9/16 Grand Lury testimony of Richard M. Nixon June 23, 1975



UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA 2 3 UNITED STATES OF AMERICA ( January, 1974 ) Grand Jury V. ( Investigation ) 5 JOHN DOE 6 San Clemente, California 8 Monday, June 23, 1975 9 Deposition of RICHARD M. NIXON, called for 10 examination by the office of the Watergate Special Prosecution 11 Force, pursuant to agreement, at 9:00 o'clock a.m., Pacific 12 Standard Time, June 23, 1975, in the Conference Room, United 13 States Coast Guard Station, San Clemente, California, when 14 the witness was sworn by The Honorable Edward J. Schwartz, 15 Chief Judge, United States District Court for the Southern 16 District of California. 17 APPEARANCES: 18 On behalf of the Government: HENRY S. RUTH, Esq., 19 Special Prosecutor 20 THOMAS J. McBRIDE, Esq., Associate Special Prosecutor 21 RICHARD J. DAVIS, Esq., 22 Assistant Special Prosecutor 23 JUDITH ANN DENNY, Esq., Assistant Special Prosecutor (Page 71) 24

HOOVER REPORTING CO., INC. 320 Massachusetts Avenuo, N.E. Nashington, D.C. 20002 WATERGATE SPECIAL PROSECUTION FORCE

DEPARTMENT OF JUSTICE

## Memorandum

: Files

DATE: July 2, 1975

FROM : Peter M. Kreindler

Counsel to the Special

Prosecutor

SUBJECT: Transcript of Nixon Deposition -- Classified Portions

Henry S. Ruth and I met with Philip W. Buchen, Counsel to the President, and Brent Scowcroft, Deputy Assistant to the President for National Security Affairs, in Mr. Buchen's office on July 1, 1975, at approximately 3:40 p.m. After Mr. Scowcroft stamped each page of the transcript that was classified, I sealed those pages and the corresponding stenographer's notes in an envelope, noting on the flap of the envelope that the envelope was sealed pursuant to the order of Chief Judge Hart dated June 30, 1975, A copy of the order was stapled to the envelope. Mr. Scowcroft then sealed the envelope and the order in a "White House" envelope. On the envelope he wrote: "do not touch, to be opened only by Brent Scowcroft." In addition, in order to identify the envelope, he wrote in the upper left hand corner: "Sealed in the presence of counsel Philip W. Buchen and others. Brent Scowcroft. July 1, 1975."

SUPPLY TO STREET

## APPEARANCES (Continued):

PAUL MICHEL, Esq., Assistant Special Prosecutor

(Page 117)

On behalf of the Witness:

Washington, D. C.

FOIA(b)6

HERBERT J. MILLER, Jr., Esq., R. STAN MORTENSON, Esq., 1320 - 19th Street, N.W.

Also In Attendance:

IED DEDODTING CO

Washington, D.C. 20002

DocId: 31442597

Foreman, January 7, 1974 Grand Jury
Juror, January 7, 1974 Grand Jury

## PROCEEDINGS

JUDGE SCHWARTZ: For the record, this proceeding is taking place in the Southern District of California, a proceedings which is ancillary to the proceedings before the January 7, 1974 Grand Jury of the District of Columbia.

Do you solemnly swear that the testimony you are about to give in this deposition proceedings shall be the truth, the whole truth and nothing but the truth, so help you God?

THE WITNESS: I do.

MR. RUTH: Sir, I just want to make an introductory statement.

My name is Henry Ruth, and with me is Tom McBride and Richard Davis, and we are representatives of the Watergate Special Prosecution Force.

During the course of this deposition, as you know, other attorneys from this office will be present at different times to ask questions on different matters. Before we begin, though, I want to outline the nature of the proceedings and just advise you of your rights and obligations here.

This deposition is part of various investigations being conducted by the January 7, 1974 Grand Jury for the District of Columbia. In order to assist them with various investigations that body authorized us, as their counsel, after a series of meetings with your counsel, to arrange for

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Washington, D.C. 20002

the taking of your sworn deposition here in California in the presence of two representatives of the Grand Jury. In order to allow the deposition to go forth in this manner, Chief Judge Hart in the District of Columbia signed an order authorizing the presence of these two members of the Grand Jury at a deposition in California conducted ancillary to the Grand Jury investigation. Therefore, present here today are Mr.

FOIA(b) 6

both members of the

January 7, 1974 Grand Jury.

Additionally, the transcript of the proceedings will be read to the Grand Jury back in the District of Columbia.

The areas of inquiry to be covered today have been fully discussed with your counsel, as you know, sir, and they include aspects of the following:

- 1. The circumstances surrounding the 18 and a half minute gap in the tape of the meeting between you and Mr. Haldeman on June 20, 1972.
- 2. Aspects of alleged receipt of large amounts of cash by Charles Rebozo or Rose Mary Woods on your behalf, and financial transactions or aspects thereof between Mr. Rebozo and you.
- 3. Attempts to prevent the disclosure of the existence of the National Security Council wire tap program through removal of the records from the FBI, matters dealing with threats to reveal the existence of such records, and the

DocId: 31442597

testimony of L. Patrick Gray at his confirmation hearings in the U. S. Senate upon his nomination to be permanent Director of the FBI.

- 4. Any relationship between campaign contributions and the consideration of ambassadorships for five persons: Ruth Farkas, J. Fife Symington, Jr., Vincent deRoulet, Cornelius V. Whitney and Kingdon Gould, Jr., and
- 5. The obtaining and release of information by the White House concerning Lawrence O'Brien through use of the Internal Revenue Service.

As we understand it, sir, you are appearing here to respond voluntarily to questions in this area. Your counsel, Herbert J. Miller, Jr. and R. Mortenson are present in the room and, naturally, you may consult with them at any time during the questioning. If you want to interrupt the questioning for that purpose, please so indicate at any time. However, neither Mr. Miller nor Mr. Mortenson may make any statement or perform any other role during this deposition, although, of course, we are available to consult with your counsel outside the hearing room if that becomes necessary.

Finally, since this deposition is being conducted ancillary to the Grand Jury, fairness requires the advice to you that the making of any false material declaration during this deposition would be a violation of Title 18, U. S. Code, Section 1623, which makes it a crime to make such a false

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statement.

I want to make sure you understand everything I have said, sir.

THE WITNESS: Yes, I understand everything you have said, Mr. Ruth. I understand your statement and I particularly understand the last part of your statement which dealt with the fact of any false statement was one that would make whoever was a witness liable to criminal prosecution.

Needless to say, I am here, as I indicated in taking the oath, to make true statements and while, of course, I suppose it is your obligation to warn witnesses, I did not feel that it was particularly necessary for you to warn me in this instance, although I accept it and I appreciate the advice.

If you don't mind, I have a very brief statement because I know Mr. McBride has a number of questions he wants to ask about the testimony.

MR. RUTH: Under our Grand Jury proceedings, it would have been derelict not to read that, sir.

THE WITNESS: I understand. I would like to respond briefly to your statement so we will have a meeting of the minds as to what I understand the proceeding is.

MR. RUTH: Certainly.

THE WITNESS: First, it is important to note that my appearance is voluntary, that I am here on my own volition to answer the questions in the areas that you worked out with

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our counsel as those that you feel my testimony will be helpful in in concluding your investigation.

Second, it should be noted that your investigation has been going on -- I hadn't realized it was quite this long -- for almost two years, and I realize that you, naturally, have a great desire to get everything you possibly can together so that at the end you can say that you have explored every avenue possible. That is the reason I am here, in addition to the fact that you asked me to come, which, of course, was a factor that weighed in my decision.

Now in making this appearance, however, I should point out that I am taking into consideration a very profound belief, that I have expressed publicly on many occasions, in the vital necessity for the confidentiality of presidential communications. It seems to me today that when we pick up the papers, and particularly in recent weeks, and read of former presidents, President Kennedy, for example, President Johnson, even President Eisenhower, being accused of approving or participating in discussions in which there was approval of assassination of other people is very much not in the national interest, and probably it is, of course, not true.

Nevertheless it makes the point very strongly that I am going to make right now, and that is that in the Office of the Presidency of the United States, the nation which is, not by choice, but by the destiny of history, the most powerful in

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the free world and the only guarantee of peace and freedom in the world, it is necessary for the president to have noholds-barred conversations with his advisers. It is necessary for his advisers to believe that they can give him their unvarnished opinions without regard and without fear of the possibility that those opinions are going to be spread in the public print. It is necessary for them to feel, in other words, that they are talking to the President and that they are not going to the press and that is the reason why confidentiality, which I know, not perhaps you gentlemen, but some of the members of your staff, and certainly some of the members of the House and Senate, and most of the members of the press think is not important. That is why it is important, and, in my opinion, absolutely vital. That is the reason why I have resisted in the courts, unsuccessfully up to this point, attempts to impinge upon the privileged status of such conversations.

And I also must say, and it will probably not occur today in our discussion of ambassadors, but it may occur tm tomorrow in our discussion of wire taps, that only if there is an absolute guarantee that there will not be disclosure of what I say, I will reveal for the first time information with regard to why wire taps were proposed, information which, if it is made public, will be terribly damaging to the United States.

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Through counsel I have been informed that in the process of your investigations that you think I do have information that is uniquely in my possession, and I am here to provide that information that you think I may have. So that is why counsel, of course with my approval, after, I understand, after long and torturous meetings, have reached an agreement as to the areas to be covered.

I would like to point out, though, in reaching that agreement as to the areas to be covered, our primary concern must be to get the areas down to something that I would be able to study and because while you all and those who will be questioning me have had two years to study these things, and that is all, basically, that you have been doing for the past two years, and it is your job, and I respect you for it—I used to do a little of it myself—I, on the other hand, will be trying to remember things that have occurred not only two years ago, but four years ago, during a period when the matters that you are expert on were very low on the list of priorities as far as I was concerned.

So in emphasizing that these presidential privileged communications will be discussed in this instance, I do want to make it clear that I do not consider that to be a waiver of my privilege for the future. Of course a privilege cannot be waived of this sort, as you are well aware, unless expressly waived for the future. It is made solely for the purposes of

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this Grand Jury's investigation, solely for your purposes, gentlemen, and for no other purpose.

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Finally, let me say that in pointing out -- I am not pointing this out critically, but just pointing out the fact that you have, of course, had two years, some of you, to study the various areas and you studied it very thoroughly I can see from the documents you have presented to me, most of which, I understand, my counsel have agreed and have furnished to you, that I not only had a very relatively brief time to study those documents and to try to refresh my recollection, but due to the fact that an order was issued on the initiative of the Special Prosecutor's office, I have not had available my papers for the presidential years. I have not had available various tapes which you will be quoting from in great amounts, I assume, in your questioning, or other tapes of that sort, and consequently when I testify I will have to, at times, use the phrase, which I abhor -- I abhor using it because I like to say yes, no, if an answer is categorically, but if I say "to the best of my recollection", it will be only because I have not had an opportunity to have access to my own records which would allow me to give an answer which would appear to be more forthright.

I would like to say to the two members of the Grand
Jury who are present, when you talk to your colleagues you
should point out that as far as a witness is concerned, if he

HOOVER REPORTING CO., INC. 320 Massachusetts Avenub, N.E. Washington, D.C. 20002 (202) 546-6666 does not have the information, if it is denied to him by his government, he would be making not only a great mistake, personally running the risk of, what Mr. Ruth has so graciously pointed out, of possible perjury, but, also, he would be misleading the Grand Jury because he did not have the information and was not testifying from hiw own records and on the basis of his own knowledge. So I will use that phrase "to the best of my recollection" only when I feel it is necessary, but it will be because I am basing my answers in many cases on documents that you will show me which may or may not refresh my recollection and, of course, on whatever memories I may have of events many years ago, and a lot of it, a lot, of course, has intervened between.

I fear the statement has been too long, but I think it is at least helpful for us to be quite frank about how I shall answer the questions and I shall attempt to be as cooperative as possible and to remember everything that I possibly can. If I don't remember, I am going to say so. If I do remember, I will tell you what I remember. If I am not sure, I am going to say "to the best of my recollection" and so with that, gentlemen, proceed with any questions you like.

MR. RUTH: As to the documents, sir, I realize the problem in the fact that they are frozen by court order in Washington, D. C., and that is why any document we are using here today your counsel has had access to, through

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenua, N.E. Washington, D.C. 20002 (202) 546-6666 court procedures, at your request.

THE WITNESS: Do I understand then that the only documents that you will use today are those to which I have had access?

MR. RUTH: Which your counsel has had access to, unless we otherwise state.

THE WITNESS: Then you are going to use some document to which our counsel has not had access?

MR. RUTH: If we indicate so. We are not sure.

We have no intention at the moment, and may not have to, but

if we do we will indicate these are documents counsel has not

seen before and you will have plenty of opportunity to consider

them ahead of time.

THE WITNESS: I would consider that to be a highly improper procedure.

MR. RUTH: Well, if it comes up, we will discuss it.

THE WITNESS: I understand. When I say "an improper procedure," I assume you consider it proper. I am just stating that. I understood the documents on which I would be questioned were those that you have furnished to our counsel.

MR. RUTH: That is certainly our intent.

THE WITNESS: If there are other documents, it seems to me I should have the opportunity to look them over.

MR. RUTH: Absolutely, and we will certainly state so ahead of time.

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THE WITNESS: Unless the purpose of this proceeding is to flash a document on the witness with the idea of entrapping him.

MR. RUTH: Not at all.

THE WITNESS: That is not your purpose?

MR. RUTH: That is not our purpose and, as we have explained to counsel, the documents we will use today are documents your counsel has had access to. I just want to say that if by chance somebody comes up with a document you have not seen, we will indicate that ahead of time. We don't intend to do that right now.

Secondly, on the secrecy, I just want to say since this is ancillary to the Grand Jury investigation, it will be read to the Grand Jury.

THE WITNESS: I understand.

MR. RUTH: It will be subject to the non-disclosure rule, Rule 6 of the Federal Criminal Procedures, and we will take that position, that it is Grand Jury material and not subject to disclosure.

THE WITNESS: Sure. I understand.

MR. RUTH: We are going to start first, sir, with the area of ambassadorships, with Mr. McBride. Thereupon,

RICHARD M. NIXON,

appearing as a witness, having first been duly sworn, was

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examined and testified as follows:

EXAMINATION:

BY MR . McBRIDE:

Q Sir, the questioning in this area of ambassadors will focus on five individuals: Vincent deRoulet, J. Fife Symington, Jr., Kingdom Gould, Cornelius V. Whitney and Ruth Farkas, and, insofar as possible, I will attempt to have the questioning proceed in that order, that is, we will take deRoulet first and Symington second, and so forth.

The questions I have to ask you are largely based on documents which were provided to us by your counsel, records of your administration, and some documents which were produced pursuant to an earlier subpoena served in early 1974 upon Mr. Sinclair. Those documents, also -- they are limited in number -- have been provided to your counsel.

As you can see by the papers in front of me, they are quite a voluminous stack of documents. I will attempt to limit the introduction of these documents to those absolutely essential to the purpose of the questioning, and I have copies here in the event you need an extra copy to read as we go along, that can be provided.

Now turning, sir, first to Mr. deRoulet, Vincent deRoulet, the first document I would like to mark is Exhibit A-1, which bears file No. C-150, which is a memorandum of May 19, 1969, from Peter Flanigan to you.

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(The document referred to was marked Exhibit No. A-1 for identification.)

## BY MR. McBRIDE:

- This exhibit indicates that Vincent deRoulet has been offered the post of ambassador to Jamaica, that he has accepted and that his recommender was Maurice Stans.
  - Do I have permission to look at the document?
  - 0 You do, indeed.
- I know it has been submitted before, but is quite a stack, as you know.
- Insofar as it is pertinent, deRoulet is in the middle Q of the page and is one of many people.
  - This is 1969?
  - This is '69.

Now my question is do you recall Mr. deRoulet's appointment in 1969, his nomination and confirmation as ambassador to Jamaica?

Well, I think it would be helpful, Mr. McBride, if I were to tell you how I handled ambassadors and how such a document would come to me so that you can be absolutely certain as to what I do recall and what I don't and why I do not recall.

0 Very well.

First, noting this date, it was a rather busy time. That was the time we were in the midst of the, one of the

was one that was just coming to conclusion then and Dr.

Kissinger and I were developing strategy for his secret meetings which began in August.

I laid the groundwork on it because it will indicate to you the basis for the statment I am now going to

great Tet offensives, as you recall. There had been one in

'68 and then despite our peace overtures in early '69 -- there

dicate to you the basis for the statment I am now going to make with regard to papers like this and others that came across my desk.

As far as ambassadors were concerned, I had certain guidelines that I laid down when I became President. One, that the number of non-career ambassadors should be no higher, the percentage thereof, than that in previous administrations and, if possible, lower. That was no reflection on non-career ambassadors, but in the past there had been in some administrations a tendency to appoint to highly important posts incompetent non-career people and, in my view, the important thing, if it was an important post, was an individual who was totally and highly qualified. In some instances he might be a very wealthy individual, in other instances he might not, but the most important point to me was that he had to be qualified.

The second point is that insofar as the nations are concerned, where a major post was involved, I insisted that that be discussed as a priority item.

For example, ambassador to France, ambassador to Great Britain, to any of the major NATO countries, ambassador to Japan, ambassador to the Soviet Union, these were the major posts. I don't mean to reflect, incidentally, on the third world and the others, but they were not at that time major, except, of course, for the ambassador to South Vietnam, which was major because of the fact we were involved in a war, and in those instances, those posts were brought to my attention and they would be discussed by Dr. Kissinger, by the Secretary of State, sometimes by other members of my staff, in terms of is this individual qualified to handle this job.

As far as other ambassadorial assignments were concerned, ambassador to Luxembourg or El Salvador or Trinidad, et cetera, it was not vitally important, as far as the national interest was concerned, to have in that post an individual whose qualifications were extraordinary. It didn't mean that we wanted to send somebody down who would disgrace the United States or who couldn't do an adequate job, but whether it was a non-career person or a career person — there were just certain posts that I did not consider important enough and I told my staff as far as these posts that are not major, don't bring them to my attention, bring me recommendations — check them out and bring me a check list and tell me what everybody says on them and then I will make the final decision because, of course, ambassadors are appointed by the President. Many

 think they are appointed by the Secretary of State, and, incidentally, most of them believe they serve the Secretary of State and him only. That is particularly true of the non-career ones -- of the career ones, I should say -- but they are appointed by the President.

