

# President Hands Over

## Nixon Debated Paying

## Backmail, Clemency

### Keep Cap on Bottle? Dean Warned of Furor

By Bob Woodward and Carl Bernstein

Washington Post Staff Writers

President Nixon, during a lengthy meeting in the Oval Office on March 21, 1973, told White House counsel John W. Dean III that "you have no choice but to come up with the \$120,000" demanded as blackmail payment by one of the Watergate burglars, according to an edited transcript of the meeting.

The transcript reveals that Mr. Nixon, on his own initiative, discussed accommodating blackmail demands on at least a half-dozen occasions during the meeting without once suggesting that paying the men for their silence would be wrong.

Instead, the transcript reveals, Mr. Nixon repeatedly discussed different methods by which as much as \$1 million could be paid to the burglars without the payments being traced to the White House. The purpose of such payments, in the President's own words, would be "to keep the cap on the bottle," to "buy time," to "tough it through."

"How much money do you need?" the President asked Dean early in the March 21 conversation, according to the transcript.

"I would say these people are going to cost a million dollars over the next two years," Dean replied.

See MEETING, A23, Col. 1

By Lawrence Meyer

Washington Post Staff Writer

President Nixon raised the question of executive clemency for the original seven Watergate defendants during a conversation with White House counsel John W. Dean III on Feb. 28, 1973, according to edited transcripts of presidential conversations released yesterday by the White House.

"Do they expect clemency in a reasonable time?" Mr. Nixon asked Dean. "What would you advise on that?"

Dean replied that clemency "is one of those things we will have to watch closely."

Mr. Nixon responded, "You couldn't do it, say, in six months."

"No, you couldn't," Dean replied. "This thing may become so political as a result of these hearings (the Watergate trial) that it is a vendetta."

Mr. Nixon has said publicly that he ruled out clemency for the Watergate defendants and instructed his aides not to discuss the matter. He has never said whether he himself discussed the possibility of granting clemency.

The discussion of clemency by Mr. Nixon and Dean came in one of a series of meetings that the two men held in late 1972 and early 1973 as they attempted to come to grips with the problem of dealing

See DEAN, A23, Col. 1



Dean: "We have a cancer within, close to the presidency, that is growing. It is growing daily. It's compounded, growing geometrically now, because it compounds itself . . ."

Nixon: "... You could get a million dollars. You could get it in cash. I know where it could be gotten . . . But the question is who the hell would handle it? Any ideas on that?"

# Transcripts

## DEAN, From A1

publicly with the Watergate affair. The edited transcripts of many of these conversations were among the 1254 pages of transcripts released yesterday.

The transcripts lift the curtain on meetings from September, 1972, through April, 1973, at which the two men—the President of the United States and his official White House lawyer—talked informally, with mutual familiarity and apparently using salty language about the problems posed for the White House by the sentencing of the seven Watergate burglary defendants and the rapidly approaching Senate select Watergate committee hearings.

Dean has testified under oath that throughout this period he was attempting to get the President to “get out in front” and take the lead in making public the Watergate affair. Dean has testified that Mr. Nixon was aware of the Watergate cover-up as early as Sept. 15, 1972 when he had his first conversation with Mr. Nixon about Watergate.

Mr. Nixon has claimed that he wanted the full story of Watergate told, that he struggled to have it made public and that he knew nothing of the cover-up until Dean told him about it in detail on March 21, 1973.

The transcripts, edited by the White House before they were released yesterday, present a third version, however, one that simultaneously substantiates and refutes significant portions of both the Dean and Nixon accounting of what the two men said to each other.

A White House summary accompanying the transcripts and preceding it states that Dean had threatened on April 27—three days before President Nixon fired Dean—through his lawyers that unless Dean received

immunity from prosecution, “We will bring the President in—not in this case but in other things.”

The summary quotes Mr. Nixon telling Assistant Attorney General Henry E. Petersen, who conveyed the message of Dean’s alleged threat, “All right. We have got the immunity problem resolved. Do it, Dean, if you need to, but boy, I am telling you—there ain’t going to be any blackmail.”

In addition to showing that Mr. Nixon raised the issue of clemency Feb. 28, 1973, the transcripts also show that the President was told by Dean on March 13, 1973, that Gordon Strachan, an aide to White House chief of staff H. R. (Bob) Haldeman, knew about the Watergate affair prior to June 17, 1972, when the Watergate break-in occurred.

