Burglars sought tie to Hughes

WASHINGTON — Senate investigators have come up with a theory that may explain the greatest Watergate mystery of them all.

What did the White House burglars hope to find that would justify breaking into Watergate office-apartment complex? Why would they take such foolish risks to burglarize and bug the offices of a Democratic Party factotum like Larry O'Brien?

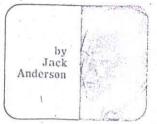
The key to the puzzle, the Senate investigators feel sure, was the celebrated \$205,000 that billionaire industrialist Howard Hughes loaned to President Nixon's brother Don on Dec. 10, 1956. The loan, secured by a \$13,000 family lot that no bank would have accepted as security for a loan of that size, was never repaid.

WE LEARNED about this curious transaction in 1960. Our disclosure coincided with Richard Nixon's first campaign for the Presidency. He complained afterward that the loan story had helped to defeat him. Two years later, the \$205,000 loan became the biggest issue in his inglorious defeat for governor of California.

After his political comeback and triumphant takeover of the White House, Mr. Nixon remained so sensitive about Howard Hughes that he had his own brother bugged and followed in 1969. Don Nixon, an amiable but bumbling wheeler-dealer, was consorting too openly with Hughes aides John Meier and Tony Hatsis.

Yet at the same time, in the deepest secrecy, the President's bosom friend Bebe Rebozo was arranging to receive a \$100,000 cash contribution from Hughes. Subsequently, two \$50,000 consignments for President Nixon were delivered at San Clemente and Key Biscayne by Hughes' emissary Richard Danner.

We dug out and published the story of the secret \$100,000 gift on Aug. 6, 1971. Our story, according to Senate investigators, caused panic in-



side the White House.

WE WERE MARKED for investigation by undercovermen G. Gordon Liddy and E. Howard Hunt. Their mission was to plug news leaks, an assignment that earned them the nickname the "plumbers." My name was posted prominently on a wallboard in their basement sanctum to inspire the occupants on against the foe.

Meanwhile, Las Vegas publisher Hank Greenspun in September, 1971, mentioned to White House aide Herb Klein that the \$100,000 Hughes gift "may have later been used in the purchase of San Clemente."

In a confidential memo, the Senate investigators report: "In October, 1971, Herb Kalmbach (the President's personal attorney) in instructions of John Ehrlichman visited Greenspun in Las Vegas and discussed both the \$100,000 con-

tribution and any information that Greenspun may have had on Donald Nixon's relationships to Johnny Meier. Kalmbach denied to Greenspun that any campaign contribution went to San Clemente.

The same sensitive report also disclosed that a tax audit of Larry O'Brien had uncovered a close relationship with the Hughes organization. "Ehrlichman has admitted discussing these matters with the President," the memo adds' tersely.

THE SENATE investigators now believe the White House

was highly alarmed over the possibility that O'Brien, through his relationship with the Hughes crowd, might get for the Democrats confirmation of our story about the delivery of \$100,000 in cash for the President.

It's known that White House staff chief H. R. Haldeman ordered counsel John Dean and security man Jack Caulfield to find out how close O'Brien was to the Hughes organization. About the same time, the "plumbers" began making plans to break into the Watergate and bug O'Brien's office.

On February 3, 1972, the

New York Times reported that Hughes' private memos were stashed in Greenspun's safe in Las Vegas. The following day, Liddy presented to his superiors the final plans for breaking into O'Brien's Watergate offices.

According to the sworn testimony, Liddy also was instructed to "review the situation to see if there would be potential . . . for an entry into Mr. Greenspun's office."

LIDDY WENT ahead with plans to break into the Watergate and also to loot Greenspun's safe, thence to make a getaway flight to Mexico in a plane to be provided by Hughes.

It was to cover up the

Hughes-Nixon connection, the investigators strongly believe, that the Watergate crimes were conceived.