

Hughes-Mitchell link charged

Associated Press

WASHINGTON — One of two \$50,000 campaign contributions from billionaire Howard Hughes to a close personal friend of President Nixon was set in motion after Atty. Gen. John N. Mitchell approved Hughes' \$35 million bid to buy a Vegas gambling hotel, the staff of the Senate Watergate committee reports.

The 47-page report to the senators calls the administration's handling of Hughes' efforts to buy the Dunes Hotel "a classic case of governmental decision making for friends."

"As the evidence indicated, the apparent decision by Mitchell to approve the Dunes purchase is clothed with the appearance of impropriety," the report said. "The facts of this case . . . pointedly suggest impropriety to a significant degree and raise serious questions about campaign contributions" and Justice Department practices.

The report, which was made available by a source close to the committee, analyzes the relationship between Hughes' repeated attempts to expand his Las Vegas hotel and gambling empire and the \$100,000 Hughes paid out to Nixon's friend, C. G. "Bebe" Rebozo, at about the same time.

The Committee will issue its final report Friday.

The approval to buy the Dunes, a deal which later fell through, came after the

SFXaminer

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Mansfield: Decide on Nixon

United Press International

WASHINGTON — Senate Democratic leader Mike Mansfield said yesterday he was "becoming depressed" with the political atmosphere created by the impeachment proceedings against President Nixon and wants the issue decided by year's end.

"The whole affair is like a dark cloud hanging over all of us," Mansfield told reporters.

He said it would be "impertinent and intemperate" to predict now how the House will vote on impeachment, and added: "We're just on the outside looking in. You can rest assured that if and when it comes to the Senate, we will be prepared."

"I would hope we could get this behind us this year, one way or the other," the Montana Senator continued. "I'm becoming depressed with the atmosphere this is creating and I'd like to dispose of it."

Justice Department's antitrust division had frustrated Hughes' 1968 attempt to buy the Stardust Hotel. Later, they reluctantly approved his purchase of the Landmark Hotel.

In the Landmark case, an exception to antitrust policy was made because Hughes' purchase was determined to be the only alternative to the hotel's bankruptcy.

The report noted that Richard Danner, the man selected to present the case for the Dunes purchase directly to Mitchell, had delivered the \$100,000 in cash to Rebozo. The money was re-

turned last year.

The report deals in detail with the testimony of Robert Maheu, who was fired as head of Hughes' Nevada operation.

"Maheu says that Hughes . . . instructed him to send Richard Danner, then manager of the Hughes-owned Frontier Hotel of Las Vegas directly to John Mitchell to obtain Justice Department approval for the purchase," the report said.

Maheu told the committee that after being thwarted over the Stardust, Hughes decided he would never

again talk with secondary Justice Department officials, "But instead would deal only with the 'boss.'"

According to Maheu, Hughes was aware of Danner's "very definite political advantages" as a friend of Nixon and Rebozo and approved his selection as political liaison with the government.

In early 1970, the report said, Danner set up a series of secret meetings in Washington attended only by himself and Mitchell.

There is no record of the meetings in the files of the antitrust division, the report said.

Mitchell and Danner deny discussing political contributions. Rebozo denies discussing the Dunes with either man.

The report quotes Danner's version of a meeting with Mitchell:

"I went to his office, I cannot recall whether there was anybody else present, whether he called anyone up to meet with me, but in a very perfunctory manner, he said, 'from our review of these figures we see no problem. Why don't you go ahead with the negotiations?'"

Danner also testified Mitchell told him the proposed Dunes purchase met antitrust guidelines.

Danner told the committee he reported his success immediately to Maheu and Edward P. Morgan, a Hughes attorney in Washington.

"Maheu remembers Danner telling him the case was 'taken care of in Washington and there would be no interference beyond that,' " the report said.