“Well, then,” President Nixon commented when Dean told him about Strachan, “he probably told Bob (Haldeman). He may not have.”

Dean assured Mr. Nixon that Strachan “is as tough as nails. He can go in and stonewall, and say, ‘I don’t know anything about what you are talking about.’ He has already done it twice you know, in interviews.”

“I guess he should, shouldn’t he?” President Nixon replied. “I suppose we can’t call that justice, can we?”

Strachan is presently under indictment, along with Haldeman and five other former White House and Nixon campaign officials on charges of conspiracy to obstruct justice and making false statements to a federal grand jury, charges stemming from the Watergate cover-up.

Dean also told Mr. Nixon that deputy Nixon campaign manager Jeb Stuart Magruder also knew about the Watergate break-in. “Oh, I see,” Mr. Nixon said. “The other weak link for Bob (Haldeman) is Magruder.”

Mr. Nixon also was told by Dean on March 13, 1973, that former Attorney General John N. Mitchell and special presidential counsel Charles W. Colson also

could be involved in the Watergate affair.

The edited transcripts do not substantiate Dean’s testimony before the Senate select Watergate committee, however, that he told Mr. Nixon on Sept. 15, 1972—the day the original Watergate indictments were returned—“that all that I had been able to do was to contain the case and assist in keeping it out of the White House. I also told him that there was a long way to go before this matter would end and that I certainly could make no assurances that the day would not come when this matter would start to unravel.”

In fact, the transcript shows Dean telling Mr. Nixon:

“Three months ago I would have had trouble predicting there would be a day when this would be forgotten, but I think I can say that 54 days from now nothing is going to come crashing down to our surprise.”

“That what?” President Nixon asked.

“Nothing is going to come crashing down to our surprise,” Dean replied.

“Oh, well,” President Nixon responded, “This is a can of worms as you know a lot of this stuff that went on. And the people who worked this way are awfully embarrassed. But the way you have handled all this seems to me has been very skillful, putting your fingers in the leaks that have sprung here and sprung there.”

The summary prepared by the White House to accompany the transcripts explains that this last remark by Mr. Nixon, “was said in the context not of a criminal plot to obstruct justice as Dean alleges, but rather in the context of the politics of the matter, such as civil suits, countersuits, Democratic efforts to exploit Watergate as a political issue and the like . . . This is an example of the possible ambiguities that the President says exists in these tapes that someone with a motive to discredit the President could take out of context and distort to suit his own purposes.”

In other detail, the transcript bears out Dean's version of this meeting, including an extensive discussion on how hearings being proposed by House Banking and Currency Committee Chairman Wright Patman (D-Texas) could be clocked and President Nixon's suggestion that "comprehensive notes on all those who tried to do us in" should be kept. "They were doing this quite deliberately," Mr. Nixon said, "and they are asking for it and they are going to get it."

"We have not used the power in this four years as you know. We have never used it. We have not used the Bureau (FBI) and we have not used the Justice Department, but things are going to change now. And they are either going to do it right or go," Mr. Nixon said.

"What an exciting prospect," Dean replied.

Although President Nixon has said publicly that he wanted the full story of the Watergate affair told publicly after the 1972 election, a conversation with Dean on March 13 indicates that he was at least ambivalent on the point.

"Now the other thing that we have talked about in the past, and I still have the same problem, is to have a 'here it all is' approach," Dean told Mr. Nixon. "If we do that . . ."

"And let it all hang out," Mr. Nixon interrupted.

"And let it all hang out," Dean repeated.

"We have passed that point," Mr. Nixon said.

"Plus the fact, they are not going to believe the truth. That is the incredible thing," Dean said.

"They won't believe the truth," Mr. Nixon said, "and they have committed seven people."

"That's right. They will continually try to say there is (unintelligible)," Dean answered.

One of the ironies of the Watergate affair is illustrated by President Nixon's next remark, speaking as he was in confidence to the man who later became his principal accuser.

"They hope," Mr. Nixon told Dean, "one will say one day, 'Haldeman did it,' and one day one will say I did it."

Beyond what the actual language of the conversations shows about the two men, about their motivations and intentions, the full context of their conversations shows that Dean was not so earnest in trying to convince Mr. Nixon that continuing the cover-up was not only impractical but wrong. At the same time, the conversations show that Mr. Nixon, although expressing surprise at some of Dean's revelations, did not appear bent on revealing the truth whatever the cost.