Now I will bring this to a conclusion quite hurriedly so you can go on with the questioning. Where the post, therefore, was not in the, what I considered the priority classification, all I wanted was a piece of paper indicating to me that there was unanimous agreement on the staff and also indicating to me if there was not unanimous agreement, who disagreed, so that I could, of course, talk to that individual. Sometimes the Secretary of State wouldn't agree with Kissinger, and so forth.

Also, as far as those ambassadors were concerned where certain non-career appointments were to be made, a notation would be made as to not only that it had been approved by all of the people in the Administration -- Secretary of State, Kissinger, et all -- but who was approving it insofar as people who were outside the Administration, in the area, for example, of working in political campaigns or contributing in political campaigns -- in this case, like Mr. Stans -- and then with all of that material before me, I would make a final decision.

Now when you ask me questions about individual

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ambassadors, I will be, primarily, therefore, on the five you have mentioned, primarily testifying not on the basis of a refreshed recollection, but on the basis of what this peice of paper shows me.

I stand by what I will say, but I must indicate that I paid so -- I must say, and I think properly so -- so little attention to minor countries that my recollection with regard to who recommended them, et cetera, is quite vague.

I should also mention when a congressman, a senator was pushing a particular ambassador, that also appeared on the notation that might come to my attention because I knew we would take heat if he didn't get it. Mr. Symington, who you will question me about later, for example, he was being pushed by Mr. Mathias and Mr. Goldwater. Surely I think that is the only thing that Mr. Mathias and Mr. Goldwater ever agreed upon was as far as the appointment of Fife Symington, but for different reasons. Be that as it may, I think I have talked too long. What I want to say as far as Mr. deRoulet is concerned and this appointment in 1969, I have no independent recollection of it. My recollection is not refreshed by looking at this piece of paper. I did, however, make the appointment and the fact that Mr. Stans' name appeared on there meant to me that Mr. deRoulet had been, obviously, a contributor to the campaign and, as has been the case in every presidency from the time this Republic was founded two hundred

years ago, contributors to campaigns are not barred from being ambassadors. They aren't guaranteed, and it should never be, that they will be ambassadors, but in many instances some posts require wealthy people and in every presidency that I know of contributors have been appointed to non-career posts in considerable numbers.

I am very proud of the fact that of the appointments that I have made, there have been less non-career appointments, a lower percentage, than in previous administrations, and I don't say that critically of previous administrations. It is only because I traveled a great deal and I have seen some that were simply not qualified for the position, both career and non-career.

One of the reasons why you see so few on this list and on the list than you generally do, ambassadors that were appointed who had made contributions was that I felt that the previous administrations, and this was particularly true of the State Department in its recommendations, had not adequately represented all of America. I felt that all of America should be represented, and I said, for example, I wanted two black ambassadors appointed, not to black countries, where they had always been before, but to white countries where they would be accepted. I asked for two Latin Americans, Mexicans, for example, or some Latin Americans who were living in the United

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States and had become citizens of the United States.

I asked for at least two Italians. We had some; we should have more. I also asked for representatives, for one or two who might be of Polish background. That, therefore, cut down the number that were available for appointment based on whatever recommendation in the non-career area, a recommendation that might be made by Mr. Stans or Mr. Kalmbach or anybody else who had contacted the ambassador -- I mean the applicant for the ambassadorship for a contribution.

- I take it it is fair to state that that document does indicate, in any event, that Mr. deRoulet was appointed to Jamaica, nominated to Jamaica in 1969 and served thereafter as ambassador?
  - Oh, yes, he was appointed and he served as ambassador.
- The next document I would like to show you, sir, is a document dated November 17, 1970, and I will ask it be marked Exhibit A-2.

(The document referred to was marked Exhibit No. A-2 for identification.)

BY MR. McBRIDE:

This is a letter, not addressed to you; it is a letter from Herbert Kalmbach addressed to Mr. H.R. Haldeman, and it refers to Vincent deRoulet's desire for an appointment to a more important, preferably European, post.

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 A Yes.

Q You will note at the bottom of that letter the notation "50 plus 50."

A Yes, I see that.

Q There is evidence in this investigation indicating that is in the handwriting of Mr. Haldeman and, further, there is evidence disclosed in the course of this investigation that sometime in the spring or summer of 1970 Mr. deRoulet pledged the sum of \$100,000 in political contributions in the period 1970 to 1972 with the understanding that he would, in consideration of that, be appointed to a European post. I allude to the other evidence in the investigation as a preface to my question.

In 1970, did you have any knowledge of any such commitment having been made to Mr. deRoulet by Mr. Kalmbach or anyone else?

A I think it is very important, in answering that question, Mr. McBride, for us to understand the rhetoric.

The word "commitment", what does a commitment mean?

A commitment, as far as an ambassador is concerned, as far as I was concerned, could only be made by me because I was the one that had to make the appointment. As far as a fund raiser was concerned, it had always been, at least my understanding, and you used the word "understanding" the first time, rather than "commitment", if you will recall, it

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenus, N.E. Washington, D.C. 20002 (202) 546-6666 was my understanding that our members of the Finance Committee solicited contributions, as has always been the case in all administrations, and you would be spending the rest of your life if you were investigating all of them, but they, in those instances, would indicate that a substantial financial contribution being made that they, the members of the Finance Committee, would make every reasonable effort they could to see that the individual was considered for that post, always recognizing that no one can be appointed ambassador or anything else without an FBI check to begin with, without being qualified, as far as I was concerned, and without my personal approval, but as far as my authorizing or directing a member of the Finance Committee, whether it was Mr. Stans or Mr. Kalmbach or anybody else, to go out and make a commitment for a post as ambassador for a certain amount of money, to the best of my recollection I never have given any such authorization.

If you have anything to indicate that I did, I would like to see it.

Q Specifically, in the case of deRoulet, to return to my question, in that period 1970 were you advised by Mr. Haldeman that there had been an understanding reached between Mr. Kalmbach and Mr. deRoulet that in exchange for a pledge of a political contribution Mr. deRoulet would either be nominated or considered for nomination to a European post as ambassador?

A There were discussions within the White House staff, and, I assume, with Mr. Haldeman, among others, that individuals who did make contributions in 1970 and who were interested in being ambassador and who were qualified for those positions would be considered.

Q Specifically, do you recall any discussions with Mr. Haldeman relating to Mr. deRoulet in this period of time?

A No, I don't recall a specific discussion about Mr. deRoulet, but one may have occurred. I don't recall one specifically.

Let me say that I have met Mr. deRoulet and have been very impressed with him. However, I am impressed with him, as far as my good friend, Bill Rogers, Secretary of State, was concerned, for the wrong reason, because he was a very vigorous critic of the State Department bureaucracy and that was one of the reasons that State opposed not only his going to a higher post, but even staying in Jamaica, because he didn't get along with the bureaucracy. He felt that it was his obligation to serve the nation, rather than simply to take orders of the bureaucracy.

That was a brief conversation. I can't even recall when it took place, but I know I have been impressed by him, but there was no discussion whatever with him, that I had with him, when we had that discussion with regard to whether he would go to a higher post.

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I must say that clearly apart, as far as he was concerned, from any contribution of fifty or one hundred thousand dollars, I was impressed enough by him that I would have considered him for a higher post because basically, and we have to understand — this is one of the reasons I am very happy that Mr. Ruth has made it clear and our grand jurors are going to make it clear to their colleagues that some of the things I will say will be with all of the bark off — we have talked about the non-career ambassadors. As far as career ambassadors, most of them are a bunch of eunuchs, and I don't mean that in a physical sense, but I meant it in an emotional sense, in a mental sense. They aren't for the American free enterprise system.

Many times our business people have come back and told me that in order to get an entry into a country, for example, in South America or this or that, they would have to go to the British Consul and talk to him because our own were so inadequate.

I point out that, and this is in defense not only of my presidency, but of President Kennedy, President Johnson, President Eisenhower, President Truman, all of the others who are my predecessors, that some of the wry best ambassadors we have have been non-career ambassadors who have made substantial contributions. Bill Bullitt, for example, was probably the best ambassador to Russia and the best ambassador

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to France we have had in a generation. Now he didn't get his job because he happened to shave the top of his head. He got his job because he contributed a half million dollars to Mr. Roosevelt's campaign.

I would say, looking at the smaller countries like

Luxembourg, that Pearl Mesta wasn't sent to Luxembourg because she had big bosoms. Pearl Mesta went to Luxembourg because she made a good contribution. But may I say she was a very good ambassador in Luxembourg. And when you talk about selling ambassadorships, I don't want the record of this Grand Jury even to indicate that people of wealth, because they do make contributions, therefore should be barred from being ambassadors. The record should clearly indicate that certainly no commitment, no sale of ambassadorships should be made, but, on the other hand, the fact that an individual has proved himself on the American scene, has proved himself by legitimately building a great fortune, rather than being a disqualifier is a factor that can be considered and should be considered in determining whether he should get a position.

Now the line you must draw, and I understand that you are drawing it, too, very properly, is that under no circumstances should someone walk in to some individual and say well, if you will give us a hundred thousand dollars, we will move you from this place or that place. If they did so, it was without my authorization, without my knowledge or

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direction, to the best of my recollection.

- Q So you had no knowledge of such an understanding with deRoulet in 1970, is that correct?
  - A None that I can recall.
  - Q Moving on --
- A I point out again, as I say, and I will not make this reference again, when I say none that I can recall, I have not had access to any papers, if he came in, but I can't believe that I would have ever have made any commitment to him or anyone else to be an ambassador for a financial contribution.
- Q My question more directly relates to whether you were advised either by Haldeman or possibly by Mr. Kalmbach that such an understanding had been reached in 1970.
- A No. In answering that question, I would have to say that I -- I have a piece of paper here which you say was sent to Mr. Haldeman and it is quite possible Mr. Haldeman, in some kind of memorandum that he sent to me, indicated that Mr. deRoulet had been a contributor. For example, this initial one here, when I saw the word "Stans", that didn't mean to me that Stans was in the line of those whose judgment I considered good as to who should be an ambassador; it meant that somebody made a contribution, and the same would be true in the case of Haldeman.
- Ω Moving on, I would like to mark as Exhibit A-3 a document numbered #-37, of April 29, 1971, a memorandum

addressed to you from Peter Flanigan, and it is a list of non-career ambassadors and a summary of their abilities. It is an excised copy, and on page 2 it has the name Vincent deRoulet and some marginal writings which appear to say "check further".

Now I will let you read the document and then ask the question.

A You go ahead. I will read while you are talking.

(The document referred to

was marked Exhibit A-3 for

identification.)

BY MR. McBRIDE:

Q My first question is in the upper right-hand corner of that document, on the first page, it has an initial "P" and a line drawn through it. Would that indicate that the original of that document had been seen by you?

A I don't know what those doodles mean. I would say that with the line drawn through it, it would mean it had not been seen, but it could be. It could be that I had seen it.

If the memorandum was addressed to me, it certainly came across my desk, yes. Whether I spent the time to go over it item by item, I can't say.

I know this, that the writing on page 2 is not my writing, "check further, list, et cetera." None of the writing on any of the other pages is my writing. I don't recall -- I

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suppose Flanigan was in the office. You would have to check to see if it might be his writing.

MR. McBRIDE: I would like at this time to introduce Exhibit A-4, a memorandum of May 4, 1971, which appears to be the follow-up to that memorandum, a memorandum from Mr. Haldeman to Mr. Flanigan beginning "The President has reviewed your memorandum on this subject and has the following thoughts." On page 2 it indicates some observations regarding Mr. deRoulet.

> (The document referred to was marked Exhibit No. A-4 for identification.)

THE WITNESS: Yes, I read the memorandum. BY MR. McBRIDE:

Do you recall making these observations about Mr. deRoulet's future to Mr. Haldeman or making these decisions reflected in that paragraph?

What I recall is, as I have earlier indicated, was that I, on the one occasion while I was President, the only one I remember, except for possible social occasions on which I met Mr. deRoulet, because he came from a minor country and the President only sees those from major countries, I was impressed by the fact that he was so, it seemed to me, incisive and vigorous in his trying to put some guts into the bureaucrats in the State Department that were assigned to him

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenua, N.E. Washington, D.C. 20002 and he was very disappointed in their attitude and that, to me, was the kind of ambassador we needed because we just had too many that took these people who were educated, may I say, and this is no reflection on them, at Harvard, Yale, Columbia, maybe Whittier, et cetera, et cetera, and who took a very dim view --

For example, I should have pointed out earlier that another reason for the list that we had available for people who were financial contributors was smaller was because I insisted on a couple labor leaders. You would be interested to know what the reaction of Mr. Rogers was. He said, "You can't send the 'deese' and 'doose' guys over there to be an ambassador any place," and I say, "Look, I am not interested in their grammar; I am not interested in whether or not their syntax is very good or marginal; I am interested in their character and their ability to handle things," and I have seen labor leaders — in fact, right in this room, gentlemen, when we have had meetings between business leaders and labor leaders, and the labor leaders, they took the business leaders in about a couple bites, even though the business leaders went to the best schools and knew all of the good languages.

I am sorry to talk so long on it, but go on. I thought you ought to get a little history in this, as well.

Q Returning again to Mr. deRoulet, do you recall making a decision that he should be checked out further, as

as evidenced by the paragraph I have referred to.

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I don't recall making a decision, but I would not deny that I made it because Mr. Haldeman would follow my directions, I am sure.

Now moving on, documents that have been provided to

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us, and, in turn, marked as documents which we would use as a basis for questioning, indicate that in about June of 1971 there was an exchange of memoranda between Mr. Haldeman and Mr. Flanigan and, quoting from the one of June 15, "What can we do to honor Kalmbach's pledge to move deRoulet up to a more important post", and "Obviously Spain is now out, but he had nine others on his list. Kalmbach also has a commitment to move Symington and we are going to have to work that one

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out, too, I guess."

'70 or '72.

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this point, but I mention the Symington phrase because of the use of the word "commitment." This is in the summer of 1971.

Now I am trying to focus directly on deRoulet at

I think you better show me the memo.

Okay, I shall. Q

A These become confused, as you know.

MR. McBRIDE: I will mark the June 15 one as --

THE WITNESS: I want to be sure whether it is '69,

MR. McBRIDE: I will mark it as A-5.

(The document referred to was

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marked Exhibit A-5 for identification.)

THE WITNESS: I don't like to take your time to bring these memos over to me. Maybe my counsel could get the exercise, but whatever you like. You probably need it -- you particularly, Jack.

Now the date of this is what?

MR. McBRIDE: June 17. That is A-5, Document Number F-11.

THE WITNESS: And what is your question?
BY MR. McBRIDE:

Q My question is were you, by that time, or at that time, aware of Kalmbach's pledge to move deRoulet.

A I cannot, to the best of my recollection now, recall whether this matter was brought to my attention. It could well have been because there was a lot of in-fighting within the Administration, particularly within the Administration and the National Security Council staff and the State Department and those who were in the, who had responsibility for fund raising, as to, first, how many posts would be available to financial contributors; second, the qualifications of those contributors for such posts. Sometimes it was brought to my attention, sometimes it was not. I don't know whether this was or not. It could have been.

Q As the document indicates, this erupted into an

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issue that involved a division of opinion between Mr.

Kalmbach and Mr. Flanigan, both as to Symington and deRoulet,
and I take it you have reviewed enough of the documents to
have refreshed your recollection, if you had one, as to that
dispute?

A Oh, I have a recollection. I don't want to down-grade myself that much.

Q What I am asking is in June of '71, which is when this dispute broke out, whether Mr. Haldeman said anything to you about the fact that Kalmbach had made a commitment to deRoulet.

A I don't recall any conversation with Mr. Haldeman.

One might have occurred. I do recall that on some occasions that, and I think it was later than this, that Mr. Flanigan's to his great credit, I must say, toughness on insisting on qualifications for ambassadors became a sore point with Kalmbach and with Stans and that -- I believe it was Haldeman -- that brought this to my attention. But when I say "toughness", they didn't feel Flanigan was being cooperative enough and the documents you have, Mr. McBride, indicate this, that Flanigan, instance after instance, would not go along with the recommendation of Kalmbach or Stans.

MR. McBRIDE: I would now like to show you a document, which I will mark Exhibit A-6, of August 9, 1971, addressed to you, from Peter Flanigan. On page 2 of that -- I will read

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenus, N.E. Washington, D.C. 20002 (202) 546-6666 from it and then show it to you. "Vincent deRoulet was assured in 1970 of a European post. I recommended he resign from Jamaica and be appointed ambassador to Finland," and it has "approved" and initials which I would like you to read, and if they are your initials, identify it.

(The document referred to was marked Exhibit A-6 for identification.)

THE WITNESS: The initials appear to be mine, but I must have done it in a terrible hurry because usually my "N" is legible.

BY MR. McBRIDE:

Ω Well, to recapitulate --

A Before you recapitulate, may I simply state again, however, that as far as the use of the word "commitment" -- I mean I don't want you to put words in my mouth, and I am sure you are not intending to.

Q No.

A But as far as the word "commitment" is concerned, what it meant to Mr. Kalmbach, what it meant to the individual who made the contribution, is one thing. The important thing is what it meant to me, and I have already indicated that as far as I was concerned the only authorization that any individual had in collecting funds was to indicate to an individual who wanted to be an ambassador that he would receive

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consideration and I did give top consideration to major financial contributors mainly for the reason that big contributors in many instances make better ambassadors, particularly where American economic interests are involved.

Q Well, the documents introduced thus far suggest that there was some understanding, whether the term "commitment" would be used or not, between Kalmbach and deRoulet, that in June of '71 Mr. Haldeman requested or asked what can we do to honor Kalmbach's pledge to deRoulet, and then on August 9, 1971, you approved deRoulet as nominee as ambassador to Finland. At the time that you approved that nomination, were you aware of any understanding between him and Kalmbach, that is, deRoulet and Kalmbach, that in exchange for his pledge or contribution he would receive an appointment to a European post?

