

5/6/74 W.P. Post

March 21, 1973: Details of Coverup

Third of a series

The following is an edited transcript of a March 21, 1973, conversation between President Nixon and his counsel, John W. Dean III. About halfway through their meeting, Mr. Nixon and Dean are joined by the White House chief of staff, H.R. (Bob) Haldeman.

The conversation, recorded by hidden microphones in the President's Oval Office, occurred at a time of increasing pressure on the White House by both the U.S. prosecutor and the Senate Watergate committee to cooperate more fully with their investigations.

The transcript has been edited by White House officials to remove matters of obscenities and personal characterizations, the White House announced.

President: Well, sit down, sit down.

Dean: Good morning.

President: Well what is the Dean summary of the day about?

Dean: John caught me on the way out and asked me about why (Acting FBI Director L. Patrick) Gray was holding back on information, if that was under instructions from us. And it was and it wasn't. It was instructions proposed by the Attorney General, consistent with your press conference statement that no further raw data was to be turned over to the full committee. And that was the extent of it. And then Gray, himself, who reached the conclusion that no more information should be turned over, that he had turned over enough. So this again is Pat Gray making decisions on his own on how to handle his hearings. He has been totally (unintelligible) to take any guidance, any instruction. We don't know what he is going to do. He is not going to talk about it. He won't review it, and I don't think he does it to harm you in anyway, sir.

President: No, he is just quite stubborn and also he isn't very smart. You know—

Dean: He is bullheaded.

President: He is smart in his own way but he's got that typical (expletive deleted). This is right and I am going to do it.

Dean: That's why he thinks he is going to be confirmed. He is being his own man. He is being forthright and honest. He feels he has turned over too much and so it is conscious decision that he is harming the Bureau by doing this and so he is not going to.

President: We have to get the boys off the line that this is because the White House told him to do this and everything. And also, as I told

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the transcript of Gray's hearings. Ervin tried to hold Gray back from doing what he was doing at the time he did it. I thought it was very unwise. I don't think that anyone is criticizing your position on it.

President: Let's make a point that raw files, I mean that point should be made that we are standing for the rights of innocent individuals. The American Civil Liberties Union is against it. We are against it. (J. Edgar) Hoover had the tradition, and it will continue to be the tradition. All files are confidential. See if we can't get someone inspired to put that out. Let them see what is in one.

Dean: (expletive deleted) You—

President: Any further word on Sullivan? Is he still—

Dean: Yes, he is going to be over to see me today; this morning someplace, sometime.

President: As soon as you get that, I will be available to talk to you this ternoon. I will be busy until about one o'clock. Anytime you are through I would like to see what it is he has. We've got something but I would like to see what it is.

Dean: The reason that I thought we ought to talk this morning is because in our conversations, I have the impression that you don't know everything that I know and it makes it very difficult for you to make judgments that only you can make on some of these things and I thought that only you can make on some of these things and I thought that...

President: In other words, I have to know why you feel that we shouldn't unravel something?

Dean: Let me give you my overall first.

President: In other words, your judgment as to where it stands, and where we will go.

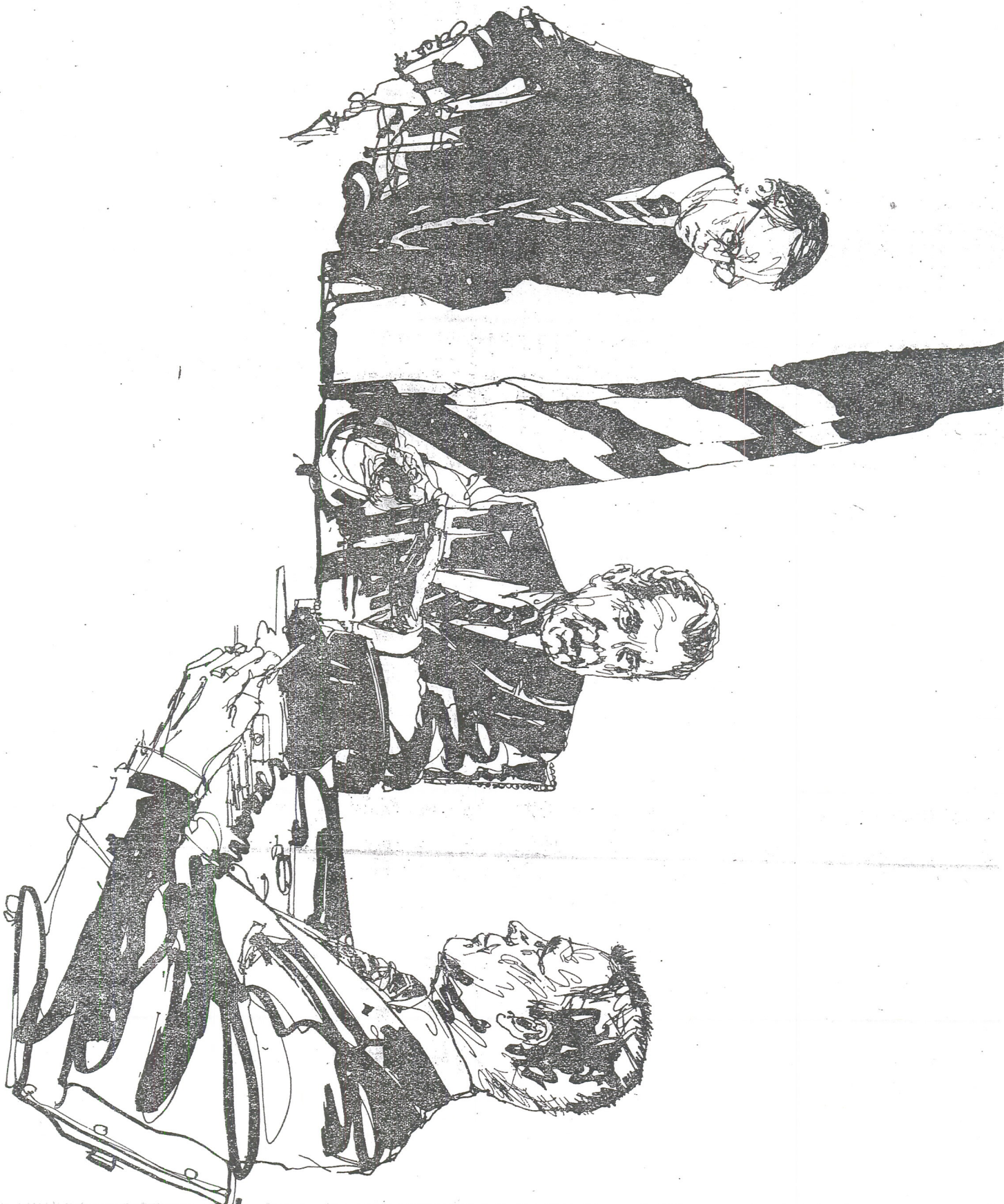
Dean: I think that there is no doubt about the seriousness of the problem we've got. We have a cancer within, close to the Presidency, that is growing. It is growing daily. It's compounded, growing geometrically now, because it compounds itself. That will be clear if I, you know, explain some of the details of why it is. Basically, it is because (1) we are being blackmailed; (2) People are going to start perjuring themselves very quickly that have not had to perjure themselves to protect other people in the line. And there is no assurance—

President: That that won't bust?

Dean: That that won't bust. So let me give you the sort of basic facts, talking first about the Watergate; and then about (political saboteur Donald) Segretti; and then about some of the peripheral items that have come up. First of all on the Watergate: how did it all start, where did it start? O.K! It started with an instruction to me from (White House chief of staff) Bob Haldeman to see if we couldn't set up a perfectly legitimate campaign intelligence operation over at the Re-elec-

(presidential aide John) Ehrlichmann, I don't see why our little boys can't make something out of the fact that (expletive deleted) this is the only responsible position that could possible be made. The FBI cannot turn over raw files. Has anybody made that point? I have tried to several times.

Dean: Sam Ervin (chairman of the Senate Watergate committee) has made that point himself. In fact, in reading



Artist's conception of conversations between John W. Dean III, President Nixon and H. R. (Bob) Haldeman.

Sketches in this section by Bill Oakes for 'The Washington Post'

tion Committee. Not being in this business, I turned to somebody who had been in this business, Jack Caulfield. I don't remember whether you remember Jack or not. He was your original bodyguard before they had the candidate protection, an old city policeman.

President: Yes, I know him.

Dean: Jack worked for John and then was transferred to my office. I said Jack come up with a plan that, you know—a normal infiltration, buying information from secretaries and all that sort of thing. He did, he put together a plan. It was kicked around. I went to Ehrlichman with it. I went to (campaign director John) Mitchell with it, and the consensus was that Caulfield was not the man to do this. In retrospect, that might have been a bad

things down. So the report that I got from (White House aide Egil) Krogh was that he was a hell of a good man and not only that a good lawyer and could set up a proper operation. So we talked to Liddy. He was interested in doing it. I took Liddy over to meet Mitchell. Mitchell thought highly of him because Mitchell was partly involved in his coming to the White House to work for Krogh. Liddy had been at Treasury before that. Then Liddy was told to put together his plan, you know, how he would run an intelligence operation. This was after he was hired over there at the Committee. (Deputy campaign director Jeb Stuart) Magruder called me in January and said I would like to have you come over and see Liddy's plan.

