

Hughes' Cash Gift And Trust Action



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Fuller column filed Nixon, real estate.

A REPRESENTATIVE of billionaire Howard Hughes, Richard Danner, has told Senate Watergate investigators that he obtained an antitrust waiver in 1970 from then-Attorney General John Mitchell. This coincided closely, Danner admitted, with his delivery of \$100,000 in gambling money to President Nixon's friend, Bebe Rebozo.

Danner insisted, however, that Mitchell was unaware of the contribution and therefore, that the favorable antitrust action was not a quid pro quo for the money.

Danner said he had three conversations with Mitchell about Hughes' desire to purchase the Dunes hotel-casino in Las Vegas. On the last occasion, Danner called upon Mitchell at the Justice Department and was given clearance to go ahead with the Dunes acquisition.

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THIS OCCURRED, to the best of Danner's recollection, in August or September, 1970. A few weeks earlier, on July 3, 1970, according to Danner's records, he handed \$50,000 in \$100 bills to Rebozo at Mr. Nixon's San Clemente estate.

Danner had no record of the exact time he delivered the additional \$50,000 installment. He originally told the Internal Revenue Service that he had turned over the cash to Rebozo at the President's Key Biscayne estate in August, 1969. But Danner

explained to the Watergate investigators that he later gave the IRS an amended statement, suggesting it was possible the delivery could have occurred in August, 1970.

Before the \$100,000 changed hands, the Justice Department had blocked Hughes from purchasing another Las Vegas hotel-casino, the Stardust, on antitrust grounds. But the Justice Department changed its attitude in 1970 when Mitchell promised, according to Danner, not to obstruct the expansion of Hughes' gambling empire.

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WHEN Senate sleuths questioned Danner this past August 30 he insisted that the two \$50,000 payments were intended as campaign contributions.

Mr. Nixon, of course, wasn't campaigning for office at the time the money was delivered, but Danner said the President was expected to use the money to help his favorite candidates in the 1970 congressional races.

A White House spokesman denied that the President had ever received the \$100,000 offering, and friends of Rebozo told us that no campaign money had been diverted into personal channels.

But the transaction underlines how difficult it is becoming to distinguish between a campaign contribution and an outright bribe.