A Are you indicating that this document indicates some knowledge on my part?

Q No, I am asking you as of the date that you approved that nomination, that is deRoulet to Finland -- that is August 9, 1971 -- whether you at that point knew of an understanding between Kalmbach and deRoulet that in exchange for the making of political contributions deRoulet would be appointed to a European ambassadorial post.

A No, I would have no recollection that that had been brought to my attention at that point. I was aware of the fact

HOOVER REPORTING CO., INC. 320 Massachusetts Avenus, N.E. Washington, D.C. 20002 (202) 546-6666 that Mr. deRoulet was wealthy and a very strong supporter of the Administration and probably a substantial contributor, but as far as understanding is concerned, or commitment, which is the stronger word which you have used, I have no recollection of my being aware of that or that being brought into the conversation at the time that we discussed this.

Q If there were such an understanding of White House staff practice, would it be a matter which would likely be brought to your attention by Mr. Haldeman?

A Quite often, yes, or Mr. Flanigan, yes. Mr. Flanigan had more responsibility in the area of ambassadors than Haldeman did.

MR. McBRIDE: I would like next to show you an exhibit which I will mark as A-7, which is Document E-133, dated August 10, 1971. That is the day after the memorandum I just showed you.

(The document referred to was marked Exhibit No. A-7 for identification.)

BY MR. McBRIDE:

Ω This is a memorandum from Strachan to Haldeman. There is no evidence that you saw this document, but I show it to you in the event it might refresh your recollection. After reading the pertinent part, I will show you the document: "Today the President decided deRoulet should be offered Finland on the

basis of a Flanigan action memorandum. Flanigan was aware that Finland was not one of the original ten committed by Kalmbach. Flanigan reports that if deRoulet doesn't want Finland, too bad. That's all he gets."

A Sounds like him.

Q Then going to the third paragraph, "Kalmbach is willing to act as either salesman for Finland or fall guy for not delivering on the" - quote - and the quotes are in the document "commitment" - close quotes. "He will do whatever you ask."

A Your question, it seems to me, has some assumptions that before answering I would like to question, which, of course, is proper. You used the word "salesman" and you used the word --

Q I quoted from the document.

A Yes, I understand, but it was in your question and you, very properly, quoted from the document. I respond to that question by saying that I have no recollection of ever authorizing the selling of ambassadorships, the making of an absolute commitment for ambassadorships.

As I have indicated earlier, my recollection of the entire ambassadorial decision process, which is already in the record, is that those who made contributions would receive consideration, but as far as the specific commitment, et cetera - quote - end quote - is concerned, or the sale of

ambassadorships, I have no recollection of using that term or intending that term. If the term was ever used, it certainly was never intended because I had enough sense to know very well that whenever an ambassador recommendation came across my desk, I would have to approve it and, based on my usual practice of what the State Department, the National Security Council, and others whom I trusted -- Mr. Flanigan, in this instance, whose judgment I trusted in making these recommendations -- that whether their recommendations were unanimous --

MR. RUTH: Could I just say something here?

THE WITNESS: Sure. In fact, you are in charge.

MR. RUTH: The fact that a question is asked is not meant to be accusatory of wrong-doing on your part. We see this deposition as helping us in the investigation of other people, so, for example, on ambassadorships, if a public official had been going around to Symington or deRoulet, even without your knowledge, and saying, look, I will do what I can, you will get an ambassadorship if you contribute, that public official has committed a bribery crime that would be investigated, even if it were without your knowledge, so in a lot of instances Mr. McBride is asking you, sir, for your assistance in identifying wrong-doing on the part of others.

THE WITNESS: I understand. I understand that I am not going to be put in the position of charging that these people that he has mentioned have been selling ambassadorships

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenus, N.E. Washington, D.C. 20002 (202) 546-6666 or making commitments because to them the word "commitment"

may have meant exactly what it has meant to me. They knew

very well how tough I was, tougher than any president in

modern history, because of my interest in foreign policy, with

regard to ambassadorial assignments.

Let me call your attention, for example -- You know we naturally looked at the list of those that you approved, disapproved, and so forth and so on. This is the August 9 memorandum from Mr. Flanigan to me.

I am sorry. Yes, here it is. Here is a May 4
memorandum from Mr. Flanigan to Mr. Haldeman. Robert Neumann.
You see that name at the top of page 3. You know who he is?

MR. McBRIDE: I have no idea.

THE WITNESS: Well, he is a very capable man - UCLA, very liberal, which I respect. I sometimes don't agree with it. But he was a very good ambassador in a very hard post, Afghanistan, so we left him there, although it would have been, perhaps, a pretty good post for somebody that -- Robert Strausz-Hupe, University of Pennsylvania, policy expert -- you must have heard of him -- however on the conservative side, despised by the State Department; on the other hand, a man who was extremely well-qualified, and it says, and may I read from this, "Because of the commitment to move him up to another post, we should force this move through the State Department."
"Commitment to move him to another post." Now, what does

that mean? It only meant that Robert Strausz-Hupe had been serving with great distinction in one post -- I think his post was Ceylon, or some God-awful place, but anyway here I think we finally moved him to Europe. He was a man without a sou as far as money was concerned, yet the word "commitment" was used. What does that mean? All it meant, when I see a thing like that, was they had discussed it with him, that the people within the bureaucracy felt that -- our people did -- that he ought to be moved, that he deserved to be moved, so they put down the word "commitment".

I just want to be sure -- I don't want to nail, for example, other people with the word "commitment" and get off the hook myself on it. I mean I am quite aware of the fact that as far as anything that I did -- you gentlemen are aware of that, too -- that because of the presidential pardon, which was terribly difficult for me to take, rather than stand there and fight it out, but I took it, that I can admit anything with impunity, but you are not going to use me to try to nail somebody else simply because I am not guilty of something. I am not saying you are trying to do that. What I am trying to say here is that my answers are not given for the purpose of defending myself on my record. I believe I have an obligation to do that, but I can assure you that I am not going to be loose with my tongue and try to cooperate with you in a vendetta, if there is a vendetta, against men that I

don't think would have made improper advances.

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Oh, yes, they raised money; they discussed with ambassadors, ambassadors who were in place and ones who made contributions, who wanted to be ambassadors, the possibility that, well, we will see to it that you are considered, and I am sure we can do this for you, and to them they might use the word "commitment", but in my view I don't believe -- I am not going to be in the position of saying to you that I considered that a sale of ambassadorships, even though it involves no danger, no vulnerability as far as I am concerned.

MR. McBRIDE: I would like to point out, of course, among the dozens and perhaps hundreds of ambassadorial appointments made by you during this Administration that we are only concerned at this point with these five individuals, the names I mentioned at the outset.

Secondly, I would like to point out that and elaborate, really, on what Mr. Ruth said, that some of these documents certainly suggest that perhaps quite without your knowledge Mr. Kalmbach or others were reaching understandings, which may have been illegal, with persons who wanted ambassadorial positions or ambassadorial promotions and that, indeed, in the case of J. Fife Symington Mr. Kalmbach has pleaded guilty to a violation of federal law in that connection, and it is only because of that set of circumstances and the testimony revealed by these documents that we feel obliged

to ask you questions on these five individuals.

THE WITNESS: Yes.

BY MR. McBRIDE:

Q Now my last question as to deRoulet is were you aware that it was decided that he be offered his hundred thousand dollars political contribution back, that is, that it be returned to him?

It could have been that it was brought to my attention, but

I am aware of a policy that I adopted when I understood that

some who had made contributions thought, in my view mistakenly,
that they had an absolute commitment to be appointed to an
ambassadorship, and I said if they felt that, return the contribution; we don't want their money, and it happened in his
case and it happened in several others, as I understand, but
that was the policy, and, of course, having reviewed these
documents, I am aware that the offer was made to him and to
Symington, too, and I think deRoulet refused to, as I recall,
take it back. I don't know what Symington did.

Q Did you ever ask Haldeman or did he ever tell you that he had approved this understanding between Kalmbach and deRoulet?

A I don't recall any discussion of deRoulet with Haldeman at all.

Q I would like to move on to Symington and I hope

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we can proceed somewhat more swiftly.

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Many of the documents we have introduced relate to Symington, and if you will permit me, I will briefly summarize the facts preliminary to my first question, that is that Mr. Symington was offered the post of ambassador to Trinidad and Tobago in 1969, that he accepted, that he was posted there as ambassador, that he served there thoughout 1970, 1971 and that the documents indicate therein that the circumstances with Mr. Symington are very much similar to those of Mr. deRoulet, that there is some evidence in the document that there was an understanding reached between Mr. Kalmbach and Mr. Symington that in exchange for Mr. Symington's pledge of one hundred thousand dollars contribution he would be appointed to one of a number of European posts.

Now my initial question is were you advised of that understanding by either Mr. Haldeman or Mr. Flanigan at any time?

A I have no recollection of being advised specifically of that, of any understanding that he would be appointed.

Now, further, as the documents indicate, the performance evaluations of Mr. Symington by State Department, by General Haig and by others were almost universally that he was of very marginal effectiveness and that he was not, in fact, ever approved for a European post.

A Let me say that in many instances the State

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Department's recommendation, that would not be actually from Secretary Rogers, but from the Career Foreign Service, and whenever I saw those recommendations, I usually took a double take and many times that would be a factor in their favor rather than their disfavor.

Q In the case of Symington, I think, in addition,

Peter Flanigan and other respective members of the White House

staff agreed with the state Department's assessment of Mr.

Symington's ability.

A That is true. That is very true. You understand what I mean, that a President has to make assessments, not simply on the basis of what the bureaucracy wants or then you would simply have the bureaucracy in every area becoming infestuous and feeding upon itself. You have to have an infusion of some new blood in it from time to time and that is the reason why, while I have great respect for some career State Department people, I found many of them, as I said, who were simply intellectual and emotional eunuchs and not worthy of representing the United States. They are better to be over in Foggy Bottom where they can't do any harm.

Q With regard to Mr. Symington, did Mr. Haldeman or Mr. Flanigan tell you of this internal White House staff argument, about whether or not there was a - quote - commitment by Kalmbach to Symington?

A I don't recall any discussion. Anything that I

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recall here is on the basis of what documents you have furnished.

Q Do you recall either deciding or being advised that a decision had been made to return to Mr. Symington his hundred thousand dollar contribution?

A I have already testified on that point, that when the question began to be raised by some with regard to what, and it wasn't just your term, but I see it in the documents, the term "commitment", what commitments had been made, it was my policy that in every instance if an individual felt that he had been promised something that I had not promised and would not deliver on, that his contribution could be returned. The Symington one falls in that classification.

Q Were you aware at any time that Mr. Symington was obstreperous, that is, he was threatening to go public, if you will, and complain about the non-delivery on what he viewed as a commitment?

A I read the paper on that one. It was one of the more interesting ones in a rather long, and dull, file -- I mean this one -- but also I believe there was something in the newspapers at that time that I saw that Mr. Symington was running around the Hill and particularly talking to Senator Goldwater, a good friend of his, and others, saying that he would go public.

Did you discuss these stories with Mr. Haldeman or

Mr. Flanigan?

A I have no independent recollection as to whether
I discussed those stories, but in retrospect, and here I do
something which, of course, my lawyers advised me not to, but
I know you will understand it in this proceeding; the grand
jurors will appreciate it, but I must have had reasons for
making the policy decision overall affecting all financial
contributors, that if they felt they had a commitment and
we couldn't keep it, to return their money.

We had a four million dollar surplus after the campaign, for example. There was no problem. And, of course, -and even before that -- some of these were before 1972, as you know -- I did not feel that any individual, I didn't want him to be in a position where some over-zealous person may have used even the word "commitment", may have even used the words, "we've got the deal made" -- I saw that in one of these pieces of paper you furnished us -- that if that ever came to my attention, and we were unable to make an appointment or I did not consider that individual the best qualified, taking everything into consideration, I felt the only honorable thing to do was to return the contribution, and, incidentally, to return the contribution is not only, for what you gentlemen would naturally feel, because of the fact that it is illegal to make a commitment or make a sale of an ambassadorship, to return it as a matter of honor, even though the individual

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would not have gone this far as to cross the line between legality, because let's well understand that through the years, as I have pointed out, fund raisers have gone around the world and over the United States and gotten money from people with the understanding they can use that term, maybe, or with commitments that they would be considered or maybe even appointed ambassador. None of us are naive enough and certainly we are all aware of the stories that have appeared with regard to an appointment, for example, of Mr. Joseph Kennedy as ambassador to Britain. They didn't appoint him there because, certainly, he was pro-British. I think he was a pretty good appointment, as a matter of fact, up to a point. After all, at least he increased the Scotch supply here.

- Q Mr. Kalmback last testified that on September 16, 1970, he met with Mr. Symington --
  - A This is 1970 now?
  - Q September 16, 1970.
  - A Okay, 1970.
- Q He met with Mr. Symington -- in fact, near here -- at the California Club. Mr. Symington made this proposal:

  I will contribute a hundred if I can get appointed to X country by X date.

Mr. Kalmbach then called Mr. Haldeman and reached his aide, Mr. Higby, in Chicago, where the presidential party,

including yourself, Mr. Higby, Mr. Haldeman, were on travel, and that Mr. Higby then called him back and told him that he could go ahead with, to use Mr. Kalmbach's words, "the commitment". Did Mr. Haldeman, on that occasion, ask you for your approval or disapproval of this approval?

A I have no recollection of any such conversation.

Incidentally, I answered that question after having read the file. What you just read to me is in the papers you presented.

I have no recollection of any such conversation in -- What was your date again?

Q September 16, 1970.

A That was very early. You know after the election campaign I was in Chicago for a political speech and I think I was concentrating on my speech. I don't think Mr. Haldeman would have bothered me with such a speech.

Q The next individual I would like to ask about is Mr. Kingdom Gould. There are relatively few documents regarding Kingdom Gould and I think, if you will permit me, I will lay out some preliminary facts which may speed us along.

Mr. Gould was appointed ambassador to Luxembourg in 1969. One of his recommenders or sponsors was Mr. Stans, and that is indicated on an earlier exhibit, A-1. Then in March of '72, Document No. F-39 of March 21, 1972, from Mr. Haldeman to Mr. Flanigan, suggests moving Gould to The Netherlands in order to open Luxembourg, and, finally, referring to document

J-54 of December 5, 1972, and that one I think I ought to show you, since it was addressed to you. It states, and I will show you the document in a moment, and I will also mark it as Exhibit A-3.

(The document referred to was marked Exhibit No. A-8 for identification.)

## BY MR. McBRIDE:

Q It indicates Netherlands, Bittendorf, 3 years, 6 months. Bittendorf should be removed. We originally recommended that Kingdom Gould be appointed because Gould made a very sizeable contribution on the understanding that he would be selected.

Now my question is, based on that paragraph from that document, whether you had any knowledge from any other source that there was such an understanding with Mr. Gould.

A I don't recall any other source. Kingdom Gould is one of those many ambassadors to small countries that I never saw because my travels did not bring me to that country.

Q Did you ever have a conversation either with Mr. Haldeman, Mr. Flanigan or Mr. Stans about any understanding rached with Mr. Gould in 1972 that in exchange for political contributions he would be appointed to a larger post?

A I don't recall that he -- You used the word "under-standing." Let me say that you have mentioned the names of

Mr. Flanigan and Mr. Haldeman, correct, and Mr. Stans?

Q Yes; correct.

In this indication, in this case, I can only respond to your question by saying I have no independent

A Let's leave out Flanigan and Stans for the moment and let's go -- I am sorry, leave out Haldeman and Stans for a moment and go to Flanigan. Flanigan, as you will note, Mr. McBride, from reading this file, didn't consider that any commitments were made, and he is right; that was our policy. That is what I mean. Flanigan, who was on top of this, did not consider taht raising money guaranteed any kind of a job.

You know different men's minds work in different ways, and that is the way -- Incidentally, Flanigan's views, for the most part, represented mine in that respect. As far as fund raisers were concerned, Mr. Stans, I can't believe that he wouldn't have had the same understanding because he knew from having sat in cabinet meetings how careful I was with regard to making appointments and how I insisted on the best people we could find.

As far as Mr. Kalmbach was concerned, the files would indicate that at times he may have been over-zealous. He may have felt that he had made a commitment, and then passed it on up the line, as often happens, with the hope that whatever he had done would be approved at the highest level.

recollection of any conversation of this sort.

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This document, you say, was sent to me, to the

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President?

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A With a hundred recommendations?

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Q I don't have the entire document; I have only an excised copy, so it is difficult for me to tell how many

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names were included.

Yes.

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A Let me read to you because I think it will make sense. This is a memo to the President from Flanigan

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and Malek re ambassadors, saying:

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"The attached approximately one hundred recommendations are tentative and need interviews and more analysis."

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You are reading to me from one of a hundred of

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these, so the thing was about that thick.

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Let me tell you what was going on December 5. We have all forgotten now because, thank God, the POWs are home and the war is over, even though there is some sadness. Only five miles away from here, as you know, is where the refugees are. But on December 5, after the election, the Paris peace talks had broken down and I just received, at or about that time I was receiving some rather frantic messages from Dr. Kissinger, who had gone on to Moscow, to see if he could do something there to keep the North Vietnamese from launching another offensive.

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On December 18, you recall, is when I made perhaps the most controversial decision of my Administration and ordered the B-52 bombing of the north, which broke the impasse, led to the agreement, got the POWs back.

Now on December 5, when this peice of paper came across my desk, I can't imagine that I looked it over, that I spent any time on it, and this explains why the recollection is not there, and that I was thinking about now here is Netherlands, Bittendorf, and who is going to go to Jamaica or Luxembourg or Norway. It didn't make the slightest bit of difference to me then. I was concerned about thousands of American men -- thank God, not so many at that time in December because all of the combat fighting had stopped, but hundreds who were prisoners of war, and also the potential of having to go in again.

So I am not trying to duck your question, you understand, but I did have other things to do at the point and that is why I wouldn't have, perhaps, read this document.

 ${\tt Q}$  I quite understand the volume and gravity of the decisions in that period of time and other periods, but I feel obliged to pursue my questioning nonetheless.

