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Merry-Go-Round

Howard Hughes and The White House



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TWO FEDERAL AGENCIES investigating the elusive billionaire Howard Hughes have discovered, to their discomfort, tracks leading right up to the White House steps.

The Internal Revenue Service has turned up evidence that \$100,000 was siphoned from the Silver Slipper, a Hughes gambling emporium, for Richard Nixon's 1968 campaign, And the Securities and Exchange Commission has learned that the President's brother, Don Nixon, played a part in Hughes' maneuvers to take over the airline, Air West.

The story of the \$100,000 contribution was first published in this space on August 6, 1971. We reported that the gambling money was delivered by Richard Danner, a Hughes exec, to Bebe Rebozo, a Nixon confidante.

Our information was based on access to Hughes' private papers. On March 14, 1968, Hughes scribbled confidential instructions to Robert Maheu, then his chief honcho

"I want you to go to see Nixon as my special confidential emissary. I feel there is a really valid possibility of a Republican victory this year." The phantom billionaire suggested that Mr. Nixon could win "under our sponsorship and supervision every inch of the way." We found no evidence, however, that Hughes sponsored the Nixon campaign beyond the \$100,000 contribution.

Treasury agents came across the mysterious contribution as part of an investigation into Hughes' operations.

Sources close to the investigation re-

port that the treasury men have questioned Danner, who now runs the Sands Hotel-Casino in Las Vegas for Hughes. Danner acknowledged delivering the \$100,000 to Rebozo but claimed the money was intended for the GOP congressional campaign, say our sources. We also talked to Danner, but he refused all comment. Rebozo never takes our calls.

THE Securities and Exchange Commission, meanwhile, is investigating reports that Hughes manipulated the stock of Air West to bring pressure on the directors to sell him the airline. Because the board was divided over whether to sell, it is alleged, Hughes persuaded some big stockholders to dump their stock, promising to make good their losses. This allegedly drove down the price of the stock, and the board in panic voted to sell.

SEC investigators learned that Mahou, in Hughes' behalf, made the first approach to Air West through Don Nixon. Mahou, summoned to Washington for secret questioning, acknowledged Don Nixon's role in the deal. He said that another Hughes executive; John Meier, had made the arrangements with Don Nixon, who had put Mahou in touch with a board member.

We reached Maheu, who had no comment, but couldn't reach Don Nixon.

It will be interesting to watch, meanwhile, whether the IRS and SEC will be willing to go ahead with investigations that could embarrass their boss in the White House.