President Nixon has explained in his discussions about the March 21 meeting that he was exploring options with Dean.

Dean mentioned to Mr. Nixon that Colson had discussed commutation of Watergate conspirator E. Howard Hunt's prison sentence indirectly with Hunt. "All of these things are bad, in what they are problems, they are promises, they are commitments," Dean said. "They are the very sort of thing that the Senate is going to be looking most for. I don't think they can find them, frankly."

"Pretty hard," Mr. Nixon responded.

"Pretty hard. Damn hard. Its all cash," Dean said, referring to money that had been paid to the seven original Watergate defendants.

Dean mentioned to Mr. Nixon that \$1 million would be needed over the next two years to pay the Watergate defendants.

"We could get that," Mr. Nixon responded. "On the money, if you need the money you could get that. You could get a million dollars. You could get it in cash. I know where it could be gotten. It is not easy, but it could be done. But the question is who the hell would handle it? Any ideas on that?"

"That's right," Dean responded. "Well, I think that is something that Mitchell ought to be charged with."

"I would think so too," Mr. Nixon said.

Periodically in the March 21 meeting, Dean returned to his opening theme of a "cancer" threatening Mr. Nixon's presidency. At one point, Dean told Mr. Nixon that presidential aide Egil (Bud) Krogh had committed perjury in testimony before the federal grand jury.

"He might be able to —" Mr. Nixon responded. "I am just trying to think. Perjury is an awful hard rap to prove. If he could just say that I—well, go ahead."

At another point, in discussing the money demands of Hunt and the other defendants, Mr. Nixon said, "Let me put it frankly: I wonder if that doesn't have to be continued? Let me put it this way: Let us suppose that you get the million bucks, and you get the proper way to handle it. You could hold that side?"

"Uh huh," Dean replied. "It would seem to me that would be worthwhile," Mr. Nixon said.

A moment later, after Dean has pointed out that clemency would have to be given and "politically, it's impossible for you to do it," Mr. Nixon agreed, "You can't do it politically until after the '74 elections that's for sure. Your point is that even then you couldn't do it . . . No — it is wrong and that's for sure."

Later, Mr. Nixon expresses concern that "we are going to be bled to death. And in the end, it is going to come out anyway. Then you get the worst of both worlds. We are going to lose, and the people are going to—"

"And look like dopes," interjected Haldeman, who had joined the meeting.

Moments later, despite Mr. Nixon's public statements that he rejected paying money to Hunt, he told Dean:

"That's why for your immediate things you have no choice but to come up with \$120,000, or whatever it is. Right?"

"That's right," Dean agreed.

"Would you agree," Mr. Nixon said, "that that's the prime thing that you damn well better get that done?"

## MEETING, From A1

"We could get that," the President continued. "On the money, if you need the money you could get that. You could get a million dollars. You could get it in cash. I know where it could be gotten. It is not easy, but it could be done. But the question is who the hell would handle it? Any ideas on that?"

In the ensuing discussion, the President went on to suggest that his personal attorney, Herbert W. Kalmbach, could be relied on to raise the money, that payments to the burglars could be made under the cover of a Cuban defense committee and that the facts could be concealed from a grand jury.

The transcript of the March 21, 1973, meeting is part of 1,254 pages of edited transcripts of 46 Presidential conversations about the Watergate affair released yesterday by the White House. Mr. Nixon repeatedly has said that he first learned of the Watergate cover-up and hush money payments at the March 21, 1973, meeting and that he believed payment of hush money would be wrong.

Throughout the conversation as recorded, however, the President returned repeatedly to the joint theme of avoiding "criminal liability" to members of the White House staff at all costs: the desirability of meeting the blackmail demands immediately, and the necessity of expediting another meeting at which his top aides—Dean, John Mitchell, John Ehrlichman and H.R. Haldeman—could "get a decision on it."

Within 12 hours of the Oval Office discussion, Watergate conspirator E. Howard Hunt Jr. received \$75,000 cash—a key element in the conspiracy to obstruct justice indictment returned against seven of the President's men on March 1, 1974.