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just sat there puffing and laughing. I could tell from—after Liddy left the office I said that is the most incredible thing I have ever seen. He said I agree. And so Liddy was told to go back to the drawingboard and come up with something realistic. So there was a second meeting. They asked me to come over to that. I came into the tail the first part. I don't know how long the meeting lasted. At this point, they were discussing again bugging, kidnapping and the like. At this point I said right in front of everybody, very clearly, I said, "These are not the sort of things (1) that are ever to be discussed in the office of the Attorney General of the United States—that was where he still was—and I am personally incensed." And I am trying to get Mitchell off the hook. He is a nice person and doesn't like to have to say no when he is talking with people he is going to have to work with.

President: That's right.

Dean: So I let it be known. I said "You all pack that stuff up and get it the hell out of here. You just can't talk this way in this office and you should re-examine your whole thinking."

President: Who all was present?

Dean: It was Magruder, Mitchell,

call because he is an incredibly cautious person and wouldn't have put the situation where it is today. After rejecting that, they said we still need something so I was told to look around for someone who could go over to 1701 and do this. That is when I came up with Gordon Liddy. They needed a lawyer. Gordon had an intelligence background from his FBI service. I was aware of the fact that he had done some extremely sensitive things for the White House while he had been at the White House and he had apparently done them well. Going out into Pentagon Papers Defendant Daniel Ellsberg's doctor's office—

President: Oh, yeah.

Dean: And things like this. He worked with leaks. He tracked these

President: January of '72?

Dean: January of '72. "You come over to Mitchell's office and sit in a meeting where Liddy is going to lay his plan out." I said I don't really know if I am the man, but if you want me there I will be happy to. So I came over and Liddy laid out a million dollar plan that was the most incredible thing I have ever laid my eyes on: all in codes, and involved black bag operations, kidnapping, providing prostitutes to weaken the opposition, bugging, mugging teams. It was just an incredible thing.

President: Tell me this: Did Mitchell go along —?

Dean: No, no, not at all, Mitchell

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Liddy and myself. I came back right after the meeting and told Bob, "Bob, we have a growing disaster on our hands if they are thinking this way," and I said, "The White House has got to stay out of this and I, frankly, am not going to be involved in it." He said, "I agree John." I thought at that point that the thing was turned off. That is the last I heard of it and I thought it was turned off because it was an absurd proposal.

President: Yeah.

Dean: Liddy—I did have dealings with him afterwards and we never talked about it. Now that would be hard to believe for some people, but we never did. That is the fact of the matter.

President: Well, you were talking with him about other things.

Dean: We had so many other things.

President: He had some legal problems too. But you were his advisor, and I understand you had conversations about the campaign laws, etc. Haldeman told me that you were handling all of that for us. Go ahead.

Dean: Now. So Liddy went back after that and was over at 1701, the Committee (to re-elect the President), and this is where I come into having put the pieces together after the fact as to what I can put together about what happened. Liddy sat over there and

tried to come up with another plan that he could sell. (1) They were talking to him, telling him that he was putting too much money in it. I don't think they were discounting the illegal points. Jeb is not a lawyer. He did not know whether this is the way the game was played and what it was all about. They came up, apparently, with another plan, but they couldn't get it approved by anybody over there. So Liddy and Hunt apparently came to see (presidential counsel) Chuck Colson, and Chuck Colson picked up the telephone and called Magruder and said, "You all either fish or cut bait. This is absurd to have these guys over there and not using them. If you are not going to use them, I may use them." Things of this nature.

President: When was this?

Dean: This was apparently in February of '72.

President: Did Colson know what they were talking about?

Dean: I can only assume, because of his close relationship with (Watergate Conspirator E. Howard) Hunt, that he had a damn good idea what they were talking about, a damn good idea. He would probably deny it today and probably get away with denying it. But I still—unless Hunt blows on him—

President: But then Hunt isn't

enough. It takes two doesn't it?

Dean: Probably. Probably. But Liddy was there also and if Liddy were to blow—

President: Then you have a problem—I was saying as to the criminal liability in the White House.

Dean: I will go back over that, and take out any of the soft spots.

President: Colson, you think was the person who pushed?

Dean: I think he helped to get the thing off the dime. Now something else occurred though—

President: Did Colson—had he talked to anybody here?

Dean: No. I think this was—

President: Did he talk with Haldeman?

Dean: No, I don't think so. But here is the next thing that comes in the chain. I think Bob was assuming, that they had something that was proper over there, some intelligence gathering operation that Liddy was operating. And through (Haldeman and Gordon) Strachan, who was his tickler, he started pushing them to get some information and they—Magruder—took that as a signal to probably go to Mitchell and to say, "They are pushing us like crazy for this from the White House. And so Mitchell probably puffed on his pipe and said, "Go ahead," and never really reflected on what it was all about. So they had some plan that obviously had, I gather, different targets they were going to go after. They were going to infiltrate, and bug, and do all this sort of thing to a lot of these targets. This is knowledge I have after the fact. Apparently after they had initially broken in and bugged the DNC (Democratic National Committee) they were getting information. The information was coming over here to Strachan and some of it was given to Haldeman, there is no doubt about it.

President: Did he know where it was coming from?

Dean: I don't really know if he would.

President: Not necessarily?

Dean: Not necessarily. Strachan knew it. There is no doubt about it, and whether Strachan—I have never come to press these people on these points because it hurts them to give up that next inch, so I had to piece things together. Strachan was aware of receiving information, reporting to Bob. At one point Bob even gave instructions to change their capabilities from (Sen. Edmund) Muskie to (Sen. George) McGovern, and passed this back through Strachan to Magruder and apparently to Liddy. And Liddy was starting to make arrangements to go in and bug the McGovern operation.

President: They had never bugged Muskie, though, did they?

Dean: No, they hadn't, but they had infiltrated it by a secretary.

President: By a secretary?

Dean: By a secretary and a chauffeur. There is nothing illegal about that. So the information was coming over here and then I, finally, after— The next point in time that I became aware of anything was on June 17th when I got the word that there had been this break in at the DNC and somebody from our Committee had been caught in the DNC. And I said, "Oh, (expletive deleted)." You know, eventually putting the pieces together—

President: You knew what it was.

Dean: I knew who it was. So I called Liddy on Monday morning and said, "First, Gordon, I want to know whether anybody in the White House was involved in this." And he said, "No, they weren't." I said, "Well I want to know how in (adjective deleted) name this happened." He said, "Well, I was pushed without mercy by Magruder to get in there and to get more information. That the information was not satisfactory. That Magruder said, 'The White House is not happy with what we are getting.'"

President: The White House?

Dean: The White House. Yeah!

President: Who do you think was pushing him?

Dean: Well, I think it was probably

Dean: I am not sure that you will ever be able to deliver on 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.

Strachan thinking that Bob wanted things, because I have seen that happen on other occasions where things have said to have been of very prime importance when they really weren't.

President: Why at that point in time

I wonder? I am just trying to think. We had just finished the Moscow trip. The Democrats had just nominated McGovern. I mean, (expletive deleted), what in the hell were these people doing? I can see their doing it earlier. I can see the pressures, but I don't see why all the pressure was on then.

Dean: I don't know, other than the fact that they might have been looking for information about the conventions.

President: That's right.

Dean: Because, I understand that after the fact that there was a plan to bug (Democratic chairman) Larry O'Brien's suite down in Florida. So Liddy told me that this is what had happened and this is why it had happened.

President: Where did he learn that there were plans to bug Larry O'Brien's suite?

Dean: From Magruder, long after the fact.

President: Magruder is (unintelligible)

Dean: Yeah. Magruder is totally knowledgeable on the whole thing.

President: Yeah.

Dean: Alright now, we have gone through the trial. I don't know if Mitchell has perjured himself in the Grand Jury or not.

President: Who?

Dean: Mitchell. I don't know how much knowledge he actually had. I know that Magruder has perjured himself in the Grand Jury. I know that (campaign aide Herbert) Porter has perjured himself in the Grand Jury.

President: Who is Porter? (unintelligible)

Dean: He is one of Magruder's deputies. They set up this scenario which they ran by me. They said, "How about this?" I said, "I don't know. If this is what you are going to hang on, fine."

President: What did they say in the Grand Jury?

Dean: They said, as they said before the trial in the Grand Jury, that Liddy had come over as Counsel and we knew he had these capacities to do legitimate intelligence. We had no idea what he was doing. He was given an authorization of \$250,000 to collect information, because our surrogates were out on the road. They had no protection, and we had information that there were going to be demonstrations against them, and that we had to have a plan as to what liabilities they were going to be confronted with and Liddy was charged with doing this. We had no knowledge that he was going to bug the DNC.

President: The point is, that is not true?

Dean: That's right.

President: Magruder did know it was going to take place?

Dean: Magruder gave the instructions to be back in the DNC.

President: He did?

Dean: Yes.

President: You know that?

Dean: Yes.

President: I see. O.K.

Dean: I honestly believe that no one

over here knew that. I know that as God is my maker, I had no knowledge that they were going to do this.

President: Bob didn't either, or wouldn't have known that either. You are not the issue involved. Had Bob known, he would be.

Dean: Bob — I don't believe specifically knew that they were going in there.

President: I don't think so.

Dean: I don't think he did. I think he knew that there was a capacity to do this but he was not given the specific direction.

President: Did Strachan know?

Dean: I think Strachan did know.

President: (unintelligible) Going

back into the DNC—Hunt, etc.—this is not understandable!

Dean: So—those people are in trouble as a result of the Grand Jury and the trial. Mitchell, of course, was never called during the trial. Now—

President: Mitchell has given a sworn statement, hasn't he?

Dean: Yes, Sir.

President: To the Jury?

Dean: To the Grand Jury.—

President: You mean the Goldberg arrangement?

Dean: We had an arrangement whereby he went down with several of them, because of the heat of this thing and the implications on the election, we made an arrangement where they could quietly go into the Department of Justice and have one of the assistant U.S. Attorneys take their testimony and then read it before the Grand Jury.

