

Testimony Indicates Hughes

1971

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BY WALLACE TURNER

LOS ANGELES, Sept. 30

... testimony and ...
 ... in file ...
 ... court case here ...
 ... Hughes, the ...
 ... as a man who ...
 ... hundreds of thousands ...
 ... to politicians, including ...
 ... resident Nixon, in a relentless ...
 ... for political influence ...
 ... The main narrative ...
 ... on sworn testimony in depositions ...
 ... of Robert A. Mahon, a ...
 ... time Hughes employe, who ...
 ... sued the Hughes interests ...
 ... \$17.4 million in a libel action, ...
 ... scheduled to go to trial ...
 ... Oct. 23.

Mr. Mahon alleges that his reputation was damaged when Mr. Hughes said in a telephone conference that his former aide had "stole the blind." Mr. Mahon is the defendant in a countersuit that asks \$4,458,474 in the allegation that he mismanaged Mr. Hughes's property and misused his position.

The Nixon contributions have been written about in fragments of unattributed details over the last two years. Not until Mr. Mahon's account has there been a description given of any participants to the transaction.

Move to Bahamas

A tape recording of what is said to be a telephone call between Mr. Hughes and Mr. Mahon in early 1973 is in the possession of evidence in the case. Mr. Hughes tells the person identified as Mr. Mahon to go to a possible home in the Bahamas. Mr. Mahon says he would expect to be in the Bahamas government office.

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Mr. Mahon said he was told that Mr. Danner had made the delivery in June 1969 to Mr. Rebozo at San Clemente, Calif., where Mr. Nixon had bought a home a few months earlier. Mr. Rebozo subsequently was to help finance the purchase by taking a part in

shattered view in each portation.

Most of Mr. Mahon's testimony is in the form of a deposition taken from him in 1969. It is a record of accounts under oath outside the presence of the two opposing parties. The evidence that can be presented and that is in the possession of the court is what was in the deposition.

Mr. Mahon's testimony is the most complete record of the reported delivery of \$100,000 from Mr. Hughes to Mr. Rebozo, the friend of President Nixon. The money was given to Mr. Rebozo by Mr. Mahon, according to the deposition.

Mr. Mahon said that the money had been delivered in two batches. No evidence was given that anyone saw Mr. Nixon during either delivery.

Friend of Rebozo

Mr. Mahon said that, after failing to deliver the money himself, he arranged to have the first \$50,000 from a Hughes bank account, delivered by Richard Danner, who had been hired by the Hughes organization in February, 1969.

A main reason for hiring Mr. Danner was that his friendship with Mr. Rebozo would give Mr. Hughes access to the President's close friend, Mr. Mahon.

Mr. Danner had been a member of the Federal Bureau of Investigation and later a City Year program volunteer. He told Mr. Mahon that he would expect to be in the Bahamas government office.

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interest in some of the land that Mr. Nixon wanted to sell.

Mr. Mahon testified that he was present for the delivery of the money to Mr. Rebozo, which he said took place in Mr. Rebozo's home at San Clemente, Calif., in the presence of President's attorney Mr. Danner. Mr. Mahon did not describe the meeting, which he said was in early 1970, nor did he identify any of the conversation.

But he did, at several points in his testimony, say that the money was meant for Mr. Nixon to receive the money. He was not asked how he knew this.

Gifts to Politicians

Mr. Mahon testified that, for 13 years, from 1957 until Mr. Rebozo replaced him in 1970, among his other duties he supervised distribution of Hughes gifts to political figures. He said he did not want to talk about this and stated that he had religiously protected Howard Hughes and the Hughes Tool Company relative to political contributions. However, he did discuss later in his deposition the details of such contributions.

His testimony in the deposition was elicited by Mr. Hughes's lawyers, and they did not ask him why Mr. Hughes would give \$100,000 in cash to Mr. Rebozo to give to President Nixon.

Some details were discussed in testimony in ways that indicated they may have had a bearing on the gift.

In 1963, the Department of Justice Anti-Trust Division warned Mr. Hughes not to do more cashing than the five he then had. The division warned that it would proceed against a concentration of casino ownership in his hands.

In 1969, Mr. Hughes told Mr. Mahon to begin negotiations toward buying the Dunes Hotel.

Mr. Mahon said that Mr. Hughes had told him to send

Sought Political Influence With

OCT 1 1973



Robert A. Maheu, former associate of Howard Hughes

Mr. Maheu in Washington to see Attorney General John N. Mitchell was a request from Mr. Hughes. The request was not described.

Mr. Maheu said that when Mr. Danner returned from Washington, "certain political obligations had to be met as a result of the trip."