A You go on with your questioning and be absolutely as tough as you want to be. It is your job.

Q My question is, again, were you aware of Mr. Haldeman, Mr. Flanigan or Mr. Stans had an understanding with Mr. Gould

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in exchange for his contribution would be moved to another post?

A The only awareness that I have had with regard to Mr. Gould or any of the five that you mentioned or any ambassadors at all is the understanding that if a contribution be made that they would be given consideration for a post, but that no absolute commitment could be made.

For example, the most disappointed man of all of our contributors is not on your list. He probably should be, but our biggest contributor is a rather erratic, but enormously successful Chicago businessman by the name of W. Clement Stone. I think he contributed a million dollars and he, confidently, expected to be appointed ambassador to Great Britain. It is very possible that that was discussed with him. Not by me --I never recall it -- but my others because he gave enormous contributions. He didn't get it. He didn't get it because after consideration, despite the fact he was the biggest contributor and, of course, raised a great deal more, I just felt he couldn't do that job.

Q I will move on next to Mr. Whitney, Cornelius V. Whitney. Mr. Whitney was not in fact appointed to any ambassadorial position, but in June of 1971 contributed \$250,000 to various committees for the re-election of the President---

A He probably would be loaning money to

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right now from these resources.

Q (Continuing) -- which sometime later was returned to him. My question is, first, were you aware at any time during your presidency of a commitment or an understanding with Mr. Whitney that in exchange for his contribution of \$250,000 he would be appointed ambassador to Spain?

A First, I made no commitment or understanding with Mr. Whitney. Second, I have no recollection of ever authorizing or approving any commitment or understanding to Mr. Whitney that he would be appointed ambassador to Spain.

Third, I did, as far as my being aware thereof
from reading the documents that you have presented to me, the
ambassadorship to Spain had apparently been discussed with
Mr. Whitney. As a matter of fact, it seems to me that another
name comes in here, Mr. Mitchell's name --

Q That is correct.

I remember the Whitney case a little more clearly because it was more recent, and an important post, Spain, and so consequently the fact that you ask about awareness of an understanding with Whitney, I would say that in this case, clearly apart from the papers that you have furnished me, that I was aware that he waw a major financial contributor, that he had been given to believe by somebody that he would be appointed to Spain, that he even had gone over and rented a house in Spain, and

another reason that I remember the Whitney case more clearly than the other is that he had a very, very strong advocate in Governor Nunn, whose pipeline to me was through Mr. Mitchell, and so consequently I know a little bit more about this case than others.

Q Was it your information that the understanding with Mr. Whitney was between Mr. Whitney and Mr. Mitchell?

A I don't know to whom Mr. Whitney talked. I think he talked to several people. I don't know to whom Mr. Nunn may have talked. I think he talked to several people. But what it was, whether it was an understanding, whether Mr. Whitney thought it was or whether the individual he talked to thought it was, I am not in a position to answer.

Q Who told you about these dealings?

A Sir?

Q Who told you about these dealings with regard to Whitney's contributions and proposed appointment?

A Well, first I should point out that my memory has been refreshed by the documents that you have laid before me. The second point is that I note in these documents that — this is one of those rare instances where I corresponded with Mr. Whitney. There was no discussion, of course, in the correspondence about the ambassadorship.

In the first instance he wrote to me and said he understood why he was not going to be appointed and asked that

his name be withdrawn, and then within a week later he -and I responded and said I appreciated everything he had done, et cetera, et cetera, et cetera, you know, in working for us in the campaign, without discussion of financial contributions at all, and then he asked that his name be reinstated. I recall that correspondence. I do not recall specifically who discussed the Whitney matter with me. I do recall -- well, I think I should amend that. I think Mr. Flanigan was still, despite the inter-agency warfare at that time about ambassadors that was going on, was still the man I relied on primarily for checking around the bureaucracy as to who should be recommended, and Flanigan came in, and right out of the blue, with a name that never occurred to me and it was a brilliant suggestion, and that was to appoint Admiral Rivero. Admiral Rivero doesn't happen to be, incidentally, Spanish, but was Portugal and speaks Spanish. He was head of the Mediterranean Fleet. I met him when I was there. I considered him to be a top-flight man and, in fact, let me say this for some future committee that may be interrogating a president or former president about such appointments in this field: You say why appoint a military man to be ambassador. I want to tell you who the best ambassador

that I have ever seen in my travels in the world, considering

the difficulty of the post at the time. The best ambassador

was Admiral Spruance in the Philippines. At the time it was

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenus, N.E. Washington, D.C. 20002 (202) 546-6666 necessary to make that transition, you know, from the old, rather corrupt government that they had had, to Nayaguez.

I am sorry -- sorry -- go ahead.

So what happened is Flanigan put the name Rivero down and I note I mark on here "an excellent man" and he is the man, of course, we appointed.

Q Did you talk to Mr. Mitchell about any understandings that were reached with Mr. Whitney?

A I don't recall a conversation with Mr. Mitchell.

I noticed his name in this, but I don't recall my talking to him about it. It is very possible that I did. It is very possible that he may have said we ought to give Sonny Whitney this, although the record here seems to be rather mixed.

In one instance he indicates he doesn't think he is up to it and in another instance he says we ought to make the deal, or words to that effect.

Q I think the memorandum indicates that in March of 1971 he was ch-cked with and did not think he would be suitable and later in June of '71 it appeared he changed his mind.

A That is right, which was often the case.

Q Did Mr. Mitchell or Mr. Haldeman ask your approval in reaching an understanding with Mr. Whitney regarding his appointment to Spain and the making of political contributions by Mr. Whitney?

by Mr. Whitney?

A My approval to appoint him to Spain, if he made a political contribution?

Q Yes.

A I don't recall any such conversation. That would have been totally inconsistent with my policy, which they were quite aware of.

 ${\tt Q}$  I will next turn to the last of the individuals we are going to question you about this morning, and that is Ruth Farkas.

A What about Symington?

Q I think we have -- If you have something to add to Symington, I would be glad to hear you.

A No. Oh, have we finished with him?

Q Yes.

A One thing I should point out so that the record is clear, you should be sure the Grand Jury is aware of everything, and although my attorneys say I should never volunteer anything, the reason that the Symington one was a rather surprising one to me and the reason Goldwater and Mathias finally agreed on it is that he happened to be a candidate for the Senate in Maryland some year and I went over and campaigned for him.

Another reason, and I didn't know this at the time, was that Mr. Symington is married to a niece of one of my

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenub, N.E. Washington, D.C. 20002 (202) 546-6666 dearest friends and longtime supporters, Miss Helen Frick, who lives in New York -- the famous Frick family -- and Miss Frick wrote me a very gracious letter saying because of the heat in Trinidad and the rest she hoped that I would consider having Mr. Symington moved.

Incidentally, I think the Firck letter is perhaps one of the best indications of what the people who knew me best thought it was proper to bring up. In other words, she pointed out some personal factors and said how much I will understand your decision, but I don't want to leave the impression that I didn't know Mr. Symington. I did.

Q Now with regard to Mrs. Farkas, the documents, to the extent you may have reviewed them, indicate a long histroy going back to 1969 in which she was first almost nominated for Costa Rica, then her husband failed the FBI clearance and it was not until 1971 or 1972 that her name was again seriously considered and ultimately in the summer of 1972 she was approved by you for nomination as ambassador to Luxembourg, although in fact the formal nomination papers were not signed until February of 1973.

Now I will only ask one or two questions about the earlier period, both because it is not too relevant and because it is so distant in time.

First, were you waware that Lewis Wyman was supporting Mrs. Farkas for an ambassadorial appointment, and if you

were, tell us the circumstances?

in Mrs. Farkas' appointment.

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I became aware of the fact that the Farkas name had come up in 1969. Also when I read the file and saw the name Lewis Wyman, knowing Lewis Wyman, I am sure that while he did not, to my recollection, ever talk to me about Mrs. Farkas, whom I don't ever remember meeting -- I might have, but I don't remember -- but he certainly talked to members of the

congressional liaison staff because he, like Mr. Nunn, is a

very tenacious politician and he was apparently very interested

When I read this file, that was the first time

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Q Moving on to 1972, were you advised by anyone that she was willing to make a contribution or had contributed on an understanding that she would be appointed as ambassador to Luxenbourg?

A I had no awareness of the charge that you have just outlined until I again read the papers that you have presented

to me. And let me also point out that I don't want the members

of the Grand Jury to think I am naive. Mrs. Farkas' name

of course, that it was supposed to be, as I understand, a

and Mr. Symington's have appeared in the newspapers despite,

total security of the Grand Jury proceedings.

Ω I should point out, of course, that the circumstances of Mrs. Farkas' contribution and nomination were investigated by the Senate Foreign Relations Committee at the

time of her confirmation and the election issue in New Hampshire at the time of Wyman's Senate race.

A I take it back. A very good point.

The Grand Jury is not guilty; the Prosecutor's staff isn't.

Q I will ask you about an issue relating to policy in 1972 with regard to the sending of the names of non-career ambassadors, particularly contributors to the Senate Foreign Relations Committee. The documents seem to indicate that a policy decision was made sometime in the Spring of 1972, that such names would not be sent up prior to the election.

Do you recall making such a decision or participating in the making of the decision?

- A Yes, I do.
- Q Thereafter --

A The reason the decision was made, incidentally -- you will be interested in knowing this --

(Continued on page 62-- repeating, also, commencement of answer)

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The reason the decision was made, incidentally, -- you will be interested in knowing this -that in the year 1972 we were trying desperately to get the cooperation of the Congress of the United States and its support of our agreements with the Soviet Union on the limitation of nuclear arms. You remember that in June, and we went to Moscow in May, we were trying to ward off massive attempts, and we only won in the Senate by 45 to 43, to cut back on our air power in Vietnam, which we knew would destroy any ability or any chance we had to have a negotiated settlement which would bring our prisoners of war back, and also we had the problem, apart from this terrible tragedy of Watergate which occurred during that same period, we had the problem looming in that period of what the, what influence we could have with the Senate, particularly on one of Senator Mansfield's usual amendments -- we have often talked about it -- to cut back our NATO forces which, incidentally, just for the sake of history, you will be interested to note, we considered NATO important then, but one of the reasons that it was important was if we cut them back before we went to the Soviet Union, we would lose our bargaining position to get them to make use of the Warsaw Pact force, and here is one of the parts, Mr. Ruth, that has to be told off the record, I trust:

(Classified material deleted)

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It has been a very good Grand Jury, I understand, in terms of keeping their mouth shut.

Q They are well aware of their obligation.

A I know.

Well, it is a hard thing, and I appreciate their service, frankly, If everybody comes and asks about it, I know it is a hard thing to say well, I can't say anything.

Q We were discussing the reasons for your policy decision about sending names of candidates.

A I didn't want to have anything more on the plate, frankly, then. That was the reason for it. I felt to send names up then that would raise a storm of controversy, was the last thing we needed, and also we had the election campaign coming up and I didn't want to have any controversy

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 over ambassadors coming up at that point. So I always put first things first. I felt at that point, particularly where the Senate is concerned, and, as you know, the Senate is the one that has to approve the ambassadors, we had the Mansfield amendment; we needed the Senate's cooperation with regard to what we were doing on our talks with the South Vietnamese. We had a number of other items on the agenda with the Senate. I didn't want to have any other fights than the fight on that front. I said, on the ambassadors, just delay them until later.

Ω I have a document here I have marked Exhibit A-9, a memorandum from Peter Flanigan to you, dated January 26, 1972, in which that policy decision appears to have been at least temporarily reversed in the case of Ruth Farkas.

(The document referred to was marked Exhibit No. A-9 for identification.)

BY MR. McBRIDE:

Q Do you recall the circumstances under which you decided to approve Mrs. Farkas and send her name up in the summer of 1972 in reversal of the prior policy decision?

A All you have to do is to read the memorandum and you will find it says that Mr. Clark MacGregor, who then, as you know, before he became Chairman of the Committee to Re-elect the President, was in charge of the congressional

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 liaison, apparently had discussed the matter and I hadn't realized that it was this early, but had discussed the possibility of sending up ambassador appointments with Fulbright and Fulbright said, "Send them up and we can get them through."

Q Did anyone -- Excuse me.

A But in May the situation looked very bleak in that respect. After all, this June 28, a month later, the situation changed considerably. I had already been to the Soviet Union; we had almost unanimous approval by, at least in their public statements, by both Democrats and Republicans of what we had done there with regard to initiating the limitation of nuclear arms and under the circumstances it seemed to be that there was a period of good feeling, where MacGregor felt that there was a chance we could get them through.

I should also point out, as you look at this piece of paper, and I trust when you present these to the Grand Jury, and I am sure you will, that you will give them the whole piece of paper --

- Q I requested those from your counsel.
- A You see the problem we have here.

Oh, is that right? You wouldn't give it to them? Give it to them.

The point that I make is I send to you a package of

ambassadors. Now, can you imagine June 26?

Q Were you advised, in substance, by anyone that Mrs. Farkas was withholding her contribution until she was actually approved by the White House and State Department?

A No, I have no recollection of being so advised.

Let me point out, too, that this June 26 memorandum, and I must say, and I apologize to the members of the Special Prosecutor's staff when I said that we can present the whole item. I guess it is because you only asked for what we had on each individual that they blanked the others out.

Q That is correct.

A But what I am trying to point out is the situation
I was faced with was not, as it might otherwise appear, looking
at this one piece of paper, that on June 26 somebody came in and
said now there is a Mrs. Ruth Farkas, if you just give her an
ambassadorship to Costa Rica or Luxembourg, neither of which
means -- no profanity -- means anything to us in terms of
our foreign policy.

Costa Rica means something to you because Mr.

Vesco is there, but otherwise it means nothing to me except

San Jose is a lovelycity and Luxembourg is important because
it is a good place to put a woman who is attractive and likes
to be in the social stage in Europe, but what I am getting
at is that this was, again, a package of ambassadorial appointments and not simply a decision alone on Mrs. Farkas. I don't

recall any discussion with regard to Mrs. Farkas' contribution and is that the reason we are going to change our policy now and send her name up.

Apparently a great number of names it had been decided was going to be sent up and her's is on the list and the list doesn't indicate anything else.

Q I have only one or two questions. One is did you ever become aware during your presidency of Wyman's strong support for Mr. Farkas?

A As a matter of fact I probably should have become aware of it because I have a fairly good memory, but with so much happening, not only in the five and a half years I was in the presidency and in almost all of the years since I have been out, including my first long stay in the hospital, which I don't recommend for any of you, but my point is so much has happened that I, frankly, must say, admit, that until I read this file I hadn't realized where Mrs. Farkas was from. I thought she was from New York, and I hadn't realized she was from New Hampshire.

Q She is from New York, but she was nevertheless --

A I can't understand then -- you see my point is
I didn't understand why the Wyman name didn't ring a bell to
me at all.

Q That leads directly to my next question, which is were you aware at any time during your presidency that Mr. Wyman

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A No, not at all. He didn't discuss his Senate candidacy with me, because the Senate -- You are talking about his Senate candidacy which was to occur in 1974, you understand?

- Q That is correct.
- A Not in '72?
- Q Correct.
- A He didn't discuss his candidacy in '74 with me.
- Q And Mr. Haldeman didn't indicate to you Louie
  Wyman wanted a portion of this contribution for himself?

A No. At that point we were only concerned with candidates in '72 and there were plenty of them that were hurt that we didn't discuss it enough. We didn't worry or concern ourselves with Wyman until 1974. We started to think about that after 1972.

Incidentally, if he had asked to see me, I would have done it because, of course, I have great respect for him.

MR. MC BRIDE: I have no further questions.

Do you want to ascertain whether the Grand Jurors have questions?

Would you step outside with me, Mr. Rogers?

(Counsel and jurers withdraw from conference room.)

HOOVER REPORTING CO., INC. 320 Massachusetts Avenua, N.E. Washington, D.C. 20002 (202) 546-6666 MR. RUTH: Could I clarify one matter?

You referred, sir, earlier to the fact that you would not cooperate in a vendetta against people whom you know.

THE WITNESS: Correct.

MR. RUTH: I have no idea of knowing what your perception of our mission is, but I want to assure you that vendetta is not a word within our investigatory technique, and I want to make sure you realize that; that all we seek is truthful testimony. If it makes someone innocent, that makes the prosecutors just as happy as information that indicates otherwise.

THE WITNESS: I will take that on face value, and when you say that, I trust, and I know you have a much smaller staff than you used to have, that you are pursuing with the same tanacity, and I must say propriety, the over 150 charges of campaign violations that are in your files with regard to Democratic candidates and with regard to the McGovern campaign, and that you will not use the statute of limitations, as you did with Mr. Strauss, to -- I understand that was done by the Department of Justice, perhaps over your objection -- unless the statute of limitations is, in your view, clearly a bar to any proceeding.

What I am just simply saying is this: I mean you gentlemen are making history, too. I have made mine; now you are making yours, and the question in the future will be

do you have a single standard or did you have a double standard, and at the present time -- you want me to be candid -- at the present time there are many who believe that you do have a double standard.

Of course I am not -- my counsel assures me that that is not the case, and I would have to say that as far as I am concerned, I trust that it is not, but I just wanted to state that.

 $\ensuremath{\mathsf{MR}}.$  McBRIDE: We have no further questions on this topic.

(Whereupon, at 11:00 a.m., a short recess was taken.)

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MR. DAVIS: I think we were introduced before.

My name is Richard Davis and with me is Judy Denny. The area of inquiry that we are going to focus on involves the investigation that has been conducted relating to an eighteen and a half minute gap in a recording of a conversation between yourself and Mr. Haldeman on June 20, 1972.

According to your daily diaries which were made available in connection with the hearings in front of Judge Sirica, that meeting took place approximately from 11:25 a.m. to 12:45 p.m., and in the course of asking questions it should be always assumed when I refer to the June 20 Haldeman conversation, it is to that conversation to which I am referring.

To begin, I would --

THE WITNESS: If I could ask one question there. This is just for information only. This matter of the eighteen and a half minute gap I know Judge Sirica considered to be his dish of tea and he had it all wiped around in open court. Is this a matter that the Grand Jury is already familiar with, or is the Grand Jury now investigating it?