President: I thought Mitchell went.

Dean: That's right, Mitchell was actually called before the Grand Jury. The Grand Jury would not settle for less, because the jurors wanted him.

President: Good!

Dean: And he went

President: And he went?

Dean: I don't know what he said. I have never seen a transcript of the Grand Jury. Now what has happened post June 17? I was under pretty clear instructions not to investigate this, but this could have been disastrous on the electorate if all hell had broken loose. I worked on a theory of containment.

President: Sure.

Dean: To try to hold it right there it was.

President: Right.

Dean: There is no doubt that I was totally aware of what the Bureau was doing at all times. I was totally aware of what the Grand Jury was doing. I knew what witnesses were going to be called. I knew what they were asked, and I had to.

President: Why did (assistant attorney general Henny) Peterson play the game so straight with us?

Dean: Because Petersen is a soldier. He kept me informed. He told me when we had problems, where we had

problems and the like. He believes in you and he believes in this Administration. This Administration has made him. I don't think he has done anything improper, but he did make sure that the investigation was narrowed down to the very, very fine criminal thing which was a break for us. There is no doubt about it.

President: Do you honestly feel that he did an adequate job?

Dean: They ran that investigation out to the fullest extent they could follow a lead and that was it.

President: But the point is, where I suppose he could be criticized for not doing an adequate job. Why didn't he call Haldeman? Why didn't he get a statement from Colson? Oh, they did get Colson!

Dean: That's right. But as based on their FBI interviews, there was no reason to follow up. There were no leads there. Colson said, "I have no knowledge of this" to the FBI. Strachan said, "I have no knowledge." They didn't ask Strachan any questions about Watergate. They asked him about Segretti. They said, "what is your connection with Liddy?" Strachan just said, "Well, I met him over there." They never really pressed him. Strachan appeared, as a result of some coaching, to be the dumbest paper pusher in the bowels of the White House.

President: I understand.

Dean: Alright. Now post June 17th. These guys immediately—It is very interesting. (Dean sort of chuckled) Liddy, for example, on the Friday before—I guess it was on the 15th, no, the 16th of June—had been in Henry Petersen's office with another member of my staff on campaign compliance problems. After the incident, he ran (Attorney General Richard G.) Kleindienst down at Burning Tree Country Club and told him "you've got to get my men out of jail." Kleindienst said, "You get the hell out of here, kid. Whatever you have to say, just say to somebody else. Don't bother me." But this has never come up. Liddy said if they all got counsel instantly and said we will ride this thing out. Alright, then they started making demands. "We have to have attorneys fees. We don't have any money ourselves, and you are asking us to take this through the election." Alright, so arrangements were made through Mitchell, initiating it. And I was present in discussions where these guys had to be taken care of. Their attorneys fees had to be done. (Mr. Nixon's attorney, Herbert) Kalmbach was brought in. Kalmbach raised some cash.

President: They put that under the cover of a Cuban Committee, I suppose?

Dean: Well, they had a Cuban Committee and they had—some of it was given to Hunt's lawyer, who in turn passed it out. You know, when Hunt's wife was flying to Chicago with \$10,000 she was actually, I understand after the fact now, was going to pass that

money to one of the Cubans—to meet him in Chicago and pass it to somebody there.

President: (unintelligible) but I would certainly keep that cover for whatever it is worth.

Dean: That's the most troublesome post-thing because (1) Bob is involved in that; (2) John is involved in that; (3) I am involved in that; (4) Mitchell is involved in that. And that is an obstruction of justice.

President: In other words the bad it does. You were taking care of witnesses. How did Bob get in it?

Dean: Well, they ran out of money over there. Bob had \$350,000 in a safe over here that was really set aside for polling purposes. And there was no other source of money, so they came over and said you all have got to give us some money. I had to go to Bob and say, "Bob, they need some money over there." He said "What for?" So I had to tell him what it was for because he wasn't just about to send money over there willy-nilly. And John was involved in those discussions. And then we decided there was no price too high to pay to let this thing blow up in front of the election.

President: I think we should be able to handle that issue pretty well. May be some lawsuits.

Dean: I think we can too. Here is what is happening right now. What sort of brings matters to the (unintelligible). One, this is going to be a continual blackmail operation by Hunt and Liddy and the Cubans. No

doubt about it. And (Watergate conspirator James) McCord, who is another one involved. McCord has asked for nothing. McCord did ask to meet with somebody, with Jack Caulfield who is his old friend who had gotten him hired over there. And when Caulfield had him hired, he was a perfectly legitimate security man. And he wanted to talk about commutation, and things like that. And as you know Colson has talked indirectly to Hunt about commutation. All of these things are bad, in that they are problems, they are promises, they are commitments. 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.

President: Pretty hard.

Dean: Pretty hard. Damn hard. It's all cash.

President: Pretty hard I mean as far as the witnesses are concerned.

Dean: Alright, now, the blackmail is continuing. Hunt called one of lawyers from the Re-Election Committee on last Friday to leave it with him over the weekend. The guy came in to see me to give a message directly to me. From Hunt to me.

President: Is Hunt out on bail?

Dean: Pardon?

President: Is Hunt out on bail?

Dean: Hunt is on bail. Correct. Hunt

now is demanding another \$72,000 for his own personal expenses; another \$50,000 to pay attorneys fees; \$120,000. Some (1) he wanted it as of the close of business yesterday. He said, "I am going to be sentenced on Friday, and I've got to get my financial affairs in order." I told this fellow (Paul) O'Brien, "If you want money, you came to the wrong man, fellow. I am not involved in the money. I don't know a thing about it. I can't help you. You better scramble about elsewhere." O'Brien is a ball player. He carried tremendous water for us.

President: He isn't Hunt's lawyer?

Dean: No, he is our lawyer at the Re-Election Committee.

President: I see.

Dean: So he is safe. There is no problem there. So it raises the whole question. Hunt has now made a direct threat against Ehrlichman. As a result of this, this is his blackmail. He says, "I will bring John Ehrlichman down to his knees and put him in jail. I have done enough seamy things for he and Krogh, they'll never survive it.

President: Was he talking about Ellsberg?

Dean: Ellsberg, and apparently some other things. I don't know the full extent of it.

President: I don't know about anything else.

Dean: I don't know either, and I hate to learn some of these things. So that is that situation. Now, where are the soft points? How many people know about this? Well, let me go one step further in this whole thing. The Cubans that were used in the Watergate were also the same Cubans that Hunt and Liddy used for this California Ellsberg thing, for the break in out there. So they are aware of that. How high their knowledge is, is something else. Hunt and Liddy, of course, are totally aware of it, of the fact that it is right out of the White House.

President: I don't know what the hell we did that for!

Dean: I don't know either.

President: What in the (expletive deleted) caused this? (unintelligible)

Dean: Mr. President, there have been a couple of things around here that I have gotten wind of. At one time there was a desire to do a second story job on the Brookings Institute where they had the Pentagon papers. Now I flew to California because I was told that John had instructed it and he said, "I really hadn't. It is a mis-impression, but for (expletive deleted), turn it off." So I did. I came back and turned it off. The risk is minimal and the pain is fantastic. It is something with a (unintelligible) risk and no gain. It is just not worth it. But — who knows about all this now? You've got the Cubans' lawyer, a man by the name of (Henry) Rothblatt, who is a no-good, publicity seeking (characterization deleted), to be very frank with you. He has had to be pruned down and tuned off. He was canned by his

own people because they didn't trust him. He didn't want them to plead guilty. He wants to represent them before the Senate. So F. Lee Bailey, who was a partner of one of the men representing McCord, got in and cooled Rothblatt down. So that means that F. Lee Bailey has knowledge. Hunt's lawyer, a man by the name of (William) Bittmann, who is an excellent criminal lawyer from the Democratic era of Bobby Kennedy, he's got knowledge.

President: He's got some knowledge?

Dean: Well, all the direct knowledge that Hunt and Liddy have, as well as all the hearsay they have. You have these two lawyers over at the Re-Election Committee who did an investigation to find out the facts. Slowly, they got the whole picture. They are solid.

President: But they know?

Dean: But they know. You've got, then an awful lot of the principals involved who know. Some people's wives know. Mrs. Hunt was the savviest woman in the world. She had the whole picture together.

President: Did she?

Dean: Yes. Apparently, she was the pillar of strength in that family before the death.

President: Great sadness. As a matter of fact, there was a discussion with somebody about Hunt's problem on account of his wife and I said, of course commutation could be considered on the basis of his wife's death, and that is the only conversation I ever had in that light.

Dean: Right. So that is it. That is the extent of the knowledge. So where are the soft spots on this? Well, first of all, there is the problem of the continued blackmail which will not only go on now, but it will go on while these people are in prison, and it will compound the obstruction of justice situation. It will cost money. It is dangerous. People around here are not pros at this sort of thing. This is the sort of money, getting clean money, and things like that. We just don't know about those things, because we are not criminals and not used to dealing in that business.

President: That's right.

Dean: It is a tough thing to know how to do.

President: Maybe it takes a gang to do that.

Dean: That's right. There is a real problem as to whether we could even do it. Plus there is a real problem in raising money. Mitchell has been working on raising some money. He is one of the ones with the most to lose. But there is no denying the fact that the White House, in Ehrlichman, Halde-man and Dean are involved in some of the early money decisions.

President: How much money do we need?

Dean: I would say these people are going to cost a million dollar

President: We could get that. 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?

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

President: I would think so too.

Dean: And get some pros to help him.

President: Let me say there shouldn't be a lot of people running around getting money—

Dean: Well he's got one person doing it who I am not sure is—

President: Who is that?