What transpired at the morning March 21, 1973, meeting of Dean, the President and Haldeman is considered crucial by both Mr. Nixon and his critics to answering whether Mr. Nixon himself was a participant in the alleged conspiracy.

The White House released transcript of the March 21 meeting reveals that the President considered the following basic options for dealing with a deteriorating situation described by Dean as a growing cancer on the Presidency:

- Granting executive clemency to Howard Hunt—"You don't do it politically until after the '74 elections, that's for sure," Mr. Nixon told Dean. When Dean suggested that "it may further

involve you in a way you should not be involved in this," the President replied: "No — it is wrong, that's for sure."

- Granting parole to Hunt, an alternative first suggested by the President. "The only thing we could do with him would be to parole him like the (unintelligible) situation. But you couldn't buy clemency," the President told Dean and Haldeman. Mr. Nixon added: "Parole, in appearance, etc., is something I think in Hunt's case, you could do Hunt, but you couldn't do the others (the other burglars). You understand."

- Convening a new grand jury, which could be controlled by the White House, an alternative first suggested by Dean. During several discussions of the idea, Mr. Nixon noted that such a procedure would offer the protection of the Fifth Amendment for White House witnesses and that "you can say 'I don't remember.' You can say 'I can't recall. I can't give any answer to that that I can recall.'"

- Co-opting Assistant Attorney General Henry E. Petersen, by having him appointed as a special Watergate prosecutor or, alternatively, as Mr. Nixon said: "Why couldn't the President call him in as special counsel to the White House for the purpose of conducting an investigation . . . having him the special counsel to represent us before the Grand Jury?"

- Using a national security argument to prevent any testimony before a grand jury regarding the

White House-sponsored break-in at the office of Daniel Ellsberg's psychiatrist. The object, as described in the meeting with Dean, would be to prevent a grand jury from learning that White House aide Egil (Bud) Krogh had perjured himself earlier when he falsely testified that he had not known the Cuban-Americans who broke into the Watergate (and the psychiatrist's office).

At no point in the 103-minute meeting in the Oval Office did Mr. Nixon suggest that his aides simply testify fully before the then-existing Federal Watergate grand jury, tell the whole truth and accept the consequences.

Instead, he returned to the theme of avoiding "criminal liability" and — far more often than any other alternative — meeting the Watergate burglars' blackmail demands.

"Now let me tell you," the President told Dean and Haldeman at one such juncture.

"We could get the money. There is no problem in that. We can't provide the clemency. Money could be provided. Mitchell could provide the way to deliver it. That could be done. See what I mean?"

At another point in the discussion the President asked Dean:

"What do you think? You don't need a million right away, but you need a million? Is that right?"

Dean: "That is right."

The President: "You need it in cash don't you? I am just thinking out loud here for a moment. Would you put that through the Cuban Committee (through which payments to the Watergate conspirators had been funneled for months).

Dean: "No."

The President: "It is going to be checks, cash money, etc. How if that ever comes out, are you going to handle it? Is the Cuban Committee an obstruction of justice, if they want to help?"

Dean: "Well they have priests in it."

The President: "Would

that give a little bit of cover?"

The edited transcript shows the following interchange near the end of the meeting:

President: "That's why for your immediate thing you have no choice but to come up with the \$120,000, or whatever it is. Right?"

Dean: "That's right."

President: "Would you agree that that's the prime thing that you damn well better get done?"

Dean: "Obviously he (Hunt) ought to be given some signal anyway."

President: "(expletive deleted), get it . . ."

Then the conversation shifted to a discussion about who should talk to Hunt. The President suggested his former special counsel, Charles W. Colson. The transcript makes clear that Colson earlier had discussed clemency for Hunt with Hunt's attorney, William O. Bittman.

In the discussion of how to raise the cover-up payment, the President asked how the money would be delivered.

"You have to wash the money," Dean responded. "You can get a \$100,000 out of a bank, and it all comes in serialized bills."

"I understand," the President said.

Dean continued: "And that means you have to go to (Las) Vegas with it or a bookmaker in New York City. I have all these things after the fact. I will be in great shape for the next time around."

There is next deleted expletive of Haldeman's. The President then said that Kalmbach must have some money which could be used, but he was told by Dean that "Kalmbach doesn't have a cent."

A special \$350,000 cash White House fund then was discussed and Haldeman observed that, "We are so (adjective deleted) square that we get caught at everything." This is an apparent reference to the discovery by the press of secret cash funds controlled by Haldeman and others.

