

Rev. Al's mystery man was a soldier in mob

By GREG B. SMITH
DAILY NEWS STAFF WRITER

On the bombshell FBI video that shows the Rev. Al Sharpton discussing a cocaine buy, he keeps insisting he has to run the deal past "him" — a shadowy figure behind the scenes.

That figure was Daniel Pagano, a soldier in the Genovese crime family with links to the record industry and a longstanding relationship with Sharpton, the Daily News has learned.

Two sources familiar with the FBI's 1983 investigation of corruption in boxing that caught Sharpton on tape identified Pagano as the mystery man to whom Sharpton was referring.

One of the sources, who is in law enforcement, said Pagano was well-known as a gangster at the time.

In an interview and in past statements, Sharpton has insisted he did not know at the time of the meeting that Pagano was a member of the Genovese Mafia family.

"I told the FBI years ago I didn't know [Pagano] was a gangster," Sharpton told The News yesterday.

DAILY NEWS
EXCLUSIVE

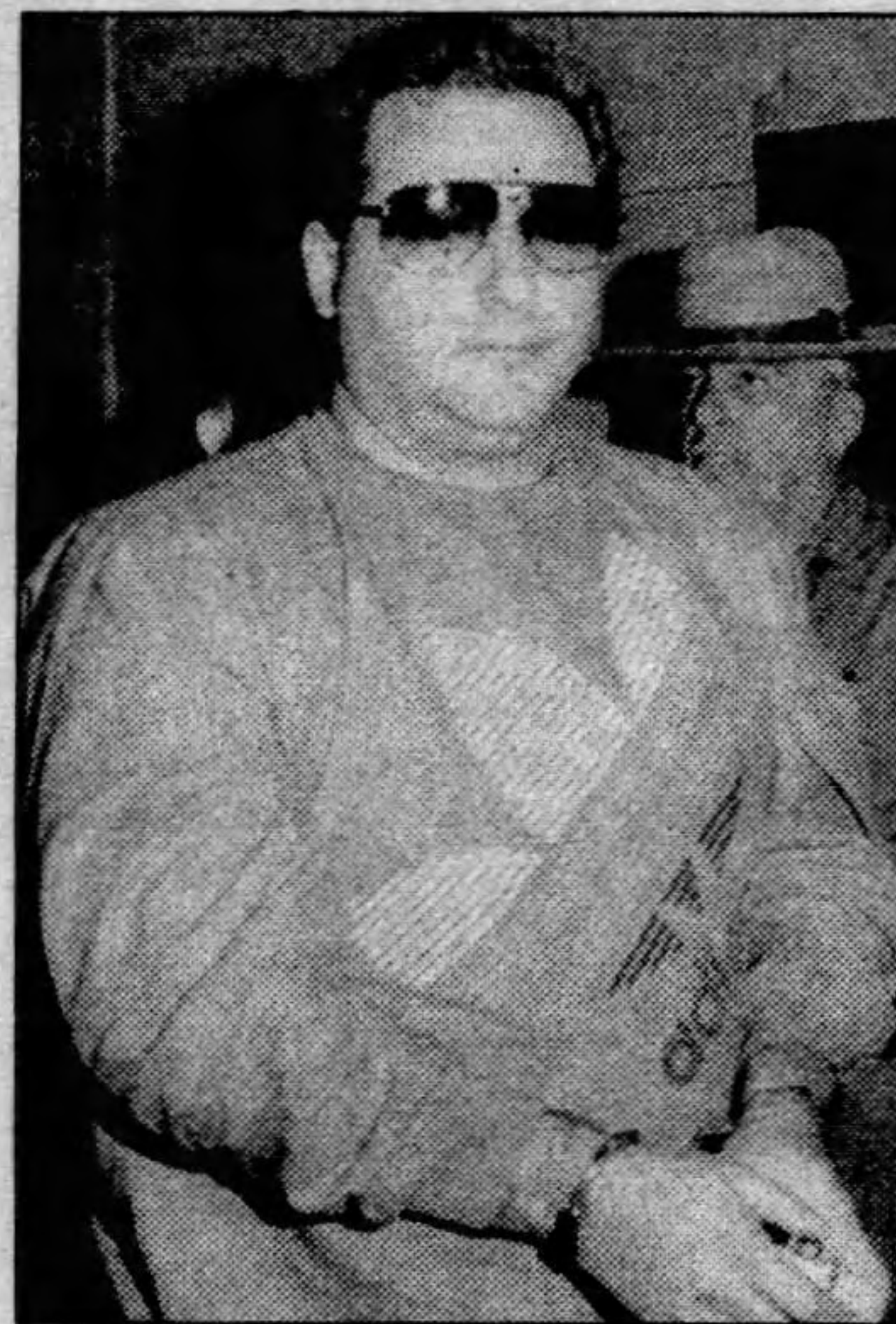
The surveillance tape was made in March 1983, as Sharpton — wearing a cowboy hat — sat in the office of Victor Quintana, an undercover FBI agent posing as a drug dealer.