Dean: He has (campaign aide) Fred LaRue doing it. Now Fred started out going out trying to solicit money from all kinds of people.

President: No!

Dean: I had learned about it, and I said (expletive deleted). It is just awful! Don't do it!" People are going to ask what the money is for. He has apparently talked to Tom Pappas (a Nixon fund raiser).

President: I know.

Dean: And Pappas has agreed to come up with a sizeable amount, I gather.

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

Dean: That is right.

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?

Dean: No

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.

President: Would that give a little bit of a cover?

Dean: That would give some for the Cubans and possibly Hunt. Then you've got Liddy. McCord is not accepting any money. So he is not a bought man right now.

President: OK. Go ahead.

Dean: Let me continue a little bit right here now. When I say this is a growing cancer, I say it for reasons like this. Bud Krogh, in his testimony before the Grand Jury, was forced to perjure himself. He is haunted by it. Bud said, "I have not had a pleasant day on my job." He said, "I told my wife all about this. The curtain may ring down one of these days, and I may have to face the music, which I am perfectly willing to do."

President: What did he perjure himself on, John?

Dean: Did he know the Cubans. He did.

President: He said he didn't?

Dean: That is right. They didn't press him hard.

President: He might be able to — I

am just trying to think. Perjury is an awful hard rap to prove. If he could just say that I — Well, go ahead.

Dean: Well, so that is one perjury. Mitchell and Magruder are potential perjurers. There is always the possibility of any one of these individuals blowing. Hunt, Liddy. Liddy is in jail right now, serving his time and having a good time right now. I think Liddy in his own bizarre way the strongest of

Dean: They can subpoena any of us. There is no doubt about that. If they don't serve it here because they can't get in, they can serve you at home somewhere. They can always find you.

Haldeman: We move to Camp David and hide! They can't get in there.

all of them. So there is that possibility.

President: Your major guy to keep under control is Hunt?

Dean: That is right

President: I think. Does he know a lot?

Dean: He knows so much. He could sink Chuck Colson. Apparently he is quite distressed with Colson. He thinks Colson has abandoned him. Colson was to meet with him when he was out there after, you know, he had left the White House. He met with him through his lawyer. Hunt raised the question he wanted money. Colson's lawyer told him Colson wasn't doing anything with money. Hunt took offense with that immediately, and felt Colson had abandoned him.

President: Just looking at the immediate problem, don't you think you have to handle Hunt's financial situation damn soon?

Dean: I think that is — I talked with Mitchell about that last night and —

President: It seems to me we have to keep the cap on the bottle that much, or we don't have any options.

Dean: That's right.

President: Either that or it all blows right now?

Dean: That's the question.

President: We have Hunt, Krogh. Well go ahead with the other ones.

Dean: Now we've got Kalmbach. Kalmbach received, at the close of the '68 campaign in January of 1969, he got a million \$700,000 to be custodian for. That came down from New York, and was placed in safe deposit boxes here. Some other people were on the boxes. And ultimately, the money was taken out to California. Alright, there is knowledge of the fact that he did start with a million seven. Several people know this. Now since 1969, he has spent a good deal of this money and

accounting for it is going to be very difficult for Herb. For example, he has spent close to \$500,000 on private polling. That opens up a whole new thing. It is not illegal, but more of the same thing.

President: Everybody does polling.

Dean: That's right. There is nothing criminal about it. It's private polling.

President: People have done private polling all through the years. There is nothing improper.

Dean: That's right. He sent \$400,000, as he has described to me, somewhere in the South for another candidate. I assume this was 400,000 that went to (Alabama Gov. George) Wallace.

President: Wallace?

Dean: Right. He has maintained a man who I only know by the name of "Tony" (Ulasewicz), who is the fellow who did the Chappaquiddick study.

President: I know about that.

Dean: And other odd jobs like that. Nothing illegal, but closer. I don't know of anything that Herb has done that is illegal, other than the fact that he doesn't want to blow the whistle on a lot of people, and may find himself in a perjury situation. Well, what will happen when they call him up there— and he has no immunity? They will say, "How did you pay Mr. Segretti?" He will say, "Well, I had cash on hand." "How much cash did you have on hand?" Where does it go from there? Where did you get the cash? A full series of questions. His bank records indicate he had cash on hand, because some of these were set up in trustee accounts.

President: How would you handle him, John, for example? Would you just have him put the whole thing out? I don't mind the \$500,000 and the \$400,000.

Dean: No—that doesn't bother me either. As I say, Herb's problems are politically embarrassing, but not criminal.

President: Well he just handled matters between campaigns. These were surveys etc., etc. There is no need to account for that. There is no law that requires his accounting for that.

Dean: Ah, now—

President: Sources of money. There is no illegality in having a surplus in cash after a campaign.

Dean: No, the money—it has always been argued by (former Commerce Secretary Maurice) Stans that it came in the pre-convention primary for the 1968 race, and it was just set aside. That all can be explained.

President: How about the other probabilities?

Dean: We have a runaway Grand Jury up in the Southern District. They are after Mitchell and Stans on some with (financier Robert) Vesco. They sort of bribe or influence peddling are also going to try to drag Ehrlichman into that. Apparently Ehrlichman had some meetings with Vesco, also. Don Nixon, Jr. came into see John a couple of times about the problem.

President: Not about Vesco, but

about Don, Jr.? Ehrlichman never did anything for Vesco?

Dean: No one at the White House has done anything for Vesco.

President: Well Ehrlichman doesn't have to appear there?

Dean: Before that Grand Jury? Yes he could very well.

President: He couldn't use Executive Privilege?

Dean: Not really. Criminal charge, that is a little different. That would be dynamite to try to defend that.

President: Use the Flanigan analogy?

Dean: Right! That's pretty much the overall picture. And probably the most troublesome thing is the Segretti thing. Let's get down to that. Bob has indicated to me that he has told you a lot of it, that he, indeed did authorize it. He did not authorize anything like ultimately evolved. He was aware of it. He was aware that (presidential appointments Secretary) Dwight Chapin and Strachan were looking for somebody. Again, this is one that has potential that Dwight Chapin should have a felony in this. He has to disprove a negative. The negative is that he didn't control and direct Segretti.

President: Wouldn't the felony be perjury again?

Dean: No, the felony in this instance would be a potential use of one of the civil rights statutes, where anybody who interferes with the campaign of a candidate for national office.

President: Why isn't it under civil rights statutes for these clowns demonstrating against us?

Dean: I have argued for that very purpose.

President: Really?

Dean: Yes, I have.

President: We were closer—nuts interfering with the campaign.

Dean: That is exactly right.

President: I have been sick about that because it is so bad the way it has been put out on the PR side. It has ended up on the PR side very confused.

Dean: What really bothers me is this growing situation. As I say, it is growing because of the continued need to provide support for the Watergate people who are going to hold us up for everything we've got, and the need for some people to perjure themselves as they go down the road here. If this thing ever blows, then we are in a cover up situation. I think it would be extremely damaging to you and the—

President: Sure. The whole concept of Administration justice. Which we cannot have!

Dean: That is what really troubles me. For example, what happens if it starts breaking, and they do find a criminal case against a Haldeman, a Dean, a Mitchell, an Ehrlichman? That is—

President: If it really comes down to that, we would have to (unintelligible) some of the men.

Dean: That's right. I am coming down to what I really think, is that Bob and John and John Mitchell and I

can sit down and spend a day, or however long, to figure out one, how this can be carved away from you, so that it does not damage you or the presidency. It just can't! You are not involved in it and it is something you shouldn't.

President: That is true!

Dean: I know, sir. I can just tell from our conversation that these are things that you have no knowledge of.

President: You certainly can! Buggings, etc! Let me say I am keenly aware of the fact Colson, et al., were

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TEXT, From A18

doing their best to get information as we went along. But they all knew very well they were supposed to comply with the law. There was no question about that! You feel that really the trigger man was really Colson on this then?

Dean: No. He was one of us. He was just in the chain. He helped push the thing.

President: All I know about is the time of ITT, he was trying to get something going there because ITT was giving us a bad time.

Dean: I know he used Hunt.

President: I knew about that. I didn't know about it, but I knew there was something going on. But I didn't know it was a Hunt.

Dean: What really troubles me is one. Will this thing not break some day and the whole thing—domino situation—everything starts crumbling, fingers will be pointing. Bob will be accused of things he has never heard of and deny and try to disprove it. It will get real nasty and just be a real bad situation. And the person who will be hurt by it most will be you and the Presidency, and I just don't think—

President: First, because I am an executive I am supposed to check these things.

Dean: That's right.

President: Let's come back to this problem. What are your feelings yourself, John? You know what they are all saying. What are your feelings about the chances?

Dean: I am not confident that we can ride through this. I think there are soft spots.

President: You used to be—

Dean: I am not comfortable for this reason. I have noticed of recent—since the publicity has increased on this thing again, with the Gray hearings, that everybody is now starting to watch after their behind. Everyone is getting their own counsel. More counsel are getting involved. How do I protect my ass.

President: They are scared.

Dean: That is bad. We were able to hold it for a long time. Another thing is that my facility to deal with the multitude of people I have been deal-

ing with has been hampered because of Gray's blowing me up into the front page.

President: Your cover is broken?

Dean: That's right and it's—

President: So what you really come to is what we do. Let's suppose that you and Haldeman and Ehrlichman and Mitchell say we can't hold this: What then are you going to say? What are you going to put out after it. Complete disclosure, isn't that the best way to do it?

Dean: Well, one way to do it is—

President: That would be my view.

Dean: One way to do it is for you to tell the Attorney General that you finally know. Really, this is the first time you are getting all the pieces together.