I mean, it is perfectly all right, but I just wanted to know because the masses of material you sent to me, naturally you didn't send me any Grand Jury testimony because I have no more right to see it than any other citizen, but the material

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subpoena which was issued in July, 1973, by the Grand Jury

requesting certain tapes.

been investigating the matter.

you sent to me was all before Sirica in open court.

witnesses that Judge Sirica had in open court.

witnesses. I think it should be safely assumed --

believe, January of 1974, at the conclusion of the hearings

in front of Judge Sirica, Judge Sirica referred the matter

for investigation by the Grand Jury and the Grand Jury has

THE WITNESS: And the Grand Jury has heard the same

MR. DAVIS: Of course, I cannot describe the exact

THE WITNESS: All right, all right, I have enough.

You have been investigating it. That's fine. I just want to

I would like to begin by having marked as

be sure the Grand Jury has everything that Judge Sirica

MR. DAVIS: We are hopeful they have more.

Exhibit No. B-1 which I will show to you, a copy of the

(The document referred to was marked Exhbit No. B-1 for identification.)

THE WITNESS: You are interested in item 1-A, is that correct?

MR. DAVIS: That is correct, but just as a general matter, did you at the time this subpoena was served attempt

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MR. DAVIS: You should be advised that in January, I

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 to focus on the content of the conversations? I am not asking for the content, I am just asking whether you attempted to focus or determine what had been said in the various conversations which are listed in the subpoena which is before you?

THE WITNESS: No, I don't recall having done so.

I just took a quick look at the magnitude of the subpoena and, incidentally, at this point I should also say that we, as you know, were contesting the process in court. You are talking about at the time it was delivered. We had no intention of, frankly, complying unless the court should so find and we thought maybe we could win in court, but we didn't.

MR. DAVIS: We are aware of that, and basically the question really is just as a preliminary matter to find out whether around the time the subpoena that was served you made an effort either through your own recollection or by checking other materials to learn what was said in the various conversations referred to in the subpoena.

THE WITNESS: If you are talking about this particular time, I don't recall focusing particularly. I should point out, however, that on the 4th of June that, as you are aware, because it has been publicly testified to, I understand, I listened to the, what I think were the Oval Office tapes with Mr. Dean and consequently if I saw the subpoena

and saw Dean's conversation on it, I would have assumed that I had heard it.

There was one section, however, that I didn't, that I have never listened to, and I hope I don't have to listen to any more tapes. Any of you who have gone through that agony -- I hope you won't have to either, particularly the EOB ones, but I didn't listen to the June 21 one. I saw Mr. Haldeman had notes on that and I relied on his notes.

BY MR. DAVIS:

Q When you say June 21, you refer to June 20?

A No, I am sorry, March 21. But I did not listen at that time to this tape. That was not made available to me.

Q "This tape," that is referring to the June 20th tape.

A The one you are interested in, yes. It is 1-A.

MR. DAVIS: To have in front of you, in case you

want to refer to it in connection with the next few

questions, I would like to mark as Exhibit B-2 what evidence

has indicated are Mr. Haldeman's notes of his conversation

with you on June 20, which we are inquiring about.

(The document referred to was marked Exhibit No. B-2, for identification.)

BY MR. DAVIS:

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I also will tell you --

Incidentally, I would hope you would get a better duplicating machine. These are very hard to read, the ones you sent out to me.

I think you are probably aware the problem we faced making copies of copies, which are probably originally copied ten times over when we received them.

I am not criticizing them, but if the Grand Jury would like to see, even with glasses it is hard to read, particularly when it is somebody else's writing.

Keeping in mind also that there is also some evidence which indicates that the meeting on June 20 between yourself and Mr. Haldeman was the first face-to-face meeting between yourself and Mr. Haldeman which took place after the burglary into the Democratic National Headquarters on June 17th --

No, no, and I don't mean to interrupt a question, but I think it is very important to be sure that a question is not based on assumption that is totally When you said this was the first face-to-face incorrect. meeting I had with Mr. Haldeman, it was the first meeting I may have had in the White House, but you see the break-in occurred when I was in Florida and I rode with Mr. Haldeman back from Florida and, therefore -- and my plane is an office and I saw him on that occasion, too. I want to be

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sure the Grand Jurors know I talked to him on several occasions before June 20th.

Q We stand corrected. The first meeting back in Washington then I think would be more accurate in terms of stating the evidence.

A Well, the reason I think it is important, in terms of the evidentiary matter, is that the content is perhaps of interest. If this is the first meeting, it becomes extremely much more important. Well, I guess it is unimportant in your investigation. You want to find out what happened with the tape, so you can go ahead with your question.

- Q Do you now recall anything about what was said in the conversation?
  - A What was said in this conversation?
  - Q That is right.
  - A No, I do not.
- O Do you recall whether at the time the litigation was going on involving these tapes during the summer and fall of '73, whether at that time you had a recollection as to what was in the conversation which was called for in that subpoena?
  - A This specific conversation?
  - Q Yes.
  - A No, I have no recollection of what was in this

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 specific conversation.

Q For example, page 2 of the notes which have been marked as Exhibit B-2 refer to what is our counterattack, PR's offensive to top this and other items that you may see there.

Do you recall whether in this period that subject was being discussed by you and Mr. Haldeman?

A Now when you say "during this period," let me qualify it by saying that I learned about this in Florida. I saw Mr. Haldeman there and we rode back on the plane together. I saw him on the plane, and of course we discussed this to be terribly wrong, and also in my opinion utterly stupid activity, and from reading his notes I am sure all of these subjects were discussed, but as far as their being discussed at that time, I have no recollection whatever of it being discussed at that time.

I mean, for example, the bugging of our own place, the EOB office and other offices immediately came to my attention.

Q And there you are referring to the note in Exhibit B-2 which says be sure EOB offices thoroughly checked re bugged at all times, et cetera, is that correct?

A Could I -- if I could tell you why it appears in these notes, because in 1962 when I was running for Governor, we had been bugged, we found later, by Governor Brown, a

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very good, personal friend of mine. I don't mean that he probably authorized it, but his people bugged us. We were wondering why everything was getting out and we finally found a bug. In 1968, for example, we learned that not only was President and Vice President Agnew's plane under surveillance, and he himself was under surveillance by the FBI, but that the FBI was at one point directed to bug my plane. There are differing versions as to whether they did or did not do it. Mr. Hoover once told me that they did. But others have indicated that this was not carried out.

I want to point out that simply the fact that this stupid act occurred in Florida was not the only reason that I raised the problem of the bugging here because I knew that it was a common practice by the other side and they were experts at it, and I have been bugged at the congressional campaign -- I mean the gubernatorial campaign, even my plane possibly, at least ordered to be bugged this time by a Government agency, not by a campaign committee in 1968, and I consequently was very sensitive on the subject.

Q Do you recall whether anything was said in this conversation which related to the role of anyone in approving or knowing about the break-in or electronic surveillance prior to June 17, apart from Messrs. Liddy, Hunt, McCord and the four gentlemen from Miami?

A No, again you have made an assumption in your

question that I will have to qualify. You said did I recall anything that was said in this conversation. I have already said I do not recall this conversation at all. I have no independent recollection of it.

Q So is it fair to say that you don't recall whether anything in this conversation touched on the subject matter that I just referred to?

A I don't recall the conversation at all, as I have indicated.

Q Do you recall whether during the summer of 1973, following the issuance of the subpoena and the start of litigation, you had any conversation with Mr. Buzhardt or General Haig as to why the various items had been subpoenaed, and specifically why this item had been subpoenaed?

A I don't recall. I probably had conversations with, particularly Mr. Buzhardt, the counsel, as to the purpose of the subpoena. I don't recall it independently though.

Q I am talking not so much about the general purpose of the subpoena, but as to why the particular conversation that we are talking about here, the June 20 conversation, had been selected as part of the subpoena?

A No, I recall no conversation of that sort. As to why I would pick that one out over something else, I don't

know.

Q Now as has been testified in Judge Sirica's court and in those hearings, the week end of September 29 Miss Woods began listening to and transcribing various tapes. Without focusing on the dates specifically, but just focusing on whatever point she began that project, before she began that task, had you listened to the recording of your meeting with Mr. Haldeman on June 20th?

A I think really we can cut short a lot of time, and I understand that you need to ask the question several times to be sure I always answer it the same way, but you said or you have asked me now for the fourth time have I listened to the recording of June 20th. I told you that I did not listen to the recording of June 20, and I repeat it again. If you want to ask it again, we can go all day on it.

Q I believe the earlier question was as to whether you now recollect what was in the conversation.

A No. I don't mean to argue with counsel, because having sometimes been on the other side of the table as a congressman, you do sometimes come back to the same question without intending to be repetitive, but I am pointing out I have never heard this conversation that you have alluded to, this so-called eighteen and a half minute gap, and I add in that period I did not listen to the

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conversation which you have alluded to, this tape. This tape was not in my possession. I didn't have possession of it. It didn't come into my possession before and I have never had it in my possession.

The point is that -- let me say, when I talk about a tape being in my possession, I have noted from the records here that various people have indicated that among those who had access to the tapes was the President at all times. What I am saying is to the best of my recollection -- I didn't even recall where they were kept -- to the best of my recollection, unless they were obtained by somebody else and brought to me for the purpose of listening, I have no recollection of ever having heard this particular tape that you refer to. And in checking the record, I find that, or I should say my counsel, I guess, checked the records -- I hope they have -- I find no indication that this tape was ever checked out to me.

Q In your response you said unless someone took the tape and brought it to you to listen. I just want to cover that base. Do you recall any situation where somebody brought you the June 4 tape to listen to?

- A Oh, yes, June 4, as I told you.
- Q Focusing on this tape --
- A On this tape, no, I don't recall at any time that anybody brought this tape to me to listen to. I don't

recall it.

...

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 Q At any point did you review, and generalizing the time period now to perhaps save some time, did you review any personal notes that you might have had which referred to what had taken place during this meeting? Do you know if any such notes exist?

A No, I don't know. Not having reviewed them, obviously I wouldn't know whether any existed.

Q But that is in terms of reviewing them recently, and my question really goes to reviewing them in 1973 and 1974, and I take it your answer would be that you don't recall reviewing any such notes.

A Yes -- you mean personal notes other than what you have put in evidence here?

Q That is correct.

A No.

Q Now do you recall whether or not you gave Miss Woods any instructions as to what she should do in connection with listening to the tapes and making whatever kind of transcript she could?

A Well, actually I didn't ask her to make transcripts. The purpose of this, as you may recall, was that we had decided that we would try to work out a compromise with the Special Prosecutor and with the Senate Investigating Committee whereby Senator Stennis would agree to listen to all

of the tapes and then furnish any relevant material with regard to Watergate to the people involved, and thereby protect the principle of executive privilege. That compromise was agreed to by everybody concerned and enthusiastically supported, incidentally, by Mr. Richardson, among others. He later changed his mind because Mr. Cox disagreed, and you know the consequences that followed from that.

So the purpose of this exercise was to get, basically, what I would refer to as the gist of what was on the tapes to see what parts of the tapes should be thoroughly then transcribed, if they were relevant, and that was Miss Woods' job that I thought she would be able to do in two or three days.

I must indicate, incidentally, why I thought she might be able to do it much faster than she eventually did do it. I mentioned that I listened to the tapes on June 4. If you will look at that list, you will find that they were virtually all tapes with Mr. Dean in the Oval Office, and if you, Mr. Ruth, have listened to the tapes, and you have, you will note that the Oval Office tapes can be heard fairly well. Also telephone tapes can be heard well. Tapes in the EOB office are virtually impossible to hear on occasion, and in fact I question some of the EOB transcripts, not because by any deliberate intent on the parts of

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the individuals preparing them but because they are impossible to hear, those that some of you will be questioning me on later today or maybe tomorrow.

But to come to your question, yes, Miss Woods was directed to go to Camp David, where it would be quiet, she would be away from the phones and we also wanted it to be done without a great deal of publicity. Mr. Bull was to go with her and the purpose was to get the gist of what were called then the nine subpoenaed conversations.

Q To make sure I understand correctly, at the point that Miss Woods was given this assignment, it was in connection with preparing for the compromise that you have referred to?

A Yes, that is my recollection, yes.

Q Now, while you were --

A Let me point out we hadn't closed the deal as far as the compromise was concerned, but we thought that that was the best way to proceed and we had to explore that as an option, and that was why we were doing it.

Q Now you have referred to Miss Woods going to Camp David to begin this process, and I would like to turn to that period now briefly. Do you recall -- the records indicate that it is September 29.

A Yes, I understand. I have looked at some of these logs that you have prepared and in order to make your

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 work easier, just ask me about it and if I don't I will ask for it. So I appreciate your suggestion that he show it to me. All right, September 22 is the date.

Q While at Camp David, do you recall the incident of your going over to the cabin where Miss Woods was listening and working on the tapes?

Miss Woods had gone up earlier in the morning, had driven up. I had a very busy morning that day, Chancellor Brandt, and a few other people, so I came up later in the day and I was hopeful that she had made some progress, and I did go over from Aspen, I walked -- it is about a hundred feet over to Dogwood. Incidentally, Dogwood is now famous because that is where Mr. Breschnev stayed.

Aspen, of course, is the Presidential cabin. I walked over to Dogwood where Miss Woods and Mr. Bull were and walked into the cabin and asked her how are you coming along.

She had been there three or four hours, because I was there -- I don't know -- mid-afternoon at some time.

MR. DAVIS: If you like, we can mark as Exhibit B-3 a copy of your daily diary for that date, which I think we suggested that your counsel review with you before this testimony. But why don't we have it now in front of you because you would like to refer to it.

(The document referred to was marked Exhibit No. B-3, for identification.)

investigation.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 THE WITNESS: My counsel furnished you this?

MR. DAVIS: I think this was furnished in 1973 in connection with the tapes hearings and we furnished it back, in essence, suggesting that it would be relevant to this

THE WITNESS: Incidentally, I know we can't go off the record, so don't take this down, please. Please don't let it out that I saw Senator Percy. Goldwater would be right down my throat.

Now we are back on the record. I realize we can't go on and off, but you have to have a little lift out of life here. I was amazed that I had seen him that day. So was he amazed.

All right, I have the diary.

Q Do you recall whether or not you listened to whate ever tape Miss Woods was working on at that time?

A Well, when I walked in she said, as I recall, that she was having a terrible time getting it off. She didn't know how she could possibly finish this work, and she had only three or four pages, as I recall -- I can't say, it could have been eight or ten -- but three of four pages of notes she had typed out. She said, you should listen to this thing and you will see what I mean. So I put the earphone on and I listened to the tape and she, she was -- I listened to it the day before, I imagine, two or three

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MOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 minutes and I could see the problem. I don't recall or have any recollection whatever what I heard. I just recall that the tape was of extraordinary bad quality, you couldn't tell whether one person or two or three might be talking at times. There were noises, outside noises, inside noises and I just shook my head, and I said, well, do the best you can and let me know at the end of the day how you are getting along.

Q Do you recall anything else about that, your visit with Miss Woods over at the cabin, other than what you have just testified to?

A Well, assuming that the log is right, -obviously I am refreshing my recollection here -- assuming
the log was right, how long was I there -- seven minutes -I think that the conversation dealt only with that, with the
problem she was having in getting it done. That is all that
I can recall.

Q Now in these early stages when Miss Woods was beginning this process and before any conversation Miss Woods may have had with you about any erasure she may have made of a portion of any tape --

A I just don't like that word, but go ahead.

Q -- do you recall any conversation, other conversations you had with her about the tapes and, for example, the diary shows on September 29 that you met with

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her on other occasions, but just generally do you recall any other conversations?

Well, of course at this time -- well, while her primary responsibilities were tapes, she also had other responsibilities as well. She came over to dinner, as you note. I had her over earlier to see what she had produced up to that time, and it was very little. I could see that the problem was very, very difficult. At some time in that day she told me, and I can't fix the time -- I don't recall it specifically -- she said, thank God I only have to do about an hour of this rather than, you know, the whole day, because she apparently had, she said, received a call from Washington -- I don't think she told me who it was from -- that only the Ehrlichman portion of the tape or the portion where Ehrlichman -- the portion in which Ehrlichman was present was subpoenaed and that, from reading the log, you got the impression it was a little shorter than she anticipated otherwise.

Q Have you previously discussed that question with General Haig or Mr. Buzhardt?

A I have no recollection of discussing it previously. It is possible we could have discussed it previously, as to how much of that was, but I don't know how it would have come up. Apparently, I note from the materials that your office has furnished to my counsel, General Haig

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initiated a call to Miss Woods and said Cox has made a mistake on the subpoena and on Item No. 1 you need only that portion of the conversation in which Ehrlichman is present, and she apparently had typed it off. She told me about that at some time when we were there over the week end, that that is all she had to do.

Q But prior to that time you don't recall your having any conversation with General Haig or Mr.Buzhardt about what was included within the item?

A I don't recall. I might have had, but I don't recall the conversation.

MR. DAVIS: I am going to ask that this be marked as Exhibit No. B-4.

(The document referred to was marked Exhibit No. B-4, for identification.)

THE WITNESS: There was a discussion at some time, and I don't know when it occurred, but my recollection is it was at this time, that it was a sloppily drawn subpoena. This is no reflection on you, because this thing had been going on so long that probably you were still in high school at the time.

MR. DAVIS: I wish that were true.

THE WITNESS: Certainly you were. So in any event, that was a sloppily drawn subpoena, but my best recollection

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 is that occurred after I learned from Miss Woods that Haig had called her and said Cox has said you have to only do this part or that you only have to do the part in which Ehrlichman is talking.

## BY MR. DAVIS:

Q Referring you to the front page, there is some evidence that that is a notation made by probably Mr. Bull some time during the week end at Camp David. I am going to direct your attention to the portion which says, "Haldeman" paren, after Dash, "at" and possibly says, to be fair, "RN's request."

My question is, do you recall ever making any specific request of Miss Eoods or to Mr. Bull that the Haldeman portion be listened to and summarized by Miss Woods?

A No, I have no recollection of that. On the contrary, I was very anxious for her to get the job done and I wanted her to do just as much as was required, but no more, and to listen to no more than was subpoenaed. I don't know what that meant. I don't recall it. It does not refresh any recollection of mine.

