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Mr. Nixon and the Hughes Connection

Somehow, despite a long, embarrassing and ambivalent relationship, President Nixon doesn't quite seem able to break the Howard Hughes connection. The latest revelations about that relationship raise some difficult questions. But the essential facts are clear enough. Richard G. Danner, an operator of one of Howard Hughes' gambling enterprises in Nevada made, on Mr. Hughes' behalf, two deliveries of cash to Charles G. Rebozo, one in 1969 and the other in 1970. Each parcel of cash contained \$50,000. The first delivery was made at Key Biscayne, Fla., and the second was made at San Clemente, Calif. Robert A. Maheu, Mr. Hughes' former chief of staff in Nevada, has testified under oath that Mr. Rebozo had been "chosen by Mr. Nixon" to receive the money which had been "earmarked" for the President.

Mr. Rebozo has told investigators for the Senate Watergate Committee that the money was intended as a campaign contribution. He also says that he kept it in safety deposit boxes in Florida for a number of years and that he kept with it a directive—since destroyed—that in case of his death, the money was to be considered as a campaign contribution. Finally he is reported to have told investigators that he refunded the money a few months ago because keeping it might become an embarrassment.

In order to put a little perspective on the matter, it would be useful to track back a bit on the Nixon-Hughes relationship and on Mr. Hughes' record in politics. First, there was the famous Hughes' loan to Donald Nixon, brother of the then Vice President, in 1956 to save Nixon's, Inc., a business enterprise run by Donald Nixon. The loan was for \$205,000 and was secured by a family-owned lot at 10 Whittier Boulevard in Whittier, Calif., which was assessed at \$13,000. As far as anyone knows, the loan was never repaid. Noah Dietrich, a former Hughes' executive, told syndicated columnist Jack Anderson that at the time, he tried to persuade Richard Nixon not to allow his brother to accept the loan because "too many people know." According to Mr. Dietrich, Mr. Nixon replied, "Noah, I have to consider my family ahead of my political career." In this connection, it may be instructive to recall that last month, The Washington Post reported that President Nixon had authorized the Secret Service's Technical Security Division to tap Donald Nixon's telephone for more than a year during the President's first term. The time coincides with the period when Mr. Rebozo was holding the \$100,000 in his safety deposit boxes. One of the reasons given for the placement of the tap on Donald Nixon's phone was the possibility of embarrassment about Donald Nixon's financial activities, particularly his involvement with Mr. Hughes' financial empire.

However much embarrassment Messrs. Nixon and Rebozo may have anticipated about the Hughes' contacts, Mr. Hughes himself has never been too embarrassed to use the resources of his empire for political purposes. His efforts are non-partisan presumably because his interest runs not to party or ideology but to results. In 1968, according to Mr. Maheu, while Mr.

Hughes was anticipating a Nixon victory "under our sponsorship and supervision every inch of the way," Mr. Maheu slipped \$50,000 in currency to then Vice President Humphrey in his limousine outside the Century Plaza Hotel in Los Angeles just after a campaign speech. Mr. Hughes' interest in the then Vice President stemmed from a large desire to enlist Mr. Humphrey's aid in ending atomic testing in Nevada.

Mr. Hughes' ambitions are not limited simply to specific interests or to individual politicians. In these matters, he apparently thinks in terms of whole states and governments. Mr. Maheu has testified that he once relayed to another Hughes' functionary Mr. Hughes' desire "to own all the officials in Nevada." On another occasion, when he was considering his move to the Bahamas, a voice on a tape, identified by Mr. Maheu as that of Mr. Hughes, said, "If we make this move I would expect you to wrap up that government down there to the point where it will be—well, a captive entity in every way."

In view of Mr. Hughes' acquisitive instincts, the \$100,000 which Mr. Rebozo received is of extraordinary interest. We know a few things about it. During Mr. Nixon's first term, Mr. Hughes had some business dealings in which a favorable decision by the administration was indispensable. The first was approval of Mr. Hughes' acquisition of Air West in 1969, the year of the delivery of the first \$50,000. It was approved.

The second came in 1970, the year of the second delivery of \$50,000. Attorney General John N. Mitchell reversed the Antitrust Division's opposition to Mr. Hughes' acquisition of a Nevada gambling casino. Mr. Danner, the delivery man for the money, made three trips to Washington that year to see Mr. Mitchell, according to Mr. Maheu, and certain "political obligations had to be met as the result" of one of these trips. Mr. Danner alleges that Mr. Mitchell never knew of the delivery of the money and, for other reasons, the Hughes acquisition of the gambling casino fell through.

Nevertheless, questions about the cash remain. Mr. Rebozo, whatever his other attributes, has no public distinction other than as Mr. Nixon's close friend and confidant. Why were the payments made to him rather than to the Republican National Committee or even to Herbert Kalmbach and the other trustees of the Nixon 1968 leftover campaign funds if indeed the money was intended as a campaign contribution? Why, if this was campaign money, was it delivered in 1969 and 1970? Why did Mr. Rebozo keep the money in his safety deposit boxes when the presidential campaign finally did roll around? What did Mr. Hughes, ever a trader, think he was buying and from whom?

So far, all we've heard from the White House is the statement of Gerald Warren, deputy press secretary, that Mr. Nixon "personally" got none of the money. But one of his best friends had it for almost three years. Considering everything we have learned about money and politics this year, neither Mr. Warren's explanation nor Mr. Rebozo's will do.