President: Ask for another Grand Jury?

Dean: Ask for another Grand Jury. The way it should be, done though, is a way—for example, I think we could avoid criminal liability for countless people and the ones that did get it could be minimal.

President: How?

Dean: Well, I think by just thinking it all through first as to how. You know, some people could be granted immunity.

President: Like Magruder?

Dean: Yeah. To come forward. But some people are going to have to go to jail. This is the long and short of it, also.

President: Who? Let's talk about—

Dean: Alright. I think I could. For one.

President: You go to jail?

Dean: That's right.

President: Oh, hell no! I can't see how you can.

Dean: Well, because—

President: I can't see how. Let me say I can't see how a legal case could be made against you, John.

Dean: It would be tough but, you know, I can see people pointing fingers. You know, to get it out of their own, put me in an impossible position. Just really give me a (unintelligible).

President: Oh, no! Let me say I got the impression here—But just looking at it from a cold legal standpoint: you are a lawyer, you were a counsel—doing what you did as counsel. You were not—What would you go to jail for?

Dean: The obstruction of justice.

President: The obstruction of justice?

Dean: That is the only one that bothers me.

President: Well, I don't know. I think that one. I feel it could be cut off at the pass may be, the obstruction of justice.

Dean: You know one of the—that's why—

President: Sometimes it is well to give them something, and then they don't want the bigger push?

Dean: That's right. I think that, I think that with proper coordination with the Department of Justice, Henry

Petersen is the only man I know bright enough and knowledgeable enough in the criminal laws and the process that could really tell us how this could be put together so that it did the maximum to carve it away with a minimum damage to individuals involved.

President: Petersen doesn't know, does he?

Dean: That's right, No, I know he doesn't now. I know he doesn't now. I am talking about somebody who I have over the years grown to have enough faith in—you constantly. It would have to put him in a very difficult situation as the Head of the Criminal Division of the United States Department of Justice, and the oath of office—

President: No. Talking about your obstruction of justice, though, I don't see it.

Dean: Well, I have been a conduit for information on taking care of people out there who are guilty of crimes.

President: Oh you mean like the blackmailers

Dean: The blackmailers. Right.

President: Well, I wonder if that part of it can't be—I wonder if that doesn't—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.

Dean: Uh, huh.

President: It would seem to me that would be worthwhile.

Dean: Well, that's one problem.

President: I know you have a problem here. You have the problem with Hunt and his clemency.

Dean: That's right. And you are going to have a clemency problem with the others. They all are going to expect to be out and that may put you in a position that is just untenable at some point. You know, the Watergate Hearings just over, Hunt now demanding clemency or he is going to blow. And politically, it's impossible for you to do it. You know, after everybody—

President: That's right!

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.

Dean: Well—there have been some bad judgments made. There have been some necessary judgments made.

President: Before the election?

Dean: Before the election and in the wake the necessary ones, you know, before the election. You know, with me there was no way, but the burden of this second Administration is some-

thing that is not going to go away.

President: No, it isn't.

Dean: It is not going to go away, Sir!

President: It is not going to go away.

Dean: Exactly.

President: The idea, well, that people are going to get tired of it and all that sort of thing.

Dean: Anything will spark it back into life. It's got to be — It's got to be —

President: It is too much to the partisan interest to others to spark it back into life.

Dean: And it seems to me the only way —

President: Well, also so let's leave you out of it. I don't think on the obstruction of justice thing — I take that out. I don't know why, I think you may be over that cliff.

Dean: Well, it is possible.

President: Who else do you think has —

Dean: Potential criminal liability?

President: Yeah.

Dean: I think Ehrlichman does. I think that uh —

President: Why?

Dean: Because of this conspiracy to burglarize the Ellsberg doctor's office.

President: That is, provided Hunt's breaks?

Dean: Well, the funny — let me say something interesting about that. Within the files —

President: Oh. I thought of it. The picture!

Dean: Yes, sir. That is not all that buried. And while I think we've got it buried, there is no telling when it is going to pop up. Now the Cubans could start this whole thing. When the Ervin Committee starts running down why this mysterious telephone was here in the White House listed in the name of a secretary, some of these secretaries have a little idea about this, and they can be broken down just so fast. That is another thing I mentioned in the cycle — in the circle. Liddy's secretary, for example, is knowledgeable. Magruder's secretary is knowledgeable.

President: Sure. So Ehrlichman on the —

Dean: What I am coming in today with is: I don't have a plan on how to solve it right now, but I think it is at the juncture that we should begin to think in terms of how to cut the losses; how to minimize the further growth of this thing, rather than further compound it by, you know, ultimately paying these guys forever. I think we've got to look —

President: But at the moment, don't you agree it is better to get the Hunt thing that's where that —

Dean: That is worth buying time on

President: That is buying time, I agree.

Dean: The Grand Jury is going to reconvene next week after (U.S. District Judge John J.) Sirica sentences. But that is why I think that John and Bob have met with me. They have never met with Mitchell on this. We have

never had a real down and out with everybody that has the most to lose and it is the most danger for you to have them have criminal liabilities. I think Bob has a potential criminal liability, frankly. In other words, a lot of these people could be indicted.

President: Yeah.

Dean: They might never be convicted but just the thought of spending nights —

President: Suppose they are?

Dean: I think that would be devastating.

President: Suppose the worst — that Bob is indicted and Ehrlichman is indicted. And I must say, we just better then try to tough it through. You get the point.

Dean: That's right.

President: If they, for example, say let's cut our losses and you say we are going to go down the road to see if we can cut our losses and no more blackmail and all the rest. And then the thing blows cutting Bob and the rest to pieces. You would never recover from that, John.

Dean: That's right.

President: It's better to fight it out and not let people testify, and so forth. And now, on the other hand, we realize that we have these weaknesses — that we have this weakness — in terms of blackmail.

Dean: There are two routes. One is to figure out how to cut the losses and minimize the human impact and get you up and out and away from it in any way. In a way it would never come back to haunt you. That is one general alternative. The other is to go down the road, just hunker down fight it at every corner, every turn, don't let people testify — cover it up is what we really are talking about. Just keep it buried, and just hope that we can do it, hope that we make good decisions at the right time, keep our heads cool, we make the right moves.

President: And just take the heat?

Dean: And just take the heat.

President: Now with the second line of attack. You can discuss this (unintelligible) the way you want to. Still consider my scheme of having you brief the Cabinet, just in very general terms and the 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 told you, not what you know. Haldeman is not involved. Ehrlichman is not involved.

Dean: If we go that route sir, I can give a show we can sell them just like we were selling Wheaties on our position. There's no —

President: The problem that you have are these mine fields down the road. I think the most difficult problem are the guys who are going to jail. I think you are right about that.

Dean: I agree.

President: Now. And also the fact

that we are not going to be able to give them clemency.

Dean: That's right. How long will they take? How long will they sit there? I don't know. We don't know what they will be sentenced to. There's always a chance —

President: Thirty years, isn't it?

Dean: It could be. You know, they haven't announced yet, but it —

President: Top is thirty years, isn't it?

Dean: It is even higher than that. It is about 50 years. It all —

President: So ridiculous!

Dean: And what is so incredible is, he is (unintelligible)

President: People break and enter, etc., and get two years. No weapons! No results! What the hell are they talking about?

Dean: The individuals who are charged with shooting (Sen.) John Stennis are on the street. They were given, you know, one was put out on his personal recognizance rather than bond. They've got these fellows all stuck with \$100,000 bonds. It's the same Judge, Sirica, let one guy who is charged with shooting a United States Senator out on the street.

President: Sirica?

Dean: Yes — it is phenomenal.

President: What is the matter with him? I thought he was a hard liner.

Dean: He is. He is just a peculiar animal, and he set the bond for one of the others somewhere around 50 or 60,000. But still, that guy is in. Didn't make bond, but still 60 thousand dollars as opposed to \$100,000 for these guys is phenomenal.

President: When could you have this meeting with these fellows as I think time is of the essence. Could you do it this afternoon?

Dean: Well, Mitchell isn't here. It might be worth it to have him come down. I think that Bob and John did not want to talk to John Mitchell about this, and I don't believe they have had any conversation with him about it.

President: Well, I will get Haldeman in here now.

Dean: Bob and I have talked about it, just as we are talking about it this morning. I told him I thought that you should have the facts and he agrees. Of course, we have some tough problems down the road if we — (inaudible) Let me say (unintelligible) How do we handle all (unintelligible) who knew all about this in advance. Let me have some of your thoughts on that.

Dean: Well we can always, you know, on the other side charge them with blackmailing us. This is absurd stuff they are saying, and

President: See, the way you put it out here, letting it all hang out, it may never get there.

(Haldeman enters the room)

President: I was talking to John about this whole situation and he said if we can get away from the bits and pieces that have broken out. He is right in recommending that there be a



E. Howard Hunt

meeting at the very first possible time. I realize Ehrlichman is still out in California but, what is today? Is tomorrow Thursday?

Haldeman: (unintelligible)

Dean: That's right.

President: He does get back. Could we do it Thursday? This meeting—you can't do it today, can you?

Dean: I don't think so. I was suggesting a meeting with Mitchell.

President: Mitchell, Ehrlichman, yourself and Bob, that is all. Now, Mitchell has to be there because he is seriously involved and we are trying to keep him with us. We have to see how to handle it from here on. We are in the process of having to determine which way to go, and John has thought it through as well as he can. I don't want (White House aide Richard) Moore there on this occasion. You haven't told Moore all of this, have you?

Dean: Moore's got, by being with me, has more bits and pieces. I have had to give him,

President: Right.