The President then started to make a suggestion and Haldeman said, "Be

careful . . ."

According to testimony later given at the Senate Watergate committee, the President and Haldeman were aware that the Oval Office meeting was being recorded. Dean, however, was not aware of the taping system.

The edited transcript of the meeting helps explain Dean's sworn testimony before the Senate Watergate committee about the President's suggestion that the Cabinet be briefed about Watergate. During his Senate testimony Dean expressed surprise at the President's proposal.

The transcript of the March 21 meeting indicates that the President did not want Dean to tell the Cabinet the truth.

"Still consider my scheme of having you brief the Cabinet," the President said, "just in very general terms and the (congressional) leaders in very general terms and maybe some very general statement with regard to my investigation. Answer questions, basically on the basis of what they (the witnesses) told you, not what you know."

During the last portion of the meeting, the President voiced concern about former Attorney General John N. Mitchell and proposed that Mitchell be praised for containing the Watergate probe.

The President specifically proposed telling Mitchell the following: "No doubt about the right plan before the election. You handled it just right. You contained it. And now after the election we have to have another plan. Because we can't for four years have this thing eating away."

While discussing the proposed meeting with Mitchell on the matter of the cover-up, the President said that "Mitchell has to be there because he is seriously involved and we are trying to keep him with us."

Haldeman then noted that the Watergate case may touch the President. "The erosion here now is going to you, and that is the thing

that we have to turn off at whatever cost. We have to turn it off at the lowest cost we can, but at whatever cost it takes."

"That's what we have to do," Dean responded.

The President then said: "Well, the erosion is inevitably going to come here, apart from anything and all the people saying well the Watergate isn't a major issue. It isn't. But it will be. It's bound to. (Unintelligible) has to go out. Delaying is the great danger to the White House area. We don't, I say that the White House can't do it. Right?"

"Yes, sir," Dean responded and the meeting apparently ended at that point.

The unintelligible part of the conversation may be crucial. If, for example, the President said that the truth "has to go out," then it would be highly favorable to his defense. On the other hand, if he said that the money or the \$120,000 "has to go out," it would be extremely damaging.

At one point in the conversation, the President asked Dean, "What would you go to jail for?"

"The obstruction of justice," Dean answered.

The President seemed puzzled: "The obstruction of justice?"

Even after learning that the Watergate defendants had been paid for their silence and that Hunt was blackmailing the White House, the President said that the obstruction of justice "could be cut off at the pass."

In the discussion of granting clemency to Hunt, the following interchange took place:

Dean: "I am not sure that you will ever be able to deliver on the clemency. It may be just too hot."

President: "You can't do it politically until after the '74 elections, that's for sure. Your point is that even then you couldn't do it."

Dean: "That's right. It may further involve you in a way you should not be involved in this."

President: "No — it is wrong that's for sure."

The President has used that statement in his de-

fense, though the edited transcript indicates that the statement was made in the context of the political ramifications of the 1974 elections, rather than the moral or legal "wrong."

The President then suggested that White House aide Richard A. Moore and Colson not sit in on any such meeting. Mr. Nixon gave no reason to exclude Moore, but said that Colson "talks too much" and is "a name-dropper."

The President also said that he did not worry about the unfavorable publicity that might follow disclosure of the cover-up.

"The point is," the President said, "that I don't want any criminal liabilities. That is the thing that I am concerned about for members of the White House staff, and I would trust for members of the (re-election) committee."

To avoid those "criminal liabilities," the President said that it "means keeping it off" Dean, Kalmbach, Haldeman, Mitchell, and former White House aides Dwight Chapin and Gordon Strachan.

The President then proposed looking at the course of action "to try to cut our losses . . . First it is going to require approximately a million dollars to take care of the jackasses who are in jail. That can be arranged. But you realize that after we are gone (presumably in 1977, when Mr. Nixon's term expires) and assuming we can expend this money they they are going to crack and it would be an unseemly story . . . People won't care, but people are going to be talking about it, there is no question."

The President also proposed that the White House put out the story that the initial payments to the Watergate defendants before the election came from some Cuban defense committee.

"Well, yeah," Dean answered. "We can put it together. That isn't of course quite the way it happened, but—"

"I know," the President said, "but that's the way it is going to have to happen."