

A Memo by Hughes Bared in Gift Case

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SAN FRANCISCO, Oct. 21 — In the spring of 1968, when Howard R. Hughes was being pressed by the Antitrust Division of the Department of Justice and the Atomic Energy Commission's nuclear weapons testing program, he told his chief assistant to begin working toward the election of Richard M. Nixon as President.

To further this aim, Mr. Hughes wrote a memo of directions to his principal confidant, Robert A. Maheu. This memo is the latest disclosure in the long controversy over the donation of \$100,000 in cash from the Hughes interests for Mr. Nixon—a gift that has been the subject of inquiry recently by the Internal Revenue Service, the staff of the Senate Watergate committee and newsmen.

Part of the memo read as follows:

"Bob, as soon as this predicament is settled, I want you to go to see Nixon as my special confidential emissary. I feel there is a real valid possibility of a Republican victory this year. If that could be realized under our sponsorship and supervision every inch of the way, then we could be ready to follow with Laxalt as our next candidate."

The reference was to Paul Laxalt, a Republican who was Nevada's Governor but who did not run for re-election when his first term ended in 1970.

About three years ago a large number of Mr. Hughes's handwritten memos to Mr. Maheu were copied by some unidentified person and have come into the possession of outsiders such as newsmen. The quotation above is from one of these memos.

Problems in Two Fields

Mr. Hughes wrote the memo shortly after being frustrated in his attempt to buy the Stardust Hotel and Casino in Las Vegas, Nev. Just as he was to close the purchase for more than \$30-million, the Antitrust Division warned that it might sue him for overpowering his competition. He dropped the deal.

At the same time, Mr. Hughes was trying to stop the A.E.C. from testing a large hydrogen bomb at a site in north-central Nevada. His memo does not make clear which of these disputes was the "predicament" that caused him to think of Mr. Nixon.

Soon after the memo was written two contributions of \$50,000 each were made from Mr. Hughes's funds to representatives of Mr. Nixon, accord-

ing to testimony in court files in Los Angeles. First there was a series of 17 checks totaling \$50,000 to different Nixon campaign committees in Nevada.

Then in the autumn of 1968 a total of \$50,000 in bundles of \$100 bills was collected by employees of the billionaire industrialist and held until it could be delivered to Mr. Nixon or his representative, witnesses said under oath.

The witnesses said that an attempt to deliver the cash to President-elect Nixon at Palm Springs, Calif., in December, 1968, failed because he was too busy to keep the appointment. Eventually, the witnesses said, the money was delivered to C. G. Rebozo of Key Biscayne, Fla., Mr. Nixon's good friend.

The delivery was made at the San Clemente, Calif., estate bought by Mr. Nixon on July 15, 1969, according to the testimony, which is contradictory as to the date, although it appears that it was in late 1969.

Another \$50,000 in cash intended for Mr. Nixon was delivered later to Mr. Rebozo in Key Biscayne, Fla., where Mr. Rebozo lived next door to a home owned by the Nixons. It appears in the imprecise testimony that this probably was in 1970.

Richard Danner, a Hughes employe, testified that he delivered the money for President Nixon from the Hughes interests to Mr. Rebozo.

Nor was this the end of Mr. Hughes's contributions to funds to benefit Mr. Nixon. In the pre-April 7 campaign fund solicitation for the Nixon-Agnew election drive last year, Mr. Hughes put in \$50,000, records show.

Last fall, just before the election, Mr. Nixon's solicitors returned to Mr. Hughes's agents and asked for more. The plea that the Committee for the Re-election of the President had unpaid bills drew yet another \$100,000 in checks backed by Mr. Hughes's funds, qualified sources said.

At this same time, Senate investigators learned recently, the \$100,000 in cash given years earlier to Mr. Rebozo by Mr. Hughes's agents to be held for Mr. Nixon assertedly was in a safety deposit box in the Bank of Key Biscayne.

Sources close to the Senate Watergate committee have disclosed these other points that are pertinent to the events set in motion by Mr. Hughes's 1968 memo to Mr. Maheu.

The Committee staff has interviewed persons concerned with the money transfer, in-

cluding Mr. Rebozo, but not Mr. Hughes or President Nixon.

Mr. Rebozo said he kept the cash in a safety deposit box in his bank until earlier this year—perhaps for three years—before he returned it to the Hughes interests.

Mr. Rebozo said he believed the money was for campaign purposes, including the 1972 Presidential campaign of President Nixon.