Dean: Because he is making judgments—

President: The point is when you get down to the PR, once you decide it, what to do, we can let him know so forth and so on. But it is the kind of thing that I think what really has to happen is for you to sit down with those three and for you to tell them exactly what you told me.

Dean: Uh, huh.

President: It may take him about 35 or 40 minutes. In other words he knows, John knows, about everything and also what all the potential criminal liabilities are, whether it is—like that thing—what, about obstruction?

Dean: Obstruction of justice. Right.

President: So forth and so on. I think that's best. Then we have to see what the line is. Whether the line is one of continuing to run a kind of stone wall, and take the heat from that, having in mind the fact that there are vulnerable points there: — the vulnerable points being, the first vulnerable points would be obvious. That would be one of the defendants, either Hunt, because he is most vulnerable in my opinion, might blow the whistle and his price is pretty high, but at least we can buy the time on that as I pointed out to John. Apparently, who is dealing with Hunt at the moment now? Colson's—

Dean: Well, Mitchell's lawyer and Colson's lawyer both.

President: Who is familiar with him? At least he has to know before he is sentenced.

Haldeman: Who is Colson's lawyer? Is he in his law firm?

Dean: David Shapiro. Right. The other day he came up and —

Haldeman: Colson has told him everything, hasn't he?

Dean: Yep, I gather he has. The other thing that bothered me about that is that he is a chatterer. He came up to (White House aide) Fred Field-

ing, of my office, at Colson's going away party. I didn't go over there. It was the Blair House the other night. He said to Fred, he said, "Well, Chuck has had some mighty serious words with his friend Howard and has had some mighty serious messages back." Now, how does he know what Fielding knows? Because Fielding knows virtually nothing.

President: Well, —

Haldeman: That is where your dangers lie, in all these stupid human errors developing.

President: Sure. The point is Bob, let's face it, the secretaries, the assistants know all of this. The principals may be as hard as a rock, but you never know when they, or some of their people may crack. But, we'll see, we'll see. Here we have the Hunt problem that ought to be handled now. Incidentally, I do not feel that Colson should sit in this meeting. Do you agree?

Dean: No. I would agree.

President: Ok. How then—who does sit on Colson? Because somebody has to, don't they?

Dean: Chuck—

President: Talks too much.

Dean: I like Chuck, but I don't want Chuck to know anything that I am doing, frankly.

President: Alright.

Haldeman: I think that is right. I think you want to be careful not to give Chuck any more knowledge than he's already got.

Dean: I wouldn't want Chuck to even know of the meeting, frankly.

President: Ok. Fortunately, with Chuck it is very — I talk to him about many, many political things, but I have never talked with him about this sort of thing. Very probably, I think he must be damn sure that I didn't know anything. And I don't. In fact, I am surprised by what you told me today. From what you said, I gathered the impression, and of course your analysis does not for sure indicate that Chuck knew that it was a bugging operation.

Dean: That's correct. I don't have — Chuck denies having knowledge.

President: Yet on the other side of that is that Hunt had conversations with Chuck. It may be that Hunt told Chuck that it was bugging, and so forth and so on.

Dean: Uh, uh, uh, uh. They were very close. They talk too much about too many things. They were intimate on this sort of —

Haldeman: That's the problem. Chuck loves (unintelligible). Chuck loves what he does and he loves to talk about it.

President: He also is a name dropper. Chuck may have gone around and talked to Hunt and said, well I was talking to the President, and the President feels we ought to get information about this, or that or the other thing, etc.

Dean: Well, Liddy is the same way.

President: Well, I have talked about this and that and the other thing. I

have never talked to anybody, but I have talked to Chuck and John and the rest and I am sure that Chuck might have even talked to him along these lines.

Haldeman: Other than — well, anything could have happened. I was going —

Dean: I would doubt that seriously.

Haldeman: I don't think he would. Chuck is a name dropper in one sense, but not in that sense. I think he very carefully keeps away from that, except

when he is very intentionally bringing the President in for the President's purposes.

President: He had the impression though apparently he, as it turns out, he was the trigger man. Or he may well have been the trigger man where he just called up and said now look here Jeb go out and get that information. And Liddy and Hunt went out and got it at that time. This was February. It must have been after —

Dean: This was the call to Magruder from Colson saying, "fish or cut bait." Hunt and Liddy were in his office.

Haldeman: In Colson's office?

Dean: In Colson's office. And he called Magruder and said, "Let's fish or cut bait on this operation. Let's get it going."

Haldeman: Oh, really?

Dean: Yeah. This is Magruder telling me that.

Haldeman: Of course. That—now wait, Magruder testified—

Dean: Chuck also told me that Hunt and Liddy were in his office when he made the call.

Haldeman: Oh, ok.

Dean: So it was corroborated by the principal.

Haldeman: Hunt and Liddy haven't told you that, though?

Dean: No.

Haldeman: You haven't talked to Hunt and Liddy?

Dean: I talked to Liddy once right after the incident.

President: The point is this, that it is now time, though, that Mitchell has got to sit down, and know where the hell all this thing stands, too. You see, John is concerned, as you know, about the Ehrlichman situation. It worries him a great deal because, and this is why the Hunt problem is so serious, because it had nothing to do with the campaign. It has to do with the Ellsberg case I don't know what the hell the — (unintelligible)

Haldeman: But what I was going to say —

President: What is the answer on this? How you keep it out, I don't know. You can't keep it out if Hunt talks. You see the point is irrelevant. It has gotten to this point —

Dean: You might put it on a national security grounds basis.

Haldeman: It absolutely was.

Dean: And say that this was —

Haldeman: It absolutely was.

Dean: And say that this was —

Haldeman: (unintelligible) — CIA—

Dean: Ah —

Haldeman: Seriously,

President: National Security. We had to get information for national security grounds.

Dean: Then the question is, why didn't the CIA do it or why didn't the FBI do it?

President: Because we had to do it on a confidential basis.

Haldeman: Because we were checking them.

President: Neither could be trusted.

Haldeman: It has basically never been proven. There was reason to question their position.

President: With the bombing thing coming out and everything coming out, the whole thing was national security.

Dean: I think we could bet by on that.

President: On that one I think we should simply say this was a national security investigation that was conducted. And on that basis, I think the same in the drug field with Krogh. Krogh could say feels he did not perjure himself. He could say it was a national security matter. That is why—

Dean: That is the way Bud rests easy, because he is convinced that he was doing. He said there was treason about the country, and it could have threatened the way the war was handled and (expletive deleted).

President: Bud should just say it was a question of national security, and I was not in a position to divulge it. Anyway, let's don't go beyond that. But I do think now there is a time when you just don't want to talk to Mitchell. But John is right. There must be a four way talk of the particular ones you can trust here. We've got to get a decision on it. It is not something — you have two ways basically. You really only have two ways to go. You either decide that the whole (expletive deleted) thing is so full of problems with potential criminal liabilities, which most concern me. I don't give a damn about the publicity. We could rock that through that if we had to let the whole damn thing hang out, and it would be a lousy story for a month. But I can take it. The point is, 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 Committee. And that means Magruder.

Dean: That's right. Let's face it. I think Magruder is the major guy over there.

Dean: I think he's got the most serious problem.

President: Yeah.

Haldeman: Well, the thing we talked about yesterday. You have a question where you cut off on this. There is a possibility of cutting it at Liddy, where you are now.

President: Yeah.

Dean: But to accomplish that requires a continued perjury by Magru-

der and requires—

President: And requires total commitment and control over all of the defendants which — in other words when they are let down—

Haldeman: But we can, because they don't know anything beyond Liddy.

Dean: No. On the fact that Liddy, they have hearsay.

Haldeman: But we don't know about Hunt. Maybe Hunt has that tied into Colson. We don't know that though, really.

President: I think Hunt knows a hell of a lot more.

Dean: I do too. Now what McCord does—

Haldeman: You think he does. I am afraid you are right, but we don't know that.

President: I think we better assume it. I think Colson—

Dean: He is playing hard ball. He wouldn't play hard ball unless he were pretty confident that he could cause an awful lot of grief.

Haldeman: Right.

President: He is playing hard ball with regard to Ehrlichman for exam-

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ple, and that sort of thing. He knows what he's got.

Haldeman: What's he planning on, money?

Dean: Money and —

Haldeman: Really?

President: It's about \$120,000. That's what, Bob. That would be easy. It is not easy to deliver, but it is easy to get. Now,

Haldeman: If the case is just that way, then the thing to do if the thing cranks out.

President: If, for example, you say look we are not going to continue to— let's say, frankly, on the assumption that if we continue to cut our losses, we are not going to win. But in the end, we are going to be bled to death. And in the end, it is all going to come out anyway. Then you get the worst of both worlds. We are going to lose, and people are going to—

Haldeman: And look like dopes!

President: And in effect, look like a cover-up. So that we can't do. Now the other line, however, if you take that line, that we are not going to continue to cut our losses, that means then we have to look square in the eye as to what the hell those losses are, and see which people can—so we can avoid criminal liability. Right?

Dean: Right.

President: And that means keeping it off you. Herb has started this Justice thing. We've got to keep it off Herb. You have to keep it, naturally, off of Bob, off Chapin, if possible, Strachan, right?

Dean: Uh, huh.

President: And Mitchell. Right?

Dean: Uh, huh.

Haldeman: And Magruder, if you can.

President: John Dean's point is that if Magruder goes down, he will pull everybody with him.

Haldeman: That's my view. Yep, I think Jeb, I don't think he wants to. And I think he even would try not to, but I don't think he is able not to.

Dean: I don't think he is strong enough.