Q Did Miss Woods report to you or give you any indication at any time, really, as to what was the content of any portion of your conversation with Mr. Haldeman on June 20th?

A That is a very general question. Did she at any

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time ever tell me what was the content of the conversa-

Q With Mr. Haldeman?

A The only thing that Miss Woods ever told me about the conversation with Mr. Haldeman was about those portions that existed and that she had listened to. She said, apparently, something about scheduling, et cetera.

Q Is the conversation that you are referring to essentially the one which took place when Miss Woods reported to you the buzz which existed on the tape?

A Yes, I think -- well, she didn't tell me about it at Camp David because she hadn't reached that point. I know that she did not bring me over, as was the practice, as she finished any one of the tapes she would bring me over what she had done. While she was at Camp David, the reason she would come over, I would just tell her, well, bring what you have got, because I wanted to see how long the project is going to take, but when she came in, I think the transcript shows that that was on Monday, October 1, is that correct?

- Q That is correct.
- A You are asking about that conversation?
- Q I was asking more generally and was intending to get to the October 1 conversation in a few moments.
  - A Yes. Well, you have asked a general question.

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Q That is right.

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A Well, let me get to a specific answer then.

With regard to the time when the Haldeman portion of the conversation became an issue, the first time it became an issue was on October 1. While I was at Camp David, I have no recollection whatever of hearing even Haldeman's voice. Incidentally, I wouldn't swear it was Ehrlichman's either. It did turn out to be, from the content thereafter, and at times I wonder what I had had to drink that day when I heard my own voice. This is such a bad tape.

The Grand Jury should be rewarded by letting them listen to it. But, in any event, it was incredible, but Miss Woods came in in the afternoon of the first of October and she was very distraught. She told me that she had made some kind of a mistake. She did not describe it. I said, what kind of a mistake? Where was it?

She said, well, she said, I was trying to find if Ehrlichman was still around and I was listening to Haldeman, and she did not go into any details. As you will note from the log, the conversation was very brief. And I said, are you sure you were just listening to Haldeman, and she said, yes. She said, there was some kind of discussion about scheduling, and she did mention something about Ely, Nevada, which rang a bell with me, and then she said, I heard a buzz. And I said, well, if it was just the

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Haldeman thing, there is nothing to be worried about, forget it, because it is not subpoenaed.

I said, as far as the Ehrlichman part, you finished all of that, which she had, and she said, "Yes, all of that is done," and I said, "That is what they want. As far as this part, any mistake that has been made, there is no problem.

- Did she indicate to you the length of the buzz?
- She said it was very brief, very brief.
- Did she go into any kind of detail as to what had caused the buzz?
  - A No.
  - Or what she thought might have caused the buzz?
- No. My recollection here is that, only that she said -- first, that she was distraught; second, that there was some, that she made some reference to getting a telephone call.
  - But you didn't ask her how it happened?
- I know very little about such machinery, even though I had operated one at Newport, but, nevertheless, I was more interested in whether or not, frankly, evidentiary subpoenaed materials were involved.

(Individual enters room and stated as follows:) "It is important, sir, we have to do it. "

THE WITNESS: Is this going to help you. This is an

anti-coagulant.

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HOOVER REPORTING CO., INC., 320 Massachusetts Avenue, N.C. Washington, D.C. 20002 (202) 546-6666 I think it should be recorded, I am taking anti-coagulants ordered by the doctors every day at twelve o'clock. That means that if I am ever in an accident and start to bleed I will bleed to death unless the doctor is there within ten minutes.

Want one?

All right, on the record.

BY MR. DAVIS:

Q Do you recall, after Miss Woods made this report to you, and perhaps you would like to have in front of you the copy of the daily diary for October 1, which is marked as B-5.

O I think I have it, October 1.

MR. DAVIS: I think you have September 29. We will mark as B-5 the one of October 31, which I again should state for the record was supplied in July, 1973, in connection with the litigation.

(The document referred to was marked Exhibit No. B-5, for identification.)

THE WITNESS: That's all right. I know you wouldn't,

I mean, surreptitiously get them out. That is only done by

people that aren't either in the Special Prosecutor's

office or my office -- maybe not even in Mr. Miller's

office.

Now, what is your question about this particular matter?

BY MR. DAVIS:

Q It is just to put that in front of you, and I am going to ask whether you recall after Miss Woods made this report to you, do you recall what you did in connection with that report to contact Mr. Ziegler, Mr. Buzhardt or General Haig in any connection?

A No, as far as Mr. Ziegler was concerned, I did not talk to him about it at all.

Mr. Ziegler, and here I have to speculate in answering because I noticed I requested that he come over -- is that he would come over after his daily briefing. He also had an appointment every day to give me a report on the briefing. There was no discussion at all with him. I also noticed I talked to Mr. Rebozo. I most certainly didn't talk to him about that. But we go into that this afternoon, what we talk about, and then it notes that I talked with Mr. Haig.

Now I would say that this would indicate that I did not have a great deal of concern about what Miss Woods had done, but in the meeting with Mr. Haig I mentioned to him the fact that Miss Woods was having a terrible time with the tapes and that she just had made what she called a mistake

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on a portion of the Haldeman thing, and he recalled clearly that he had had, apparently based on a conversation he had with Mr. Buzhardt, informed Miss Woods on the 29th or 28th -- whenever she went to Camp David -- that the Haldeman portion of the tape was not subpoenaed, so he said, no problem.

Q During this period, do you recall, and I would say this would be prior to the change of position when it was was decided that the June 20th Haldeman conversation was included within the subpoena, prior to that taking place do you recall whether you had any conversation with Mr.

Buzhardt about what Miss Woods had reported to you?

A Well, I don't recall specifically a conversation with Mr. Buzhardt, but I would say that Mr. Haig, General Haig, would certainly not have told Miss Woods that a certain portion of the tape was not subpoenaed unless he consulted with Mr. Buzhardt, and it is very possible that I talked with Buzhardt about it, too, but I can't independently recall it at this time.

Q On October 31, 1973, hearings began before

Judge Sirica regarding the reported non-existence of two

other subpoenaed tapes and Miss Woods testified in those

hearings on November 8. Do you recall whether you had any

conversations with her about this time which related to her

testimony in the sense of relating to any problem that this

accident might --

A This is her first appearance?

Q This is her first appearance, yes, sir.

A Before answering that question, for the benefit of the members of the Grand Jury, since they will be seeing this log--I mean if I were in your position, and I am sure you have thought of this, what in the world was I spending that much time with Haig for. I spent twenty minutes with him, and then I apparently -- we spent over an hour and a half in the car. I mean, the presumption, if I were questioning, frankly -- I am not trying to help you do a job on anybody, but my point is you want the truth, and we were having very, very long discussions, and this may explain one of the reasons Haig didn't get there any sooner than he did, but that is when we had the Agnew crisis, and I remember that long drive in the country. That is when we decided that Mr. Agnew had to go then. He didn't go then, but he went later.

I know what that conversation was about, but I just wanted you to know it wasn't about this thing. Neither Haig nor I thought it was a problem at all, based on the fact that it was not subpoenaed, and we thought, too, it was just a technical matter, and we were thankful it hadn't happened on something that had been subpoenaed.

Q To move to Miss Woods, when she testified at the

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. first set of hearings, do you recall whether you had any conversations with Miss Woods about her testimony?

A No, I don't recall that I talked to her about her testimony.

We had a practice in our office, and I think it is probably the practice in most President's offices -- I hope it is -- it is even now, and it was a practice in the Eisenhower administration I know -- the President has got so many, many very, very important things to do -- I mean, I am not trying to build up myself, but all Presidents have -- that wherever possible you don't raise matters with him that are going to divert him from the job he was elected to do.

For example, you take Mr. Bull. I was rather shocked to learn, when he left -- Mr. Bull, who is no target of this investigation, incidentally, as I understand --

Q I must say that we can't, obviously, respond to that.

A I know you can't but you wouldn't be committed to it in any event, but he shouldn't be, I am sure, because I have known him a long time, Mr. Bull, who sits right outside my office and Miss Woods' office is down the hall a ways, and he had FOIA(b) 6 in attorney's fees when he left Government.

I said, how come? He said, because I have had to go down and testify so much.

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I said, I didn't know you were down there. I mean, I didn't know you were down there that much. I knew he had been down, but he never came in to talk to me about his testimony; he never came in to bother me about his testimony, or to ask me about it, and Miss Woods, above all, followed that practice, because she had been with me for twentyseven years, and she knew that I had -- it is probably one of the weaknesses, but it is one of the weaknesses I have and it is a strength in another way, I am quite singleminded. Some people can play cards and listen to television and have a conversation at one time. I can't. I do one thing at a time, and in the office of the Presidency I did the big things and did them reasonably well and screwed up on the little things, partly because the staff didn't bring them to me.

They didn't think it was big either. But I have taken too long to answer the question. What I am going to say is, no, I didn't discuss Miss Woods conversation with her. I have no recollection of a discussion with her as to how she should testify, what she would do. I knew she was worried about it. I knew she was going down, but --

Q Do you recall any conversations with Mr.

Buzhardt or General Haig in connection with how Miss Woods might respond to questions during this first hearing which might somehow involve her accidental erasure that had been

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reported to you?

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Assuming it was accidental, right. You see, I am helping you now.

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Do you recall any such conversation with Mr. 0 Haig or with Mr. Buzhardt?

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7 11 12 13 14 Now with the exception of some isolated times when Mr. Bull had the tape, the June 20th tape, largely for 14 20

I don't recall a conversation. One could have I don't recall any. And I emphasize again that the reason that I don't -- I think my recollection in this instance, which of course is just pure recollection, is correct, because I don't have access to any notes or anything of that sort in this period, because I didn't consider it a problem. Haig didn't consider it a problem. Buzhardt didn't consider it a problem that time, and I don't believe, for that reason, that they would have brought it up to me around that period of time, October 1, 1973, when we had some pretty rugged problems.

purposes of transporting it, the evidence indicates generally that between September 29, 1973, and November 13, 1973, when all the original tapes Miss Woods had were returned to General Bennett, that this tape that we have been talking about was in her custody. Do you recall whether during that entire time period you ever went into Miss Woods' office when she was working on this tape, apart from you talked about

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the Camp David incident?

A No, I have no recollection of that.

Let me point out that at the time we had our conversation on October 1, she was finished with this tape. She was finished with the October 1st tape.

I am sorry, with the June 20th tape on October

first, and I only say that, but in direct response to your question, the answer is I had no reason to go into her office. I would have her come into mine if I felt there was something to be done.

Q Now during this period she worked on these

tapes in Key Biscayne also, and I mean to include that in the following question:

Do you recall ever being present when Miss Woods

Do you recall ever being present when Miss Woods was working on the tapes at all, apart from the September 29 visit to Dogwood cabin?

A So that you can get the geographical situation in mind, my house at Key Biscayne is over at the bay. The hotel where the staff stays is over on the seaside, about two miles away. I never visited on this trip, While I have been to the hotel on other occasions, on this trip I never went to Miss Woods' quarters, where she stayed, General Haig, Bull, the Secret Service, and the rest.

Q My question was a little broader. I was including that, but in terms of that entire period, whether

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it was Key Biscayne or at the White House or the EOB, were you ever present on any other occasion, apart from the Camp David experience, when Miss Woods was actually working on the tapes?

A On the tapes?

Q On the nine tapes?

A Or this tape?

Q The tapes generally?

A The tapes generally. Being in her office when she was typing them off, you mean, or something like that?

Q Well, when she had the tapes out and was listening or typing?

A I don't have any recollection. Not in Florida, certainly, because the tapes were always over there in her apartment. They were never brought over to me, and as far as her office in Washington is concerned, when she returned from Florida, I have no recollection of walking in to look at the tape process because I, frankly, wanted her to get the job done and I didn't think we ought to bother her.

Q Do you recall generally what the first awareness you had wasthat there was a buzzing sound or other kind of gap of greater dimensions than was reported to you by Miss Woods in the earlier conversation?

A Here I am testifying because, as far as the date is concerned, on the basis of having my memory refreshed

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from the documents that you have furnished to me, I know that I was informed of it, of course, as far as the date is concerned. It was in the middle of October.

Q I would suggest that it was, in terms of the documents we have produced to you, that there is testimony that it was in the middle of November.

You are exactly right, the middle of November. I appreciate your correcting me, because it shows you how you can slip back and forth. It was the middle of November. It was after Miss Woods had testified for the first time before the Grand Jury -- I mean, before Mr. Sirica, who was even tougher than the Grand Jury, but anyway --

. 0 Do you recall how it was brought to your attention or who brought it to your attention?

> A Who --

Do you recall who brought to your attention the fact that there was a gap of larger dimension than Miss Woods had reported?

General Haig. General Haig. My recollection is clear on that. I don't recall which office I was in, but he came in and said that, you know, about this tape, that we find that -- I mean, Rose had thought it was four minutes, or something like that, or there had been some discussion, which was very brief, and now the counsel have found that it is eighteen and a half minutes, and I practically blew my

stack, and I said, why, what business has counsel gotten to this. This tape she was told was not subpoenaed; they changed their minds, and he said, well, I guess they have. I said, well, let's take another look then. I said, we have done enough to damage the Presidency already by agreeing to turn over confidential information, and I am not going to turn over anything that is not absolutely required by the subpoena.

I also, frankly, told Buzhardt that when I talked to him about it, that I said I want an absolute check to make sure that we weren't discussing a non-subpoenaed tape.

Q And did Mr. Buzhardt give you that assurance, or do you recall anything further about the conversation with Mr. Buzhardt?

A No, I don't recall. Over those days, you will note from the logs, I was traveling some. In November, and that was another rather interesting period, too, the period you remember of the confirmation of Mr. Ford was on my mind, and so forth, but in any event Mr. Buzhardt, to shorthand it, only said that talking with the other lawyers, Garment and all, that they agreed that despite the fact that it was a sloppily drawn subpoena, that actually the Haldeman portion of the conversation, as well as the Ehrlichman portion, was subpoenaed.

Now when I was told that finally -- I think

however, my recollection is that it occurred just after I had addressed the Governors' Conference. If you will check the logs and pull out the dates, I would appreciate it, but I addressed the Governors' Conference in Kansas City, I think it was, and one of the governors asked me is there any other bombshell going to come.

I said I didn't think so. I was aware at that time of this eighteen and a half minute thing, but I was still not convinced that, and had still not made up my mind that it was subpoenaed, so under the circumstance I said I hope not.

Then after the Governors' Conference, Haig said
he had a call and that, first, it was subpoenaed; second,
that as far as the tape was concerned that they thought this
ought to be disclosed to Judge Sirica, and, third, that, and
all of these things occurred there, and when we got back to
the White House where there was a further discussion about
it that evening; third, that it could not be reconstructed
because that was another point that I made, even though it
was a non-subpoenaed tape, I said, see if you can reconstruct
it and see if we can find any notes as to what was on it.
And all they were able to do -- they couldn't reconstruct
it -- they found it was subpoenaed and they found Haldeman's
notes, these rather benign notes, and as to what is on them
as far as anything that the Special Prosecutor is interested
in --

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Q And in terms of the portions of the conversation in which you requested a determination as to whether it could be reconstructed or whether notes could be located, was that part of the initial discussions on the day that you first learned that it might be a subpoenaed tape?

A I don't know which date it occurred. It was during the whole period. You know how these things are. I can't say that on the initial day I said, gee, go back and see if you can reconstruct it.

Q We are only asking if you do have the recollection? We understand the problem.

A Yes, you understand, but all I can tell you is over all of that time period all of these things were discussed and I wouldn't affirm or deny what somebody else said with regard to whether, they talked to me on the 14th and I said, well, maybe it was the 16th, I just don't recall. I do recall all of them were discussed with me and mostly at my initiative.

Q Did General Haig or Mr. Buzhardt or Mr. Powers communicate to you anything about what was the cause of the eighteen and a half minute gap during this period?

A Now, we could spend the rest of the day if we went into that, but I can only say this, that these amateurs, and let me say to you, ladies and gentlemen, if you are not a lawyer you will be one day, so we will say,

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.C. Washington, D.C. 20002 (202) 546-6666 ladies and gentlemen, as lawyers when you have a technical problem, don't try to solve it yourself. These clowns -- pardon the expression -- they go in, they try to re-create this and that and the other thing and instead of getting an expert in right away to find out about the noise, of course they did and they told me, well, we don't know, we think maybe a lamp caused it or maybe it had to be done by a lamp and a typewriter on of a certain type may have caused it, and then at another time they said, well, we are not sure, it must have been done in another way.

All that they knew was that they were able to get at it, and they eventually did call experts in, and they were also trying to do it, incidentally, working with a copy at this time -- they didn't work with the originals, so there is no question about their doing any erasure, as far as I know -- at least they told me they were working with copies.

In any event, all of this discussion and whether it occurred or what day it occurred, I can't tell you, but it was over a period of time as to how it might have happened. All they said is that you had to have the record button on and you had to have -- in this case Miss Woods was using a foot pedal -- when I listened to the tape I have not done that, but of course when you are not typing you don't need a foot pedal, you can just listen the other

way.

I should point out, in terms of time, that this conversation about what caused it and who caused it, and so forth and so on, these conversations occurred after the Governors' Conference -- I mean after we got it down to Sirica's court -- because then it was an issue, a public issue. Before that time I was, frankly, so tied up with other things that all that I was doing was waiting for them to give me a recommendation.

Now you understand what they were doing in this period was, I am sure, trying to find out whether they could reconstruct it and what caused it. But as far as my conversation with them, the conversations that I just referred to occurred after the Governors' Conference, when they all, in their great wisdom, had determined that it was a subpoenaed tape, that it could not be reconstructed, and that they didn't know how it happened, but that it had to be done, they thought, manually, which, incidentally, I have learned from -- of course, every expert in the country now is an expert on the tapes -- but I have learned it can be done apparently technically, as well, and I think that there is no reason this should not be in the record.

I saw recently where a Cleveland authority on tapes points out that malfunctions of a machine often erase. This I understand is not evidence for you --

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...

Q Well, we appreciate, of course anything that you might want to contribute relating to what might have caused it.

A Yes. I don't know how it happened.