No White House comment on these matters was made until this week, although the contribution from Mr. Hughes for Mr. Nixon through Mr. Rebozo was first reported on Aug. 6, 1971, by Jack Anderson, the columnist.

In response to spirited questioning by reporters, the deputy White House press secretary, Gerald L. Warren, said that Mr. Nixon was confident there had been no impropriety in what Mr. Rebozo had done.

Mr. Warren said that Mr. Rebozo had not told Mr. Nixon about the money until early this year when he mentioned it in a general conversation.

In addition to the inquiry by the Senate Watergate committee staff, at least one investigation by the Internal Revenue Service has touched on the question of the movement of the money from Mr. Hughes to Mr. Rebozo. This is the investigation that the I.R.S. has been making for about three years into Mr. Maheu's income tax declarations.

The Maheu investigation was disclosed in the testimony in the trial of a \$17.3-million libel suit filed against the Hughes interests by Mr. Maheu.

Meantime, Hank Greenspun, publisher of the Las Vegas Sun, has disclosed that on Oct. 12, 1971, he asked Herbert W. Kalmbach, President Nixon's California lawyer, what had happened with the \$100,000 in cash that Mr. Hughes had caused to be delivered to Mr. Rebozo for President Nixon.

Mr. Greenspun said he had asked Mr. Kalmbach if the money had been used to pay for decorating Mr. Nixon's home at San Clemente. Mr. Greenspun said Mr. Kalmbach had said that this was not true.

The Los Angeles Times quoted a source close to Mr. Kalmbach as saying that Mr. Kalmbach had not told the President about the donation because he thought there was nothing unusual about it.

Mr. Kalmbach was not available for comment about Mr. Greenspun's statement. But Mr. Greenspun said he had been told that Mr. Kalmbach remembered that there had been two meetings between them and that the matter of the \$100,000 cash delivered to Mr. Rebozo had been brought up at the second meeting in July, 1972. Mr. Greenspun said that while he remembered it differently, he would not contradict Mr. Kalmbach.

Brother's Role Questioned

Mr. Greenspun said that the

first meeting between them had been sought by Mr. Kalmbach on the instructions of John D. Ehrlichman, then a Presidential counsel, to find out if F. Donald Nixon, the President's brother, still had business dealings with John H. Meier, a former employe of Mr. Hughes.

Mr. Kalmbach was the lawyer who represented Mr. Nixon in the purchase of his San Clemente home. He was also a major fund-raiser for Mr. Nixon's 1972 campaign and has said he gathered pledges for about \$10-million in contributions.

Further, between January, 1969, and February, 1972, Mr. Kalmbach was trustee of about \$1,668,000 in funds remaining from the 1968 Nixon-Agnew campaign.

Mr. Hughes was lavish in his financial support of politicians, records of the libel trial show, and the communications to Mr. Maheu from Mr. Hughes showed some of what was wanted in return.

Copies of some of these communications are in evidence in the Los Angeles trial.

For example, when he was frustrated by the Antitrust Division in his plan to buy the Stardust Hotel, Mr. Hughes wanted help from Senator Howard W. Cannon, Nevada Democrat, to whom he was to give \$70,000 for campaign purposes in 1970, and from Senator Alan Bible, the state's other Democratic Senator.

One memo asked Mr. Maheu if he had "given Bible the glad tidings." That referred to the 1968 promise from Mr. Hughes to contribute \$50,000 to Senator Bible's re-election campaign, the evidence shows.

Mr. Hughes also suggested assignments for a man he called "Humphries." This was Hubert H. Humphrey, the Vice President in 1968 and Democratic nominee for President that year.

Mr. Maheu has testified that in 1968 he delivered \$50,000 in cash from Mr. Hughes to Mr. Humphrey in the back seat of a limousine in front of Century Plaza Hotel in Los Angeles.

In Washington yesterday Mr. Humphrey, now a United States Senator, denied that he had ever personally received any funds from Mr. Hughes or any Hughes representative. Any Hughes contributions went into his campaign funds, Senator Humphrey said.

In one 1968 memo, Mr. Hughes directed Mr. Maheu to try to get an injunction to halt a nuclear test. Mr. Hughes said it was "a problem of getting the right judge." He also said that Mr. Maheu should try to get "an order from L.B.J. [President Johnson] inspired by Humphries."

On April 24, 1968, two days before the test, Mr. Hughes said in a note to Mr. Maheu that "I am perfectly willing to write a short personal message to Johnson, which we could ask Humphries to deliver—hand deliver—to Johnson."

The test was held.