Discussing details

Quintana and Sharpton discuss the sale of an unknown quantity of "99% pure" cocaine. As they talk, Sharpton refers to the unidentified "him."

"What I want to do is mention it to him, see what he wants to do, then put you together and let's go," Sharpton says after Quintana asks, "So say how much?"

The source added that the discussion about drugs took place



CHARLES ARRIGO

AL'S PAL? Daniel Pagano is led into court in 1989.

because the FBI "had heard from somebody Danny was looking for cocaine."

Sharpton was there representing Pagano, the source said.

At the time, Pagano owned Third World Records in Manhat-

tan. Two of Sharpton's associates — including a member of his now-defunct group, National Youth Movement — were Third World employees.

Six years after Sharpton's drug discussion was captured on tape, Pagano was indicted by a Rockland County grand jury on racketeering charges.

In the 1989 indictment, he was identified as a Genovese crime family soldier and charged with running the family's Westchester and Rockland loansharking, extortion, and gambling operations. He also was charged with using a bank account of the National Youth Movement to launder mob money.

At the time, officials declined to comment on Sharpton's knowledge of the allegations in that charge.

That's because, law enforcement sources said, some of the information he provided to the FBI was useful in the indictment.

Pagano was convicted and sentenced to one to four years in prison. He could not be reached for comment yesterday.

Sharpton sues HBO for slander

By HELEN PETERSON
DAILY NEWS STAFF WRITER

The Rev. Al Sharpton filed a \$1 billion lawsuit yesterday against HBO over its decision to broadcast a 19-year-old drug-taping tape starring the controversial activist.

Still raging over the bombshell tape, Sharpton accused HBO of defamation, libel and slander for failing to air another tape that he says exonerates him.

"I will not bend or bow or buckle to a smear campaign," Sharpton said.

