was not shown on any map.

Curtis had given strict instructions that shoring would always be placed as digging proceeded. But he could not be at the site around the clock. As pressure mounted to reach their target, the workers and supervisors became careless. Two men working deep in the tunnel after midnight, moving well ahead of the shoring, suddenly burst a sand trap. The sand rushed down, filling the tunnel over their heads. Minutes passed before another worker came in and discovered what had happened. Frantically, rescuers dug out one man who died later. The second man was already dead. Curtis and Soriano were notified, but nobody was prepared for the outcry that followed. Journalists crowded into Fort Santiago, and at the Senate there were outraged demands for a full investigation. Predictably, Senator Juan Ponce Enrile and other Marcos cronies led the attack. Curtis was blamed personally for the two deaths, and had to appear before a Senate panel, where he was accused of desecrating a national monument. Curtis countered that the gold they were on the verge of recovering would pay off the Philippine national debt. He did not add that Enrile had been part of the Marcos dictatorship, which had never shared a penny of its gold recoveries with the Filipino people. President Aquino backed Curtis, and as the political storm gradually subsided, she authorized IPM to continue for ninety days at a time. Curtis believed that he was now only a few meters from hitting the vault where the treasure lay. He brought in a

drill rig and bored down. It was drill hole number twelve that paid off. On the 23rd of April 1988, the drill bit came up with fragments of gold, marble, and wood. Curtis knew from Ben Valmores that the gold bars were in wood crates resting on marble slabs. He had hit pay dirt at last. Furthermore, his electronic sensors indicated that there was a small but significant target just to the left of his drill hole, possibly an oil drum full of loose treasure added to the backfill at the last moment. An oil drum full of small gold ingots could be worth millions. According to Curtis, things started to go wrong when IPM fundraiser George Wortinger returned from Nevada with a man named Ernie Whittenburg. Although Whittenburg pretended to be a building contractor in Las Vegas, his money actually came from drug trafficking, and he would later be convicted and imprisoned. Curtis was not aware that Wortinger had been feeding chunks of Whittenburg's drug money into the project all along. Suddenly, Whittenburg turned off the tap so that IPM's operating funds dried up. Word was passed around that IPM's financial backers had pulled out, leaving Curtis high and dry. Whittinger offered to buy a controlling interest in the project with a lump sum of \$500,000 cash, on the condition that Curtis be removed completely. Soriano begged me to take Whittinger's money, Curtis told us. It was drug money, and I wanted no part of it. Soriano then asked Curtis to turn over to him personally the treasure maps for Fort Santiago, and for the Bonafacio Bridge site. When Curtis flatly refused, Soriano dropped the bomb. He told Curtis that unless he left the Philippines immediately, he would urge President Aquino to cancel the IPM permit. If Curtis cooperated, and accepted the deal with Whittenburg, Soriano would let Curtis could come back later. It was a squeeze play. Once Curtis left he would never be allowed back. Soriano warned him that if he refused to leave, he would be arrested, and charges would be filed against him. Once again, Curtis grimly packed his bags and flew home. The moment he was out of the way, Soriano and McDougald took on Whittenburg as a full partner and forged ahead with the recovery at Fort Santiago. They also started digging at Bonafacio Bridge, where they put Ernie Whittenburg in charge. In 1942, this railway bridge over the Pasig River had been destroyed in the American retreat. Subsequently, Golden Lily had dug a vault beneath one of the concrete bridge abutments, placing 340 metric tons of gold bars there, covering the cache with a slab of concrete resembling the original abutment. It would be simple to penetrate the vault from the side. What had always kept Curtis from doing this site was the adjacent highway that made any excavation work conspicuous. Now the Aquino administration had re-routed the highway, so McDougald and Soriano could work the site as Curtis had engineered it, without being observed by every passing car or truck. Soriano arranged the permit without involving President Aquino. Squatters were moved away. At Fort Santiago they had luck right away. According to a member of their team, they recovered an oil drum packed with 24 small gold bars, gold and silver coins, and jewels. The main target, which Curtis had drilled into, was several meters below that. At Bonafacio Bridge, work was able to proceed quickly when they raised \$100,000 from Craig Nelson, a California investor whose money paid for a drill rig able to bore a hole six feet in diameter. By November 30th, they were down 170 feet below the bridge abutment. When Nelson arrived at the site that morning to check on progress, he encountered the project boss, drug smuggler Ernie Whittenburg, in a state of great excitement. I touched a Jap! Whittenburg shouted. This was a code phrase meaning they had hit their target C a group of Mosler safes containing 340 metric tons of gold bars (at the time worth about \$4.5-billion). Ernie Whittenburg told us that when he went down the hole in the elevator, he saw and touched two of the eight safes that were visible. Soriano, Nelson said, had a plan to bring in army trucks to haul the gold away at night. Because of their weight, only twenty-five 50-kilo bars could be brought up in the elevator each time, and there were more than six thousand bars. Soriano immediately phoned McDougald, who cut short a trip to California and flew back to Manila. The next day, Nelson said, McDougald told me ... that I must have misunderstood Ernie Whittenburg ... because he said that Ernie Whittenburg didn't actually see the safes. He said McDougald insisted they had not yet reached the chamber containing the safes. Realizing he was being lied to, Nelson returned to the site to see for himself and discovered that he was not allowed to enter, although he had paid for the drilling rig. All Filipino workers were sent home, and security at the bridge site was taken over by two members of the U.S. Special Forces, friends of McDougald, one of them a full colonel who took leave from active duty just for this purpose. McDougald told all those involved that they had hit water, which flooded the hole, and they had to give up the project and refill the hole. But according to Colonel Canson, head of the provincial constabulary in Rizal province, he assigned two army trucks to McDougald for five nights, December 2-6, from midnight to 6 a.m.

Other sources said a number of armored cars also were involved. Eyewitnesses claim the trucks and armored cars carried heavy loads from Bonafacio Bridge to Fort Santiago, where the gold was loaded onto barges in the Pasig River. Subsequently, word got around that 325 metric tons of gold were in secure storage at Manila International Airport, up for sale. What happened to it, and the proceeds, is not known. But the men involved turned on each other like the maddened gold diggers in Treasure of the Sierra Madre. Fundraiser George Wortinger told a federal grand jury in Nevada that a total of \$1.5-million in drug money had been poured into the digs at the fort and the bridge, by Ernie Whittenburg.

Wortinger told the grand jury that McDougald and Soriano both knew it was drug money: McDougald said ,You know, if this ever breaks in the press ... he [Soriano] will be in lots of trouble. ... It was drug money. I mean, if that broke in the press over there, we would be crucified. Newspaper and TV coverage of the transfer of some of these funds to Soriano's personal account caused President Aquino to demand his resignation as national security adviser, effective February 15, 1989. Wortinger testified that Whittenburg also bought \$50,000 of furniture to equip a new house McDougald bought in Manila, and helped finance a new house McDougald bought in San Francisco. He said Whittenberg also gave \$50,000 in cash each to Soriano and McDougald. The grand jury then called in McDougald. Government prosecutors initially sought forfeiture of McDougald's San Francisco home. But McDougald cooperated with federal agents in preparing a report on Whittenburg, who was tried and sentenced to life in prison for drug trafficking. Since Bob Curtis first became involved in 1975, he thought he had been the victim of every kind of folly and treachery. But if you think treachery is only to be found among the loose cannons digging for buried treasure, you haven't considered the bankers.

End Chapter