Mr. Maheu said he had told Tom Bell, a Las Vegas lawyer employed by Mr. Hughes, to give Mr. Danner \$50,000 from the funds of the Silver Slipper, a Hughes casino, "for delivery to Mr. Babe Rebzo in Key Biscayne, Fla." Mr. Maheu went along to observe the exchange negotiations. End

Mr. Hughes never bought the Duane Hotel, Sidney Wyman, one of the fund-raising committees in his deposition that the operations copied forward and students stopped, but he did not explain why.

At several points in the depositions, witnesses indicated that Internal Revenue Service agents had questioned Mr. Maheu, Mr. Danner and probably Mr. Rebzo as they studied the passage of the \$100,000 from Mr. Hughes to Mr. Rebzo.

Mr. Maheu also told of personally delivering \$50,000 in

cash to Vice President Hubert H. Humphrey. This occurred as the two men sat alone in the back seat of Mr. Humphrey's limousine in front of the Century Plaza Hotel in Los Angeles in the autumn of 1968.

"I have no reason to believe that Senator Humphrey will deny having received the money," Mr. Maheu testified. He also said that in 1968 Mr. Hughes wanted to give \$25,000 to Robert F. Kennedy's Presidential campaign.

When Senator Kennedy was assassinated, Mr. Maheu said he had asked Pierre Salinger, who had been President John F. Kennedy's press secretary, for advice on passing the money on. At Mr. Salinger's suggestion, Mr. Maheu said he gave the \$25,000 to Lawrence F. O'Brien, the Democratic national chairman, who was a friend of the Kennedy family.

Mr. Maheu told every detail that painted Mr. Hughes as a hungry for political power and protection, such as the following:

"One time in 1962 I showed Mr. [Raymond M.] Holliday, then chief executive of Hughes Tool, a handwritten memorandum from Mr. Hughes wherein

Mr. Hughes was asking me to make a million-dollar payoff to a president of the United States. Mr. Holliday dropped the yellow sheet of paper to the floor and requested of me whether or not his fingers could be taken off the pieces of paper."

"A conversation with Mr. Bell, the Las Vegas lawyer for Mr. Hughes, and distributor of Hughes political money in that state. 'I clearly recall explaining to Mr. Bell the desire of Howard Hughes to own the state of Nevada, to own the judges in Nevada, to own all the officials of Nevada.'"

While these statements may be considered as those of one litigant against his opponent, the court files also contain the tape recording of what is said to be the telephone conversation in which Mr. Hughes gave Mr. Maheu instructions to "wrap up" the Government of the Bahamas and make itaptive to Mr. Hughes's desires.

The recording is one of five that turned up in the possession of Peter Maheu, Robert's son, who once was his father's assistant in managing the Hughes Nevada properties and now is a policeman in Tucson, Ariz.

The tape recording of the Maheu-Hughes telephone conversation in early 1970 was identified by Mr. Maheu in his deposition session of July 4.

Plans for Casinos

In a rambling conversation, the two men discussed Mr. Hughes's tentative plans to acquire gambling casinos in the Bahamas and perhaps Puerto Rico. Mr. Hughes expressed opposition to having gambling legalized in Miami.

Mr. Hughes said it would be wise to watch out for some physical assault against him and observed that Benjamin O'Neal might try to exploit the question of his personal safety.

During the time that Robert Maheu managed the Hughes properties, he never saw Mr. Hughes. They communicated by telephone — Mr. Hughes from his apartment over the Desert Inn hotel, and Mr. Maheu from

Huge Campaign Gifts

various parts around the country. They also communicated by memorandums. Copies of some of these have been duplicated and are in the hands of many persons.

In addition to the \$100,000 cash gift said to have been sent through Mr. Rebozo, Mr. Maheu described a \$50,000 donation in the form of 10 checks of \$5,000 each to the Nixon campaign fund in 1968. He said that Mr. Hughes made a similar \$50,000 contribution to the Humphrey campaign. Both of these donations by check were made through the established campaign fund organizations.

Mr. Maheu testified that the money for most of the Nevada contributions—such as \$50,000 to Senator Alan Bible's reelection in 1968, and \$70,000 to Senator Howard Cannon's 1970 campaign—came from the Silver Slipper Casino to Mr. Bell. The money came from the

Silver Slipper because Mr. Hughes owned it in his own name, instead of through his complex of wholly owned companies, and this made some difference in the tax results of the donations, Mr. Maheu explained.

Mr. Maheu also said that he did not always do what Mr. Hughes ordered in spreading around money.

Mr. Maheu testified that on one occasion, either in Los Angeles or Las Vegas, he had complained about Mr. Hughes's behavior to Frank W. Gay, a chief lieutenant of Mr. Hughes.

"I told Mr. Gay that I was very much concerned about the attempts that Howard Hughes made in asking me to make big payoffs to Presidents of the United States," Mr. Maheu testified.

He indicated that he had not carried out Mr. Hughes' purported instructions.