President: Another way to do it then Bob, and John realizes this, is to continue to try to cut our losses. Now we have to take a look at that course of action. First it is going to require approximately a million dollars to take care of the jackasses who are in jail. That can be arranged. That could be arranged. But you realize that after we are gone, and assuming we can expend this money, then they are going to crack and it would be an unseemly story. Frankly, all the people aren't going to care that much.

President: The only thing we could do with him would be to parole him like the ("unintelligible) situation. But you couldn't buy clemency.

Dean: Kleindienst has now got control of the Parole Board, and he said to tell me we could pull paroles off now where we couldn't before. So —

Haldeman: Kleindienst always tells you that, but I never believe it.

President: Paroles — let the (unintelligible) worry about that. Parole, in appearance, etc., is something I think in Hunt's case, you could do Hunt, but you couldn't do the others. You understand.

Dean: Well, so much depends on how Sirica sentences. He can sentence in a way that makes parole even impossible.

President: He can?

Dean: Sure. He can do all kind of permanent sentences.

President: (unintelligible)

Dean: Yeah. He can be a (characterization deleted) as far as the whole thing.

Haldeman: Can't you appeal an unjust sentence as well as an unjust?

Dean: You have 60 days to ask the judge to review it. There is no appellate review of sentences.

Haldeman: There isn't?

President: The judge can review it.

Dean: That's right.

President: People won't care, but people are going to be talking about it, there is no question. And the second thing is, we are not going to be able to deliver on any of a clemency thing. You know Colson has gone around on this clemency thing with Hunt and the rest?

Dean: Hunt is now talking about being out by Christmas.

Haldeman: This year?

Dean: This year. He was told by O'Brien, who is my conveyor of doom back and forth, that hell, he would be lucky if he were out a year from now, or after Ervin's hearings were over. He said how in the Lord's name could

you be commuted that quickly? He said, "well, that is my commitment from Colson."

Haldeman: By Christmas of this year?

Dean: Yeah.

Haldeman: See that, really, that is verbal evil. Colson is — That is your fatal flaw in Chuck. He is an operator in expediency, and he will pay at the time and where he is to accomplish whatever he is there to do. And that, and that's — I would believe that he has made that commitment if Hunt

says he has. I would believe he is capable of saying that.

Haldeman: Only the sentencing judge can review his own sentence?

President: Coming back, though, to this. So you got that hanging over. Now! If — you see, if you let it hang there, you fight with them at all or they part — The point is, your feeling is that we just can't continue to pay the blackmail of these guys?

Dean: I think that is our great jeopardy.

President: Now, let me tell you. 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?

Haldeman: Mitchell says he can't, doesn't he?

Dean: Mitchell says — there has been an interesting phenomena all the way along. There have been a lot of people having to pull oars and not everybody pulls them all the same time, the same way, because they develop self-interests.

Haldeman: What John is saying, everybody smiles at Dean and says well you better get something done about it.

Dean: That's right.

Haldeman: Mitchell is leaving Dean hanging out on him. None of us, well, may be we are doing the same thing to you.

Dean: That's right.

Haldeman: But let me say this. I don't see how there is any way that you can have the White House or anybody presently in the White House involved in trying to gin out this money.

Dean: We are already deeply enough in that. That is the problem, Bob.

President: I thought you said—

Haldeman: We need more money.

Dean: Well, in fact when —

President: Kalmbach?

Dean: Well, Kalmbach

Haldeman: He's not the one

Dean: No, but when they ran out of that money, as you know it came out of the \$350,000 that was over here.

President: And they knew that?

Dean: And I had to explain what it was for before I could get the money.

Haldeman: In the first place, that was put back to (Nixon campaign aide Fred) LaRue.

Dean: That's right.

Haldeman: it was put back where it belonged. It wasn't all returned in a lump sum. It was put back in pieces.

Dean: That's right.

President: Then LaRue used it for this other purpose?

Dean: That's right.

Haldeman: And the balance was all returned to LaRue, but we don't have any receipt for that. We have no way of proving it.

Dean: And I think that was because of self-interest over there. Mitchell—

Haldeman: Mitchell told LaRue not to take it at all.

Dean: That's right.

Haldeman: That is what you told me.

Dean: That's right. And then don't give them a receipt.

President: Then what happened? LaRue took it, and then what?

Dean: It was sent back to him because we just couldn't continue piecemeal giving. Everytime I asked for it I had to tell Bob I needed some, or something like that, and he had to get Gordon Strachan to go up to his safe and take it out and take it over to LaRue. And it was just a forever operation.

President: Why did they take it all?

Dean: I just sent it along to them.

Haldeman: We had been trying to get a way to get that money back out of here anyway. And what this was supposed to be was loans. This was immediate cash needs that was going to be replenished. Mitchell was arguing that you can't take the \$350,000 back until it is all replenished. Isn't that right?

Dean: That is right.

Haldeman: They hadn't replenished, so we just gave it all back anyway.

President: I had a feeling we could handle this one.

Dean: Well, first of all, I would have a hell of a time proving it. That is one thing.

President: I just have a feeling on it. Well, it sounds like a lot of money, a million dollars. Let me say that I think we could get that. I know money is hard to raise. But the point is, what we do on that — Let's look at the hard problem—

Dean: That has been, thus far, the most difficult problem. That is why these fellows have been on and off the reservation all the way along.

President: So the hard place is this. Your feeling at the present time is the hell with the million dollars. I would just say to these fellows I am sorry it is all off and let them talk. Alright?

Dean: Well, —

President: That's the way to do it isn't it, if you want to do it clean?

Haldeman: That's the way. We can live with it, because the problem with the blackmailing, that is the thing we kept raising with you when you said there was a money problem. When you said we need \$20,000, or \$100,000, or

something. We said yeah, that is what you need today. But what do you need tomorrow or next year or five years from now?

President: How long?

Dean: That was just to get us through November 7th, though.

Haldeman: That's what we had to have to get through November 7th. There is no question.

Dean: These fellows could have sold out to the Democrats for one-half a million.

President: These fellows though, as far as what has happened up to this time, are covered on their situation, because the Cuban Committee did this for them during the election?

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

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

Dean: It's going to have to happen.

President: Finally, though, so you let it happen. So then they go, and so what happens? Do they go out and start blowing the whistle on everybody else? Isn't that what it really gets down to?

Dean: Uh, huh.

President: So that would be the clean way—Right!

Dean: Ah—

President: Is that — you would go so far as to recommend that?

Dean: No, I wouldn't. I don't think necessarily that is the cleanest way. One of the things that I think we all need to discuss is, is there some way that we can get our story before a grand jury, so that they can really have investigated the White House on this. I must say that I have not really thought through that alternative. We have been so busy on the other containment situation.

President: John Ehrlichman, of course, has raised the point of another grand jury. I just don't know how you could do it. On what basis. I could call for it, but I—

Dean: That would be out of the question.

President: I hate to leave with differences in view of all this stripped land. I could understand this, but I think I want another grand jury proceeding and we will have the White House appear before them. As that right, John? Have the White House appear before them. Is that right John?

Dean: Uh huh.

President: That is the point, see. Of course! That would make the difference. I want everybody in the White House called. And that gives you a reason not to have to go before the Ervin and Baker Committee. It puts it in an executive session, in a sense.

Haldeman: Right.

Dean: That's right.

Haldeman: You can say you have forgotten too can's you?

Dean: There are rules of evidence.

President: Rules of evidence and you have lawyers.

Haldeman: You are in a hell of a lot better position than you are up there.

Dean: No, you can't have a lawyer before the grand jury.

President: Oh, no. That's right.

Haldeman: But you do have rules of evidence. You can refuse to talk.

Dean: You can take the 5th Amendment.

President: That's right.

Haldeman: You can say have forgotten too can't you?

Dean: Sure but you are chancing a very high risk for perjury situation.

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President: But 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.

Haldeman: You have the same perjury thing on the Hill don't you?

Dean: That's right.

President: Oh hell, yes.

Haldeman: And the Ervin Committee is a hell of a lot worse to deal with.

Dean: That's right.

President: The grand jury thing has its in view of this thing. Suppose we have a grand jury thing. What would that do to the Ervin Committee? Would it go right ahead?

Dean: Probably. Probably.

President: If we do that on a grand jury, we would then have a much better cause in terms of saying, look, this is a grand jury, in which the prosecutor—How about a special prosecutor? We could use Petersen, or use another one. You see he is probably suspect. Would you call in another prosecutor?

Dean: I would like to have Petersen on our side, if I did this thing.

President: Well, Petersen is honest. There isn't anybody about to question him is there?

Dean: No, but he will get a barrage when these Watergate Hearings start.

President: But he can go up and say that he has been told to go further with the grand jury and go in to this and that and the other thing. Call everybody in the White House, and I want them to come and I want them to go to the grand jury.

Dean: This may happen without even our calling for it when these—

President? Vesco?

Dean: No. Well, that is one possibility. But also when these people go

back before the grand jury here, they are going to pull all these criminal defendants back before the Grand Jury and immunize them.

President: Who will do this?

Dean: The U.S. Attorney's office will.

President: To do what?

Dean: To let them talk about anything further they want to talk about.

President: But what do they gain out of it?

Dean: Nothing.

President: To hell with it!



John W. Dean III

Dean: They're going to stonewall it, as it now stands. Excepting Hunt. That's why his threat.

Haldeman: It's Hunt opportunity.

President: That's why for your immediate things 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 that done?

Dean: Obviously he ought to be given some signal anyway.

President: (Expletive deleted), get it. In a way that—who is going to talk to him? Colson? He is the one who is supposed to know him?

