

Justice Department Faces a Test



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NOW THAT special prosecutor Archibald Cox has been removed, the true test of the Justice Department's credibility will be its handling of the investigation into the strange finances of President Nixon's friend Bebe Rebozo.

Sources close to Cox tell us the special prosecutors had received reports, still unsubstantiated, that Rebozo was the President's bagman.

This much has been established: Rebozo accepted a \$100,000 cash gift from billionaire Howard Hughes and stashed it in a safety deposit box. The money was delivered in \$100 bills, \$50,000 at a time, in 1969 and 1970.

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THE HUGHES AIDE who made the delivery, Richard Danner, has sworn the money was intended as a contribution for the 1970 congressional campaign. Yet not only did Rebozo have no authority to collect campaign funds but he never turned over the \$100,000 to any campaign committee. He told investigators that he returned the cash after keeping it for three years.

The special prosecutors were investigating whether Rebozo had collected other cash contributions for Mr. Nixon.

Word reached them indirectly, say our sources, that the President was disturbed over their interest in Rebozo. They suspect the President may have fired Cox more to head off the Rebozo investigations than to withhold the Watergate tapes.

My associate Les Whitten rushed over to the prosecutors' office immediately after Cox's sudden dismissal. Barely one step ahead of the FBI, he obtained only one document before agents sealed the offices and refused to let the prosecutors remove even pictures of their wives and children. This interesting document was a library check-off list, which showed what the prosecutors were researching.

They were checking, for example, into the government's access to financial records. In one earmarked case, the courts ruled that a taxpayer could not block the Internal Revenue Service from examining his bank records. This could have been preparation for a showdown over the Rebozo records. They expected to encounter resistance if they pushed the investigation.

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THE LIBRARY document also shows that James Quarles, a Cox assistant and a specialist in campaign funds, was searching through three law books for cases dealing with campaign funds.

The dairy industry, for example, offered to raise \$2 million for President Nixon's 1972 reelection campaign. On March 23, 1971, the President met personally at the White House with a dairy delegation. Two days later, the White House ordered the Agriculture Department, over Secretary Clifford Hardin's objection, to increase dairy subsidies.