

Agent's enforcer sings

By **JERRY CAPECI**
Daily News Staff Writer

CHICAGO — Agent **Norby Walters** had a blackjack to persuade managers of Michael Jackson and Dionne Warwick that they needed him, according to mobster Michael Franzese — who identified himself yesterday as the blackjack.

Franzese, a former capo of the Colombo crime family now performing himself as a singing canary at **Walters' racketeering** trial, testified that **Walters** has been a partner of the Colombo mob for more than 20 years.

Wearing aviator glasses and a natty, European-cut suit, the dark-haired **Franzese** said **Walters** supplied the showbiz clients, and the mob supplied front money and strong-arm threats if clients wanted to drop **Walters**.

Franzese said he knew **Walters** all his life and worked as his strong arm with several entertainers, including Jackson, Warwick and the New Edition rock group.

Laid ground work

The one-time capo said that **Walters** "would lay the groundwork" with clients by telling them that **Franzese**

"was an important mobster." When **Franzese** went in he "would not have to openly threaten them."

Franzese said he would say things along the lines of, "I'm his partner. That's my money that **Norby** gave you. We're partners. If **Norby's** not on board, there won't be a tour."

The threats worked with the managers of Warwick and the New Edition, he said, but not with the Jackson tour.

Franzese said he began his business relationship with **Walters** in 1970, when his father, John (Sonny) **Franzese**, described by his son as a mob captain, went to prison.

Secret partnerships

The younger **Franzese** testified about meetings in the Polo Lounge at the Beverly Hills Hotel and at the Stage Deli in Manhattan. He told of his father's secret partnership with **Walters** in Buddha Records and **Walters' Supper Club** in Manhattan.

Franzese said that when his father went to prison in 1970, **Walters** began giving **Franzese** \$250 to \$500 a week through acting boss Joseph Brancato, after mob boss Joe Colombo was inca-

pacitated in a Columbus Circle shooting.

Franzese said that when his father got out of prison in 1979, **Walters** learned first-hand at a meeting they attended at the Stage Deli that Sonny **Franzese** considered himself a full partner, despite a nine-year absence.

"**Norby** said he knew he had an obligation, but he didn't believe it was a 50-50 partnership," said **Franzese**. "At the end, it was decided they were 50-50 partners," he said under questioning by U.S. Attorney Anton Valukas.

Franzese said he threatened Mi-

chael Jackson's former manager for **Walters** when he wanted a piece of the Jackson Five tour in 1981; he threatened Dionne Warwick's manager the following year when the manager wanted to dump **Walters**, and in 1984 threatened the New Edition rock group when the group wanted to sever its relations with **Walters**.

In 1985, **Franzese** delivered \$50,000 to **Walters** as seed money when **Walters** told him he was going to need it for cash payoffs to "black athletes" he intended to represent with **Lloyd Bloom**, a partner.

Teamsters pact approved by judge

A judge yesterday approved the Teamsters peace pact with the government, saying it provides the hope of bringing the union into "the mainstream of honest unionism."

Manhattan Federal Judge David Edelstein put his signature on the 33-page document after getting both sides to agree to several minor changes.

The agreement provides for the first secret-ballot election of national officers by the rank and file, and the appointment of three independent officials to dig out possible corruption. The officers have until now been chosen by delegates.

The settlement was reached over the weekend, averting a trial of top Teamster officials on civil **racketeering** charges involving collusion with organized crime.

—Alex Michelini

Rivals hit absent Ed at forum

By **FRANK LOMBARDI**
and **BOB KAPPSTATER**
Daily News Staff Writers

An absent Mayor Koch was blasted last night by several of his mayoral rivals for having allowed corruption to thrive under his administration.

At a forum that sounded the opening bell of what is likely to be a no-holds-barred campaign, Koch was taken to task for having ignored early warnings about widespread municipal corruption and for having selected officials who later figured in the scandals that marred his third term.

"The blame is his," said Manhattan Borough President David Dinkins, an announced candidate for the Democratic nomination. "Whether we characterize him as a dupe or a victim, whatever, the blame is his. . . . He selected those persons."

Dinkins made his remarks before an audience of more than 300 at a forum sponsored by the Democracy Project at the Ethical Culture Society, 2 W. 64th St.

City Controller Harrison Goldin, another of Koch's Democratic rivals, was asked by host Mark Green if Koch had been "an accomplice or victim" of the corruption unearthed in his administration.

Goldin said he had warned Koch years ago "about systemic corruption in the Department of Transportation."

Goldin added: "He refused to act, refused to do anything about it. I'm not sure how to characterize such inaction, such indifference, such cynicism. I know what the result is, a body politic that is poisoned."

Koch was invited to participate in

Ravitch lets 'er rip



RICHARD RAVITCH at forum last night. **CARMINE DONOFRIO** DAILY NEWS

Democratic mayoral aspirant Richard Ravitch said yesterday that, as mayor, he would seek legislation in Albany to override obstinate community opposition to housing for the homeless.

Asserting that the problem demands that something be done dramatically and quickly, Ravitch said he would earmark at least \$500 million for creating housing for the homeless.

He added that if communities held up needed shelters — or other often-unpopular facilities such as jails and treatment centers for drug addicts or AIDS patients — he would go to Albany "and get a law passed" to expedite matters, much as the city can now do under a new state law covering school construction.

Ravitch, 55, former head of the Metropolitan Transportation Authority and former chairman of the city Charter Revision Commission, made his comments in an interview with editors and reporters of the Daily News. —Frank Lombardi

the forum, but declined, as did former U.S. Attorney Rudolph Giuliani and cosmetics heir Ronald Lauder, who are expected to square off in the Republican primary.

Also speaking at the candidates' forum were former Metropolitan Trans-

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Herb London running for mayor.
Inside Politics column.

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portation Authority head Richard Ravitch, and two little-known conservatives, Republican hopeful Herb London and Right-to-Life Party nominee Henry Hughes.

Besides corruption, the burgeoning population of the homeless and the failure of local government to deal effectively with drug abuse, crime and worsening public schools were all

laid at the door of the man who has run the city for the past 11 years.

Ravitch quoted the mayor's classic greeting, "How'm I doin'?" and answered, "We're doing lousy."

All the candidates said they would increase treatment programs for drug addicts, improve public schools, build more affordable housing and try to get the homeless off the streets and out of shelters.

Dinkins, noting that most felons test positive for drug use, stated his frustration with a system that spends \$45,000 annually on each inmate in prison when drug treatment programs cost only \$12,000 to \$15,000 per person for a year.

Asked whether he would replace Police Commissioner Benjamin Ward, Ravitch at first declined to comment on his potential appointees, but then said: "My best guess is I would seek a whole new set of public officials."

Bess 'n' Andy are free of \$5M suit

Nancy Capasso has dropped a \$5 million lawsuit against her ex-husband and Bess Myerson, the former Miss America who stole him away.

The suit, filed in Manhattan Federal Court just before the start of the criminal divorce-fixing trial of Carl



Nancy Capasso

(Andy) Capasso, Myerson and Judge Hortense Gabel, had charged that Nancy Capasso was cheated out of a "substantial amount of money" because of the alleged criminal scheme.

The three were acquitted of the charges three months ago, and Nancy Capasso said last night it would not be worthwhile to pursue the suit. She still has a \$6 million suit, involving "equitable distribution of property," that is pending against her ex-husband. He is now serving a prison term for federal tax evasion.

As for her life now, she said, "Everything is just fine."

—Bob Kappstatter