Dean: Well, Colson doesn't have any money though. That is the thing. That's been one of the real problems. They haven't been able to raise a million dollars in cash. (unintelligible) has been just a very difficult problem as we discussed before. Mitchell has talked to Pappas, and John asked me

to call him last night after our discussion and after you had met with John to see where that was And I said, "Have you talked to Pappas" He was at home, and Martha picked up the phone so it was all in code. I said, "Have you talked to the Greek?" And he said, "Yes, I have." I said, "Is the Greek bearing gifts?" He said, "Well, I'll call you tomorrow on that."

President: Well look, what is it you need on that? When—I am not familiar, with the money situation.

Dean: It sounds easy to do and everyone is out there doing it and that is where our breakdown has come every time.

President: Well, if you had it, how would you get it to somebody?

Dean: Well, I got it to LaRue by just leaving it in mail boxes and things like that. And someone phones Hunt to come and pick it up. As I say, we are a bunch of amateurs in that business.

Haldeman: That is the thing that we thought Mitchell ought to be able to

know how to find somebody who would know how to do all that sort of thing, because none of us know how to.

Dean: That's right. You have to wash the money. You can get a \$100,000 out of a bank, and it all comes in serialized bills.

President: I understand.

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

Haldeman: (Expletive deleted)

President: Well, of course you have a surplus from the campaign. Is there any other money hanging around?

Haldeman: Well, what about the money we moved back out of here?

Dean: Apparently, there is some there. That might be what they can use. I don't know how much is left.

President: Kalmbach must have some.

Dean: Kalmbach doesn't have a cent.

President: He doesn't?

Haldeman: That \$350,000 that we moved out was all that we saved. Because they were afraid to because of this. That is the trouble. We are so (adjective deleted) square that we get caught at everything.

President: Could I suggest this though: let me go back around—

Haldeman: Be careful—

President: The grand jury thing has a feel. Right? It says we are cooperating well with the grand jury.

Dean: Once we start down any route that involves the criminal justice system, we've got to have full appreciation that there is really no control over that was the only way they found out where they were going—

President: But you've got to (unintelligible) Let's take it to a grand jury. A new grand jury would call Magruder again, wouldn't it?

Dean: Based on what information? For example, what happens if Dean goes in and gives a story. You know, that here is the way it all came about. It was supposed to be a legitimate op-

eration and it obviously got off the track. I heard—before, but told Haldeman that we shouldn't be involved in it. Then Magruder can be called in and questioned again about all those meetings and the like. And it again he'll begin to change his story as to what he told the grand jury the last time. That way, he is in a perjury situation.

Haldeman: Except that is the best leverage you've got with Jeb. He has to keep his story straight or he is in real trouble, unless they get smart and give him immunity. If they immunize Jeb, then you have an interesting problem.

Dean: We have control over who gets immunized. I think they wouldn't do that without our—

President: But you see the Grand Jury proceeding achieves this thing. If we go down that road — (unintelligible)

We would be cooperating. We would be cooperating through a grand jury. Everybody would be behind us. That is the proper way to do this. It should be done in the grand jury, not up there under the kleig lights of the Committee. Nobody questions a grand jury. And then we would insist on executive privilege before the committee, flat out say, "No we won't do that. It is a matter before the Grand Jury, and so on, and that's that."

Haldeman: Then you go the next step. Would we then—the grand jury is in executive session?

Dean: Yes, they are secret sessions.

Haldeman: Alright, then would we agree to release our grand jury transcripts?

Dean: We don't have the authority to do that. That is up to the Court and the court, thus far, has not released the ones from the last grand jury.

President: They usually are not.

Dean: It would be highly unusual for a grand jury to come out. What usually happens is —

Haldeman: But a lot of the stuff from the grand jury came out.

President: Leaks.

Dean: It came out of the U.S. Attorney's office, more than the grand jury. We don't know. Some of the grand jurors may have blabbered, but they were —

President: Bob, it's not so bad. It's bad, but it's not the worst place.

Haldeman: I was going the other way there. I was going to say that it might be to our interest to get it out.

President: Well, we could easily do that. Leak out certain stuff. We could pretty much control that. We've got so much more control. Now, the other possibility is not to go to the grand jury. We have three things. (1) You just say the hell with it, we can't raise the money, sorry Hunt you can say what you want, and so on. He blows the whistle. Right?

Dean: Right.

President: If that happens, that raises some possibilities about some criminal liabilities, because he is likely to say a hell of a lot of things and will certainly get Magruder in on it.

Dean: It will get Magruder. It will start the whole FBI investigation going again.

President: Yeah. It would get Magruder, and it could possibly get Colson.

Dean: That's right. Could get—

President: Get Mitchell. Maybe. No.

Haldeman: Hunt can't get Mitchell.

Dean: I don't think Hunt can get Mitchell. Hunt's got a lot of hearsay.

President: Ehrlichman?

Dean: Krogh could go down in smoke.

President: On the other hand—Krogh says it is a national security matter. Is that what he says?

Dean: Yeah, but that won't sell ultimately in a criminal situation. It may be mitigating on sentences but it won't, in the main matter.

President: Seems we're going around the track. You have no choice on Hunt but to try to keep—

Dean: Right now, we have no choice.

President: But my point is, do you ever have any choice on Hunt? That is the point. No matter what we do here now, John, whatever he wants if he doesn't get it—immunity, etc., he is going to blow the whistle.

Dean: What I have been trying to conceive of is how we could lay out everything we know in a way that we have told the grand jury or somebody else, so that if a Hunt blows, so what's new? It's already been told to a grand jury and they found no criminal liability and they investigated it in full. We're sorry fellow—And we don't, it doesn't—

Dean: That's right.

President: And Hunt would get off by telling them them the Ellsburg thing.

Dean: No Hunt would go to jail for that too—he should understand that.

President: That's a point too. I don't think I would throw that out. I don't think we need to go into everything. (adjective deleted) thing Hunt has done.

Dean: No.

President: Some of the things in the national security area. Yes.

Haldeman: Whoever said that anyway. We laid the groundwork for that.

President: But here is the point, John. Let's go the other angle, is to decide if you open up the grand jury: first, it won't be any good, it won't be believed. And then you will have two things going: the grand jury and the other things, committee, etc. The grand jury appeals to me from the standpoint, the President makes the

President: (Unintelligible) for another move. All these charges being bandied about, etc., the best thing to do is that I have asked the grand jury to look into any further charges. All charges have been raised. That is the place to do it, and not before a committee of the Congress. Right?

Dean: Yeah.

President: Then, however, we may say, (expletive deleted), we can't risk that, or she'll break loose there. That leaves you to your third thing.

Dean: Hunker down and fight it.

President: Hunker down and fight it and what happens? Your view is that is not really a viable option.

Dean: It is a high risk. It is a very high risk.

President: Your view is that what will happen on it, that it's going to come out. That something is going to break loose, and—

Dean: Something is going to break and—

President: It will look like the President.

Dean: is covering up—

President: Has covered up a hugh

(unintelligible)

Dean: That's correct.

Haldeman: But you can't (inaudible)

President: You have now moved away from the hunker down—

Dean: Well, I have moved to the point that we certainly have to take a harder look at the other alternative, which we haven't before.

President: The other alternative is—

Dean: Yes, the other choices.

President: As a matter of fact, your middle ground of grand jury. I suppose there is a middle ground of a public statement without a transcript.

Dean: What we need also, sir

Haldeman: But John's view is if we make the public statement that we talked about this morning, the thing we talked about last night—each of us in our hotel, he says that will immediately lead to a grand jury.

President: Fine—alright, fine.

Haldeman: As soon as we make that statement, they will have to call a grand jury.

President: They may even make a public statement before the grand jury, in order to—

Haldeman: So it looks like we are trying to do it over.

Dean: Here are public statements, and we want full grand jury investigations by the U.S. Attorneys office.

President: If we said that the reason we had delayed this is until after the sentencing—You see that the point is that the reason time is of the essence, we can't play around on this. If they are going to sentence on Friday, we are going to have to move on the (expletive deleted) thing pretty fast. See what I mean?

Dean: That's right.

President: So we really have a time problem.

Dean: The other thing is that the Attorney General could call Sirica, and say that, "The government has some major developments that it is considering. Would you hold sentencing for two weeks?" If we set ourselves on a course of action.

President: Yep, yep.

Dean: See, the sentencing may be in the wrong perspective right now. I don't know for certain, but I just think there are some things that I am not at liberty to discuss with you, but I want to ask that the court withhold two weeks sentencing.

Haldeman: So then the story is out: "Sirica delays sentencing Watergate"

Dean: I think that could be handled in a way between Sirica and Kleindienst that it would not get out. Kleindienst apparently does have good rapport with Sirica. He has never talked since this case developed, but—

President: That's helpful. So Kleindienst should say that he is working on something and would like to have a week. I wouldn't take two weeks. I would take a week.

Dean: I will tell you the person that

I feel we could use his counsel on this, because he understands the criminal process better than anybody over here does.

President: Petersen?

Dean: Yes, Petersen. It was awkward for Petersen. He is the head of the criminal division. But to discuss some of things with him, we may well want to remove him from the head of the Criminal Division and say, "That related to this case, you will have no relation." Give him some special assignment over here where he could sit down and say, "Yes, this is an obstruction, but it couldn't be proved," so on and so forth. We almost need him out of there to take his counsel. I don't think he would want that, but he is the most knowledgeable.

President: How could we get him out?

Dean: I think an appeal directly to Henry—

President: Why couldn't the President call him in as special counsel to the White House for the purpose of conducting an investigation. Rather than a Dean in office, having him the special counsel to represent us before the grand jury.

Dean: I have thought of that. That is one possibility.

Haldeman: On the basis that Dean has now become a principal, rather than a counsel.

Dean: I could recommend that to you.

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