Q You have mentioned that it now became a more public issue. At this point do you recall whether or not you contacted or had anybody contact Mr. Haldeman to see whether he had a more complete recollection as to what was on the June 20th tape?

A I don't recall that, but Mr. Haldeman's notes came into our possession, and I think what happened there is that I asked either Higby or Buzhardt -- not Higby, --

Q General Haig?

A Haig or Buzhardt -- I don't know which one -- they worked interchangeably, to see whether we could -- you see, we had had earlier, as you know, we had earlier the problem of what were called the - quote - two missing tapes - end quote. They were not tapes missing at all. They were simply unrecorded conversations. So under the circumstance I wanted to do everything possible in cooperating with the Special Prosecutor, if we couldn't have a recording, to give them what we did have, so I authorized or asked somebody to get a hold of Haldeman and get his notes. I don't recall when or how.

Q Do you recall whether during this time or at any

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to get his recollection of the meeting?

point you requested though that Mr. Haldeman be contacted

I don't recall that.

Or did you have such a conversation with Mr. Haldeman?

A No, I don't recall that. I note you were referring to the Haldeman notes. That was his recollection. I imagine it is all he could recall.

Now I think we could, given one of your earlier responses to this, ask more of a summary question: During the second round of hearings Miss Woods testified on several occasions, Mr. Bull testified on several occasions, Mr. Buzhardt testified and General Haig testified. Do you recall whether you discussed with them the content of their testimony?

At what time?

At around the time they were giving it. I ask it generally in light of your earlier response.

No. Let me say, first, that they were all aware of, with regard to the disclosure of testimony. In fact, Mr. Rhyne, a very close friend of mine, in the second goaround was representing Miss Woods and told her that she couldn't even tell me what she was testifying about, but the point is that as far as what their testimony had been, they followed the rules that people are supposed to follow with

regard to testimony before a Grand Jury.

As far as each of them was concerned, I can't recall any extended, or as a matter of fact any specific conversations in which we discussed what the testimony would be. I was only following it in terms of what the facts might be and to me the most intriguing part of it was this great panel of experts, what they were going to come up with.

I had every confidence that Miss Woods'
testimony would, and any member of my staff's, testimony
would be, I thought, as responsive as they could make it.

And if the import of your question is did I coach them, did I tell them what to say, did they ask me what to say, the answer is, no.

Q During the course of your testimony this morning, you have told us about the report that Miss Woods made to you regarding the brief buzz which she may have caused on, I guess, October 1. Now apart from that, has Miss Woods ever told you that she was responsible for or caused the erasure of the entire eighteen and a half minutes of the conversation?

A No, on the contrary, she has always denied that the buzz that she heard was more than four and a half to five minutes, and she cannot explain how eighteen minutes could have occurred. She doesn't, incidentally, charge that anybody else did it or was there, and she doesn't know, but

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she says her best recollection is that it was a very brief buzz and that is what she had told me.

Q Now has Mr. Bull ever indicated to you that he caused or was responsible for the erasure of any portion of that tape?

A No, no, never.

Q Has anybody else ever indicated to you that they were responsible for or caused the erasure of that tape?

A I want to assure the Special Prosecutor and his staff that I, of course, had the most intensive investigation made to see if anybody else had had access who might have done it, including even the Secret Service, and they said, no. When I say, they said no, the reports were unanimous. They had no other occasions that anybody else who had access to the tapes could have done it.

Q You referred to the investigation. Do you recall who was charged with that responsibility?

A Well, just Haig generally, and he was so busy with other things. How many people he asked, I don't know.

Q So --

A Yes, I should emphasize that I didn't write a memorandum saying, ordering an investigation. It was simply a conversation. I said to him, I said, let's find out how this damn thing happened.

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I am sorry, I wasn't supposed to use profanity. You have enough on the tapes.

Q Apart from what we have discussed today, and I would assume you may be aware from the public testimony, do you have any other information as to who might have been responsible for and who might have caused the erasure of that tape?

A No, I have none.

MR. DAVIS: I am going to now consult with the two representatives from the Grand Jury to see if they have any further questions that they would like to ask.

THE WITNESS: Sure. Do anything you like.

BY MR. DAVIS: (Counsel and jurors with-

Q Just to make sure we understand the terms of this request of General Haig, if I understand it correctly, and I want you to correct me if I am misstating it at all, you made a generalized request of General Haig to see if he could determine anything as to what or who was

draw from conference room.)

that he had no better explanation than anybody else. Is

responsible, and he reported back to you, I assume orally,

that a fair statement?

A In think a more accurate statement is that rather than my calling Haig in and saying, look, now you conduct an investigation into this thing, it is that in our conversations about it, and Buzhardt might have been present

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at some, I said, let's do everything we can to find out how this has been caused and if anybody else might have caused it, and Haig's evaluation -- which he is a very honest man -- I mean, in evaluating with all of the bark off -- plus there is no evidence whatever to indicate that anybody else could have done it.

Now let me say this does not mean that this

Special Prosecutor's office and the Grand Jury should not

proceed on a more thorough way in questioning every other

individual who might have had access.

If you are interested in my view as to what happened, it is very simple. It is that it was an accident. My view as far as Miss Woods' role is that I believe her totally, but I guess I would be expected to because she has been with me so long and she is deeply religious, but she doesn't wear it on her sleeve; she has it here in her heart, and she would never lie to me, and under these circumstances when she said that she didn't erase anything, that she didn't hear anything, she doesn't know what is on it, I believe her. I realize that is not evidence, but it is at least my opinion, but the other point that I make is that with regard to the others, anybody else, I don't know of anybody else, General Haig doesn't know of anybody else, Buzhardt doesn't know of anybody else, and also the important thing is that the panel of experts could not really find a basic

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agreement as to even how it occurred. They do, up to a point, but there are so many, from having cursorily, giving a cursory reading of the report, there are so many loopholes that they just aren't going to get caught on that.

I don't know how it happened.

Q Without of course going into the experts' report or any of that, I just want to ask one question based on your last response, and that is when you say that it is your opinion that it was an accident, are you saying that the entire eighteen and a half minutes took place or the entire eighteen and a half minute gap was created by Miss Woods' accident that she reported to you?

A No, I am not saying that at all. I am saying that I think whatever occurred, and assuming that it was an erasure, which I think could be assumed based on the fact that the experts did find scraps of words, -- Miss Woods doesn't like the word erasure because she said she didn't hear anything, and of course I believe her.

My point is as far as anything she did, it was an accident. As far as the balance of it, she could have done it all and it would have been accidental, some malfunction of the machine. She could have. She doesn't think so. She says it was only four and a half to five minutes. That is what she testified to, and that is what she told me personally. As far as some third person, another person

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 getting to it and erasing it, I, first, I know of no such person, I haven't heard of any person, and, second, I know of no motive, particularly when you look at these notes.

I mean I wish we could find it.

MR. DAVIS: I think we all do.

THE WITNESS: I mean this is pretty good stuff.

MR. DAVIS: I think that is all of the questions on this subject. Thank you very much.

(Whereupon, at 12:45 p.m., the deposition was recessed, to reconvene at 1:45 p.m. the same day.)

## AFTERNOON SESSION

(1:45 p.m.)

Whereupon,

RICHARD M. NIXON

BY MR. MICHEL:

resumed the stand and testified further as follows:

EXAMINATION

Q For the record, my name is Paul Michel, and I will be questioning the witness concerning what has been designated in discussions among counsel as unreported campaign funds.

Sir, I would like to try to refresh your recollection of a number of conversations that may have been held some years ago, and to begin doing that I would like to show you a short portion of a transcript of the tape of a conversation on April 17, 1973, from 5:20 to 7:14 p.m.

That short excerpt which covers page 52 and page 53 of the transcript of that tape has been marked as Exhibit C-1.

(The document referred to was marked Exhibit No. C-1 for identification.)

MR. MICHEL: Mr. Miller, I have left in front of you a extra set of those appropriately numbered so that you can follow along, if you care to.

BY MR. MICHEL:

Q Sir, I would like to direct your attention to the first paragraph of that --

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400VER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Nashington, D.C. 20002 THE WITNESS: I am just trying to get my glasses. I just never wear glasses except when I am reading.

Yes, go right ahead.

BY MR. MICHEL:

Q Sir, I would like to direct your attention to the first paragraph of that exhibit, and particularly to the phrase in the middle of the paragraph - quote - but there is a way we can get it to you and two or three hundred thousand dollars, - end quote.

The question is, do you recall having a conversation with Mr. Haldeman and Mr. Ehrlichman concerning the possibility of your making available to them some funds for their anticipated legal fees?

A Yes.

Q And do you recall mentioning the amount, two or three hundred thousand dollars?

A Yes.

Q In making that reference, were you referring to funds already in hand, funds that had already been received?

A Well, in making that reference, I was referring to a conversation that I had had two days before, and also to possibly the knowledge that I had with regard to funds that we had received, that I knew we had.

Two days before August 15, 1973, was --

Q Could that be April 15?

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E., Washington, D.C. 20002 (202) 546-6666 People often ask what is the hardest day you ever had when you were President. I suppose that was, except the day I resigned. We had a very full week end. Sammy Davis had been there the evening before at the White House and we were up past midnight with him. We had a church service in the morning. Dr. Hill was the minister, and I stood in line for about an hour and a half shaking hands, which was our custom.

Mr. Kleindienst had called me shortly before that service -- I don't know whether it was that morning or the night before -- and said he wanted to see me on an urgent matter, and I said, well, come over after we finish the church service on Sunday, and he hit me with what was to me a bombshell of massive proportions. I had been concerned, as all of you are aware, about this Watergate thing at the time it happened, particularly from the time after March 21 when I learned from John Dean some of the things that had never been told me before with regard to the demands for money by several of the -- not several, but by one in particular, Mr. Hunt, for his attorney's fees, and that unless his demands were not satisfied that he would expose matters that he had with Mr. Ehrlichman on -- this was not about Watergate -- with Mr. Ehrlichman on matters which I assume involved a highly sensitive operation called

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 the Plumbers. From that time on I was concerned about this.

I knew that we had to get to the bottom of it, that I would have to take, and I did take, personal charge --

Q Sir, are you --

A Just a second. I am giving you what happened as to how this money is -- and the answer will not be too long -- and between March 21 and April 15, Mr. Dean was conducting an investigation, Mr. Ehrlichman was conducting one, I was asking questions as well, and so forth, but on April 15, in the afternoon, Mr. Kleindienst came in that Sunday afternoon and said to me very bluntly that new evidence had come to the attention of the Special Prosecutors, that based on that evidence that it was his advice and convinction and advice and conviction that was shared by Henry Petersen, who was the, not Deputy Attorney General but Assistant Attorney General in charge of the Criminal Division, that Mr. Haldeman and Mr. Ehrlichman were criminally involved and that they should be fired.

It was, first, a surprise; second, needless to say, a very great shock, and I continued to talk with Kleindienst for some time. I talked to, I believe, Haldeman that same afternoon, probably Ehrlichman, and then Mr. Rebozo, who had come up to Washington. He flew up from Miami, and I needed a little time off and I went out with him to the Sequoia, which the logs will all show this, and I

intentionally, of course, refreshed my recollection on that particular day.

On the Sequoia I told Rebozo of this conversation. He was the first person I discussed it with, except of course with Haldeman, Ehrlichman and Kleindienst, and I think Petersen. Whether Petersen got in before or after I was on board, I don't recall, but Petersen did come in. I remember he was wearing sneakers. He had been out on his boat. But, in any event, I said I just don't know what to do here. And Rebozo, who has been a close friend of mine for almost twenty-five years, trusted, honest and blunt, he said they should be fired. He said as a matter of fact they both should resign just as soon as any heat was raised.

I said -- I told him exactly what I told

Kleindienst and Petersen, that I didn't believe that you

could ask an individual to resign simply because charges had

been made and implications had been made. So I said it

isn't right to them personally. I remember, incidentally,

Mr. Petersen's reaction when I told him that. He said, "well,

he said, Mr. President, that speaks very well for you as a

man but not very well for you as President." But, in any

event, even though I still had confidence in both Ehrlichman

and Haldeman, even though I believed that it would be wrong

for these men, two of the three top men, the other being

Kissinger, in my administration in the White House to take

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a leave of absence or to be fired based simply on fragmentary testimony which Mr. Kleindienst had shown to me and Mr. Petersen had shown to me, nevertheless in my own mind, as a realist, I knew that we probably had to face up to it and that I might have to make that decision, and Mr. Rebozo and I talked quite frankly, as a matter of custom -- we are free with each other, and this may sound quite incredible to this group, but maybe it won't, but I asked him a question -- I said, how much have I got in the He said I don't know why you ask, you have three hundred thousand dollars in CD's. He said "why"?

I said, well, if I have to ask Haldeman and Ehrlichman to resign, these men both came here without much of this world's goods, both have made a great sacrifice, both have large families, most of them in college or going to college, and just to cut them loose like this, after what I considered to be devoted service, not only in this campaign but in their case going back from the time they were in college, when I first ran for Vice President in 1952, that I thought I had an obligation and I would like to be able to tell them that I would help out with regard to their fees.

Rebozo said almost emphatically, I would say, yet not in detail, he said, don't worry about it. He said, you shouldn't use your money for that purpose. He said, I

HOOVER REPORTING CO., INC. 320 Massachusetts Avenuo, N.E. Washington, D.C. 20002 have some left from the 1972 campaign that I think we can make available for this purpose, and he said, between Abplanalp and myself we can get three hundred thousand dollars, I am sure. That was the extent of that conversation as far as this particular matter was concerned.

I should add, incidentally, that I didn't ask Mr. Rebozo what he had left or from whom he and Abplanalp would be able to solicit contributions. I did know at that time that he did have a hundred thousand dollars in cash which he had received from Howard Hughes. I had been informed of that shortly after the election, as I recall, the '72 election, although it may have been contributed much earlier, and so consequently in this conversation, as I look at it now, on the 17th, I was reflecting on the fact that they could count on me, that I would have done it personally if Rebozo hadn't promised, or at least indicated he could do it, that they could count on me to help out with what I knew would be very significant legal fees.

You will note, of course, from the transcript that, to their credit, both of them refused.

Q So then the reference you made in that first paragraph to the figure two to three hundred thousand dollars was a reference to a combination of some funds; namely, the Hughes one hundred thousand dollars which you knew Mr. Rebozo already had, plus some funds that he had

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led you to believe in your conversation that he could raise between himself and Robert Abplanalp.

A He mentioned Abplanalp and only Abplanalp, as I recall.

Q So then all of this money was not in hand?

Some of the money represented by the figure two to three hundred thousand dollars was yet to be raised in the future?

Yes, on the 15th, when we were discussing it on And I should add to that I was aware at that the boat. time that I had a hundred thousand dollars which Mr. Andreas had contributed. I cannot tell you now that when I used the figure two or three hundred thousand dollars that I was referring specifially to the Hughes money, the Andreas money or to all, but I knew that we had two hundred thousand dollars for sure. Of course, as I point out later, if available -- what do I say on that page? I say, for example, that very substantial, that Bebe could, we could, if this is available. The reason apparently that I must have said that was my thought that both the Andreas and the Hughes money left over from the campaign should be thrown into the '74 campaign. That was my plan. But with this crisis with which we were confronted, I was prepared to see if the donor would agree to allow them to be used for this purpose.

Q Then the phrase on page 53, the second page of this Exhibit No. 1, - quote - if this is available - end

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 quote - really meant that if the donors would agree to a change of purpose?

A Yes, the donors would have to agree to it. I couldn't take their money that they had given for campaign purposes and give it to somebody, to, you know, members of my staff without permission of the donors.

Q Was there any other problem with regard to whether the money would be available for use by Mr. Haldeman or Mr. Ehrlichman for legal fees, aside from the needing permission from the two donors, Andreas and Hughes?

- A I didn't consider that there was any other problem.
- Q None of the money had been spent?
- A The Andreas money.
- Q Or the Hughes money?

A Or the Hughes money, no, but let me say when we are talking about this, we have to keep the time frame. I knew that none of the Andreas money had been spent, had not been spent, because on March 21 in the afternoon I had asked Miss Woods to go down to the safe and see how much the Andreas contribution was. I hadn't even known up to that time. I hadn't given it a thought. It hadn't been spent. It had been given in the fall of '71. It was to be private, for the reason that he was a Humphrey supporter and didn't want it known, and it was to be used at my discretion and I felt

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 we would use it if there was a need for it in a last-minute blitz in the campaign. But Miss Woods, at my request, went down to the safe. She counted it and came back and, incidentally she was smarter than some other people, she must have thought the place was bugged because she handed me a sheet of paper, a little sheet, a note, saying one hundred thousand dollars, so I knew that. As far as the Hughes money was concerned, I assumed that it had not been spent at that time because Mr. Rebozo had never indicated to me that he had ever used any part of the Hughes money.

Is that responsive to your question?

Q Yes, it is, sir.

Now let us move to another part of this same exhibit, and I would like to direct your attention to the first page of the exhibit, which is page number 52 of the transcript, to the next to the last paragraph. Would you just read that to yourself, sir, and then I am going to ask you a number of questions about that.

- A The next to the last paragraph?
- Q Well, it is really the last paragraph where anything intelligible is said.
- A Yes. Let me say first that I have very grave doubts as to the accuracy of the transcript in this instance. As you will note, this is an EOB tape. As you will note in the first paragraph "unintelligible" appears four different

HOOVER REPORTING CO., INC. 320 Massachusetts Avenua, N.E. Washington, D.C. 20002 (202) 546-6666 times, and in this case I don't know -- I will be glad to respond to any questions that you have with regard to this except where it says "stuttering".

Q Sir, let me focus on the first sentence,
please. There, according to the transcript, you say quote - no strains, doesn't come out of me -- I didn't -- I
never intended to use the money at all - end quote.

My question is what were you referring to when you said "the money"?

A Well, I was referring there to the money that had been contributed by financial contributors. I mean there seems to be a rather general feeling candidates who have surpluses convert money into their own use. I have never done that and that is what I was reflecting here.

Q So then that reference is again to the Andreas money and the Hughes money?

A That is correct.

