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Report of Blackmail By Hunt

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Watergate conspirator E. Howard Hunt Jr. effectively blackmailed the White House by threatening to disclose the involvement of high Nixon administration officials in illegal activities unless he received large sums of money and a guarantee of executive clemency, according to government sources.

Since the Watergate break-in almost a year ago, the sources reported, Hunt has been paid more than \$200,000 to remain silent and received repeated assurances, of clemency. Shortly before he was to be sentenced in March Hunt demanded an additional \$130,000 that was never paid, the sources said.

Investigators have established that White House and Nixon campaign officials, including former presidential special counsel Charles W. Colson, received at least five "messages" from Hunt demanding money and clemency between June 1972, and March 1973, the sources reported.

FEARS

and Justice De-Senate partment investigators now believe that the acquiescence of high White House officials in the Watergate coverup was in part related to their fears that Hunt would reveal the Nixon administration's secret operations against radicals, political opponents and the press. , *

Testimony at the Senate Watergate hearings has established that an obstruction of justice was contemplated immediately after the June 17 arrests in the Democrats' Watergate headquarters.

Another factor, however, according to one source, was

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that "from the beginning Hunt began blackmailing the White House." The source added.

"They (White House officials) went along ... in it is Hunt's demands fact. and threats that make the case a clear example of obstruction of justice. Hunt was being paid to keep quiet. It demolishes the argument that the money was just for lawyers' fees and care for the families of the defendants."

* PROVE The sources said that without the crucial element of a conspirator clearly being paid for silence, it would be difficult to prove obstruction of justice on anyone's part in connection with payments to the defendants.

One source said: "It would have been embarrassing for it to get out that the White House was paying legal fees, but that's not illegal. The evidence that the payment (to Hunt) was for silence proves the case of obstruction."

The prosecutors in the Watergate case also have testimony from conspirator James W. McCord Jr. that he was offered money to remain silent.

DELIVERY

The initial payments to Hunt, according to the sources, were made by Frederick C. Larue, an aide to the Nixon campaign committee, who delivered the cash either directly to Hunt or to Hunt's present attor-ney, William O. Bittman.

Bittman, the sources said, has acknowledged to investigators that he received three or four sealed envelopes from Larue for delivery to Hunt, but maintains that he did not know that the envelopes contained money.

The sources said Hunt had been assured through representatives of the Committee for the Re-election of the President that he would receive executive clemency if he remained silent.

"Hunt viewed it as similar to, a CIA operation," one source observed. "It a deal blows up, everybody's taken care of."

However, by the fall of 1972, Hunt "said he was

damn dissatisfied with his channels to the White House and he was nervous whether the promises of executive clemency were real," another source reported.

"So he wrote a three-page letter that he gave to Bittman with new demands ... he upped the ante and demanded more direct channels with the White House. and assurance of executive clemency." The source added: "It kicked up a crisis at the White House.

At about this time, the sources reported, Hunt contacted then presidential special counsel Colson, who had originally hired Hunt as a White House consultant.

Colson, according to the sources, taped the conversa-

tion with Hunt to protect his own interests and has supplied the recording to inves-One source detigators. scribed the conversation as follows: "Hunt was very upset and threatened to talk, making it clear in some strong, if not wild language that he had better get more attention."

Later, at least two other threats by Hunt were conveyed to high White House officials, one of them by Bittman, who visited with Colson in the White House in December, according to investigators.

Former White House consel John Dean has told investigators that Bittman approached Colson in December to say that "something had to be done" to avoid a long jail term for Hunt.

Colson then passed the request along to Dean and John D. Ehrlichman, then the President's top domestic adviser, who answered, "I'll check," according to accounts of Dean's allegations.

Ehrlichman then walked into the President's Oval Office and returned with what he said was a promise of executive clemency for Hunt, according to Dean's version of events.

Ehrlichman instructed Colson to ill Bittman that "everything is OK" but not to be too specific in relaying the clemency offer, accord-ing to his account, which has been provided to the Washington Post by two sources and was initially reported in Newsweek magazine last month.

Bittman has declined to

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comment on the matter.

FINAL

Hunt's final demand to the White House came on March 16, according to investigators, one week before he and his co - conspirators were to

be sentenced. "His wife was dead and he was going to jail. There was no one to take care of his children," one source said, and again Hunt asked for more money - \$130,000 according to several sources.

The demand, calling for \$70,000 for personal expenses and \$60,000 for legal fees, was conveyed to White House counsel Dean, according to investigative sources.

Dean "hit the ceiling" upon receiving the message, in the words of one source, and refused to provide the funds, according to several sources.

"It was the beginning of the end," said one source, "By then the coverup was

falling apart." Hunt's wife, Dorothy, was killed in a Chicago plane crash in December, and Hunt pleaded guilty to all crash charges against him at the Watergate trial in January. He is now serving a provisional jail sentence of 35 years.

U.S. District Judge John J. Sirica has indicated that Hunt's jail sentence may be reduced if he cooperates with the Senate investigation and the re - opened federal grand jury probe into the case.