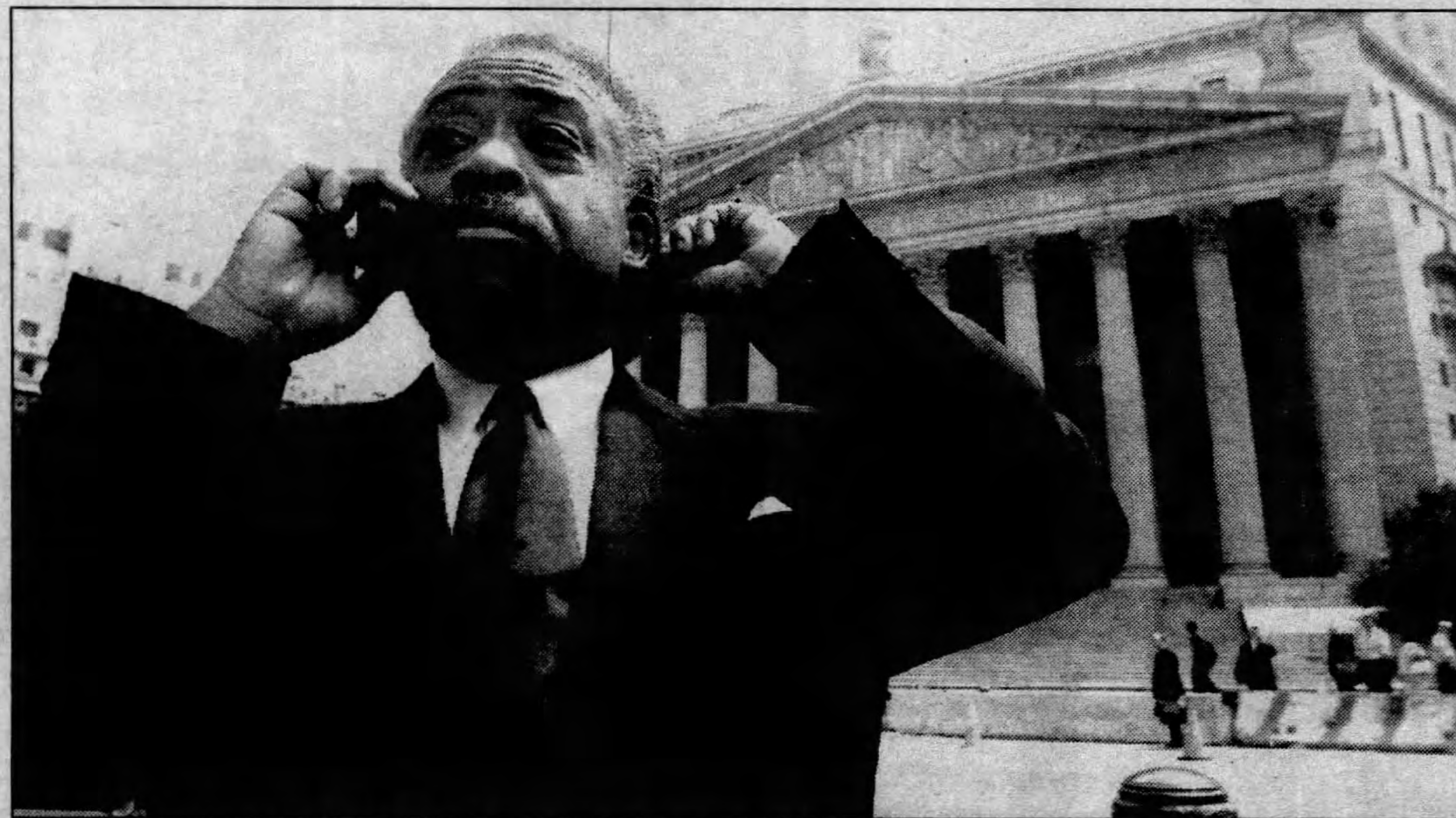
His lawyers filed the two-page summons in Manhattan Supreme Court, charging the tape offers a "distorted" picture of Sharpton's dealings with the feds during a probe into boxing promoter Don King.

HBO rejected the claim as "unworthy of comment."

"We asked Mr. Sharpton for his response and we showed his position," said HBO spokesman Raymond Stallone. "Viewers can judge for themselves."

Stallone added that HBO knows nothing about a second video and would "welcome the chance to see it."

The 1983 videotape shows Sharpton meeting with an undercover FBI agent posing as a drug



MIKE ALBANS DAILY NEWS

\$1B LAWSUIT The Rev. Al Sharpton outside Manhattan Supreme Court yesterday.

kingpin. It aired Tuesday on HBO's "Real Sports with Bryant Gumbel."

Sharpton said the tape won't derail his presidential hopes and questioned why HBO ran a story based on accusations by former Mafia capo Michael Franzese. "There [was an] attempt to sanitize a mobster and criminalize a civil rights activist," he charged.

Sharpton's lawyer, Michael Hardy, said HBO's decision "to run an incomplete and edited tape unfairly puts Rev. Sharpton in a false light, thereby actually defaming him with malice and a gross irresponsibility."

The suit also names "Real Sports," AOL Time Warner, re-

porter Bernard Goldberg and Franzese.

In 1998, Sharpton lost a defamation suit brought by Steven Pagones, whom Sharpton accused of raping Tawana Brawley. Sharpton was ordered to pay Pagones \$65,000. A group of black businessmen finished paying off the judgment for Sharpton last year.

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New York

Evening: 506 Win Four: 0084
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Pick 10:
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35-39-44-45-59-60-69-70-76-77
Take 5: 2-19-27-31-39
Lotto: 18-19-25-42-52-56
Bonus: 29
Tuesday's Mega Millions:
10-12-29-32-38
Mega Ball: 7

New Jersey

Pick 3: 240 Pays \$251
Box: \$41.50 Pairs: \$25
Pick Four: 5620
Pays \$3,315.50 Box: \$138
Cash 5: 3-9-18-35-38

Connecticut

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