Now in the next sentence you continue your thoughts saying - quote - as a matter of fact, I told Bebe basically be sure that people, like, who have contributed money over the contributing years are favored, and so forth, in general - end quote. Now in that portion when you use the reference to money, people who have contributed money over the contributing years, what money were you referring to then?

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Well, I was referring there more generally to A money that might be raised by Mr. Rebozo or anyone else, for that matter, but in his case it would be money that would have been contributed. As far as the favored and so forth, in general, I want to be quite categorical on that. That has no reference to Government contracts; it has no reference whatsoever to a favor in terms of something that would involve a pay-off, but what it refers to is that, and this is again to the great credit of my friend Rebozo, is that he, that all he ever asked for, except for one place where I will indicate a difference, to people who had contributed was for invitations, for example, to White House dinners, invitations to church services, possibly consideration in the event somebody was to be on delegations to go to funeral or something of that sort of thing, and I don't even remember that he ever asked for any of that. There is one exception, however, that I think you should be aware of. One of the major contributors that Mr. Rebozo, I think, was responsible for, although I am not sure that in this instance -- I think he urged the individual to contribute -- I am not sure that he got the contribution and transmitted it himself, was Mr. Raymond Guest. Raymond Guest was a personal friend of his and I think Mr. Guest was a very good friend of his, and he contributed, I think, two hundred fifty thousand dollars. He had been, as you may

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenus, N.E. Washington, D.C. 20002 recall, President Kennedy's Ambassador to Ireland, and it was his great, great desire to be made Ambassador to France, and the only time that I can ever recall Mr. Rebozo ever asked me for something of that sort or asked or suggested anything -- he simply suggested that Raymond Guest ought to be considered, that he was a good man, and in view of the fact he had been Ambassador, that he was a Democrat, that it would be a very good appointment. We did not make the appointment.

Q I appreciate your clarifying the meaning of that part of the sentence and before we leave that point, let me just ask these two questions.

I take it that to your knowledge there was no occasion on which Mr. Rebozo ever requested of you or anyone in the administration any favor on behalf of a contributor which would in any way be improper.

A There are none, to my knowledge, as far as his requesting me. As a matter of fact, let me say, Mr. Michel, he was scrupulous in that regard. He said that people used to come to him, because everybody knew he was my closest friend, and ask for this and that and the other thing and he would just say go through channels, and he would put them through channels.

Let me say that I should be sure that there is a clear understanding of what I have testified to, that since

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I have no notes—and I am sure Mr. Rebozo was quite disappointed that I even talked about such a thing as favors without clarifying it as I have today, but the point is that when you say do you know for sure that you were thinking of this or that, and the answer is I assumed that that is what I must have been thinking about, because that was, at that time, I knew about the Hughes money and I knew about that particular money and I knew that Mr. Rebozo said or assured me that he and Abplanalp could raise it, but the conversation we had on the Sequoia was one that was very general and whenever he made an assurance he usually would come through on it.

Q Very well. Now you have made very clear that the reference that you had or your meaning in the second part of that sentence in terms of the word "favor," but I am not sure I understand with at least equal clarity the earlier half of the sentence where you refer to people who have contributed money over the contributing years.

When you made the statement people who have contributed money over the contributing years, was that money that you had reference to the Hughes money and the Andreas money, or other money already in hand, or was it a reference to money to be obtained in the future, or a combination of the two?

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combination of disjointed matters that I was referring to.

I wasn't referring to people that might contribute to a

fund in the future that we would do favors for, or I

wasn't referring to any other, or I was not referring to

any one specifically, I should say, any one specifically.

Q But do you recall whether you were referring to

money that had already been received?

sentence, it is basically very unstructured and it is a

No, actually this was, as you can tell from the

A I have answered that questions.

Q I think you answered it, but I don't understand whether the answer also applies to this portion of the conversation.

A I think, Mr. Michel, and you as a very good lawyer know that you have to read a whole conversation and then put it in context, and you obviously have had an opportunity to do that. What I am saying is what I recall and what I recall is the conversation that I referred to and that it is the best of my recollection that I must have been thinking about the Hughes contribution, the Davis contribution -- I am sorry, the Andreas contribution.

Q Did you know at this point in time of any other monies, that is other than Hughes money, that Mr. Rebozo had left over from the '72 re-election campaign?

(Conference with counsel off the record.)

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenua, N.E. Washington, D.C. 20002 MR. MICHEL: Let the record note that we conferred with the witness' counsel and an agreement has been reached to defer the question that was last asked until a later time so that there will be more opportunity for everyone involved to be prepared, and I will proceed with the next question.

## BY MR. MICHEL:

Q Sir, still in the same paragraph of Exhibit 1, the final sentence as you see reads as follows - quote - and he's used to it for the purpose of getting things out, paid for in check and all that sort of thing."

Now, sir, do you recall making any such statement in your conversation with Haldeman and Ehrlichman?

- A No, I don't recall making such a statement.
- Q Do you recall being aware at the time --
- A I believe I know what it means, but I don't recall making it.
  - Q Can you explain what you think it means?
- A Well, Mr. Rebozo had a fetish for getting what he thought were good columns and so forth reproduced and mailing to his friends around the country. That is what he means by getting things out, and the paid for by check, I think, actually is -- it must be -- if I said that, if that is an accurate part of the tape, that is one thing, but certainly it isn't what I meant or what I told them because

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenus, N.E. Washington, D.C. 20002 what I do say, or did say, or I mean what I know is and what they knew is that Mr. Rebozo was a check picker-uper. He paid checks. He paid checks for members of the staff; he paid them for the Secret Service when he thought that the allowance was not big enough, and he did a great number of things like that, but I didn't know whether Mr. Rebozo was paying by check when he did this, or, for that matter, by cash. I think what I said here actually was that he paid checks, and so forth, which they all knew because whenever we went to Key Biscayne he was, frankly, quite generous with members of the staff and particularly with the Secret Service.

Q And in the phrase, "and he's used it," can you recall what you were referring to in saying, "he's used it"? Is that referring to the money that he had or what is it referring to?

A I think what I was referring to there was the -
As you will recall -- I think it is some place in the

papers you furnished us -- there was a balance left after the

'68 campaign in which he and Mr. Kalmbach worked out arrange
ments as to how much would be used here and how much would

be used there to take care of these various expenses that

I am here talking about, and I think that is what I am

referring to there. I know what I was not referring to.

I was not referring to the Hughes money.

Q Now the examples you gave of things Mr. Rebozo, according to your recollection, paid for on behalf of Secret Service men and others around you, were they paid for in the form of cash normally?

A As I said, I don't know whether he -- he was not one of those flamboyant people who did it in front of you. He usually would go over to the manager, take him aside, and take care of it and then the people would know the checks were paid. He has done that ever since I have known him. He is one of those unusual people that you have to run fast to pay a check when he is around.

Q And whether he paid such expenses in the form of a check or cash, do you know the source of the funds he used to pay for any such expenses?

A I know that the source was not, and the case was not the Hughes money to which you have referred. I know that the source, that one source I believe was the amount which was left over after '68, which was, incidentally, a somewhat modest amount. I rather thought it was greater than that, but it was seven thousand dollars, as I recall.

Actually I would have to say that I don't know what the source is, but I am speculating now, which apparently you are asking me to do.

Q Would it refresh your recollection if I suggested to you that all of the things that Mr. Rebozo expended, the

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100VER REPORTING CO., INC. 120 Massachusetts Avenue, N.E. Vashington, D.C. 20002 funds referred to in his correspondence with Kalmbach, which was left over '68 money, are accounted for and that none of those expenditures were including things like dinners or other incidental outlays of that sort. They were all to pay bills that had come in from printers or photographers?

A I was not aware of that.

Q And that does not refresh your recollection then as to whether he could have used that left-over '68 money for the kind of expenses you have testified to?

A If your investigation has indicated that it was used for that purpose, then it could not have been used for this purpose, but what other source he might have I am not prepared to say. I am only saying that he did pay checks and he did get things out, and it is very possible he could have, that the source could have been his own money.

Q But you don't know?

A I am not prepared to say. I don't know. I don't know.

Q Now you testified earlier that -- I believe you testified earlier that some time, you think after the 1972 election campaign, Mr. Rebozo or someone advised you of the existence of the one hundred thousand dollars that the Hughes people had contributed and that Mr. Rebozo still had

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenuo, N.E. it. Do you recall the circumstance in which you were first informed about that Hughes money being with Mr. Rebozo at the close of the campaign?

- A No, I don't.
- Q Was it Mr. Rebozo who told you?
- A Yes, Mr. Rebozo told me.
- Q So the date is unclear, but there is no question that --

A Yes, he told me, and I think it was in Key
Biscayne on one of the trips I took there after the campaign
in '68, but I can't say for sure.

Q Did he indicate to you the purpose for which the money had been given?

- A The money in --
- Q The Hughes one hundred thousand dollars that he told you he still had after the campaign ended. Did he indicate to you in that conversation what the money had been given for?

A He told me he considered the money to be given for the purpose of re-election of the President, even though it had been given as early as 1970 -- at least some of it before the '70 campaign and some afterwards.

Q I take it that prior to that conversation, whenever it was following the election, you had no idea that Mr. Rebozo had received any funds at all from Hughes?

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 A Well, when you say I had no idea, I have to testify to the best of my recollection. The best of my recollection again is it was shortly after the campaign that he told me about it.

Q The evidence that we have gathered, sir, indicates that the Hughes one hundred thousand dollars was delivered to Mr. Rebozo on two different occasions in the summer of 1970, in each case fifty thousand dollars in cash, in each case delivered by Richard Danner. Mr. Rebozo has testified that promptly after each of the two deliveries in the summer of 1970 he informed your secretary, Rose Mary Woods, that he had received this money from Hughes.

Can you recall any discussion between you and Miss Woods in which she made any reference to Rebozo having some money or having some money from Hughes, or anything of that sort?

A No, I cannot do that. That may sound surprising, but it was, frankly, our general practice that financial contributions were not discussed with me until after the campaign, and, to be more responsive to your question, let me say that I can't recall her ever having told me about it.

You understand I am not trying to duck this, but we are talking about events that have occurred four,

five years ago, and I am trying to recall over that period of time when I learned something. I simply can't tell you. My best recollection is what I am giving you, and that is I, for the first time, was informed of it then. I do not recall that Miss Woods informed me of her conversations with Mr. Rebozo.

Q Let me try to assist you in helping recall events from those former years by showing you a document that has been marked as C-2.

(The document referred to was marked Exhibit No. C-2.) for identification.)

BY MR. MICHEL:

Q This document is from a folder entitled, "Haldeman Notes, July-September, 1970," and bears the date August 20, and the time signature of 0900, followed by the initials, "AF-1," which, I suppose, refers to Air Force One, and a discussion that you had with Mr. Haldeman aboard the plane at that time and date.

At the bottom of that page appears the handwritten notation, apparently in Mr. Haldeman's handwriting,
as follows - quote - Kalmbach, shoot for additional five
hundred thousand, Hughes, Getty, et cetera. Use Rebozo,"
with the words, "Kalmbach" and "additional" abbreviated, as
well as the word "thousand" abbreviated.

Can you recall having any discussion at about

Mr. Rebozo assist in raising funds from Mr. Hughes and for Mr. Kalmbach to be sent to seek a contribution?

A Well as you will note this is of course.

that time with Mr. Haldeman concerning any plan to have

A Well, as you will note, this is, of course, a portion of a much longer list of people, and I do recall in the 1970 period, when we were trying to raise the money for the re-election of some senators or the election of senators and congressmen and governors, as well, that we were trying to tap every source that we could.

As I recall, he raised the possibility of Getty and the possibility of Hughes, or I might have, but I suggested that we didn't have a big committee to raise money at this time. Mr. Kalmbach was doing most of it, as I recall, in that period and I suggested that any contacts with Getty or Hughes should be handled by Rebozo, with Hughes, because I knew he was a long-time friend of Danner's, and with Getty, because he was the only one in our shop that knew Getty. And, also, I think I should point out as far as Mr. Getty is concerned, I don't recall whether he made a contribution in 1970. He may have in 1972, but I don't know. I didn't recall seeing one.

Q Well, the sequel is that Mr. Kalmbach has stated that he did have a meeting with Mr. Haldeman in which he was requested to visit Mr. Getty --

A He, Kalmbach?

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 Q That Kalmbach was to visit Mr. Getty and that Mr. Rebozo was to assist in setting up the arrangements and that subsequently Mr. Kalmbach did have Mr. Rebozo set up the arrangements and did meet with Getty and indeed a contribution was forthcoming. But Kalmbach also has stated that --

A At what time was the contribution? What year?

Q It was in the fall of 1970, in several install-ments, and dates starting September 26, I believe, and running through mid-October for a total of --

A Getty did that?

Q Yes, he did, but Kalmbach has also stated that he was not --

A Not having my records, you see, I am glad to be refreshed on that.

Q Your recollection is very accurate. Kalmbach stated that although he was asked by Haldeman to go see Getty, as this note suggests that he was to, but that he was not asked to go and see Hughes. At this point, which is the week following August 20, according to the best information we have gathered, both of the Hughes deliveries had occurred and therefore that Mr. Rebozo had already received the one hundred thousand.

My question is whether that refreshes your recollection as to whether you had been advised of Rebozo's

request of money from Hughes?

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refresh my recollection to the effect that I didn't know

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that he had already received money from Hughes. I wouldn't have indicated to Haldeman to have him go get some money

Well, I would say on the contrary. It would

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from Hughes if Hughes had already contributed.

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Are you telling me that Hughes had already

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contributed?

Q He had already contributed.

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A Then what does this mean to you?

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Q Well, I don't know what it means and that is

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why I am asking, but the sequence is that the second Hughes

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installment apparently was delivered some time during the day of August 20, and at nine in the morning on August 20

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was when you apparently had the conversation with Mr.

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Haldeman directing him to have Kalmbach visit Hughes and

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Getty.

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OVER REPORTING CO., INC. 0 Massachusetts Avenue, N.E. shington, D.C. 20002 A Just a moment. It says -- I don't mean you are putting words in my mouth, but you are not reading the transcript accurately. It says Hughes and Getty and all -- use Rebozo.

Q Yes. Well, in any event, I take it you are rather sure that you had not been informed by Haldeman or anyone

else about Rebozo having received Hughes money in this

period?

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 A I said to the best of my recollection I had not been informed of it, and I think what you have just said with regard to the fact that the contributions had already been made, I don't know why I would say to him use Rebozo, if I already knew from Rebozo that he had already solicited contributions.

I am not trying to be argumentative, but you are trying to get the facts, and that is the way I would interpret it. As a matter of fact, I am surprised -- did Getty really give in '70?

Q Yes, he did.

A He's a real tightwad.

Q To try to assist further in refreshing your recollection, I would like to show you just quickly two newspaper articles which appeared in the WASHINGTON POST.

The first which is marked C-3 is a column --

A Are these columns by Mr. Anderson; Mr. Michel, are you using that as the basis of evidence?

Q No, sir. No, sir.

A Mr. Anderson and his predecessor, Mr. Pearson, have slandered and libeled me for twenty-five years, and I have never dignified anything they have said. If you have questions about this, you ask me questions, but I am not going to respond to an Anderson column. I don't mean to seem irate, but perhaps you would feel the same --

(The document referred to was 1 marked Exhibit No. C-3.) 2 for identification.) BY MR. MICHEL: 3 I wasn't suggesting the information was reliable. I simply wanted to show you the columns because they indicate that attempts had been made by the authors to contact Mr. Rebozo, unsuccessful attempts, and --7 Mr. Rebozo had exactly the same opinion of Mr. 8 Anderson that I have. 9 10 And my question is whether Mr. Rebozo ever indicated to you that he had been called by anyone from this 11 column? 12 I recall no conversation with him. I only recall 13 general conversations with him over the years where he said 14 that he had the same opinion of Anderson that I had, that he 15 would never talk to him about anything. 16 17 Now let me --18 Incidentally, may I urge you, Mr. Michel, and your colleagues, and I am sure you will, to check the reliabi-19 lity on those, of Mr. Anderson's columns, in terms of not 20 only the accusatory side but also the fact that they may not be the other way at all. 22 MR. RUTH: Let me just speak to that point. 23 THE WITNESS: I am really surprised to have you throw an Anderson column at me. 25

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MR. RUTH: Let me explain. This may come up again.

It is not, obviously, for the truth of anything in a column but it is for the fact that a column appeared and to try to stir your recollection, if possible, as to whether there was any discussion among you and your administration, because of the appearance of such a column, regardless of whether the column itself is true or false. We don't use the column as evidence of anything because, believe me, we have had the same experience, possibly.

THE WITNESS: Well, let me say, and I believe you will get into this tomorrow, but there was one instance in our staff that we had gotten involved with a Jack Anderson column.

Otherwise I consider him to be so totally unreliable that we wouldn't bother to get involved with a Jack Anderson column. Most of it is untrue.

Now of course if it was in THE NEW YORK TIMES or of course THE WASHINGTON POST, we would have ran right away and done something about it. The POST, incidentally to its credit, put Mr. Anderson on the page with the funny papers.

BY MR. MICHEL:

Q You had recalled for us earlier the conversation you had with Mr. Rebozo on April 15 on your trip on the Sequoia, and I would like to pick up on the period immediately following that. We have information that in the

last week of April Mr. Kalmbach called Mr. Rebozo and set an appointment to meet him at the first opportunity when they would both be in Washington, and that on April 30, at the White House, Mr. Kalmbach did meet with Mr. Rebozo and according to our information at the outset of the meeting Mr. Kalmbach said that he wanted to talk to Mr. Rebozo because you had suggested that he do so and that the subject he wanted to confer with Mr. Kalmbach about was the Hughes money.

Now the question is, do you recall asking Mr.

Rebozo to confer with Herbert Kalmbach about anything
relating to the Hughes money?

A I think, Mr. Michel, you better restate your question, because, if I have listened to you correctly and the reporter can read it, you have said Mr. Kalmbach said that I had asked Mr. Kalmbach to talk to Mr. Rebozo.

Now, what is it? Which is it? Now you are saying Mr.

Rebozo, did I ask Mr. Rebozo to talk to Mr. Kalmbach, which is quite different.

Q I am sorry if I misspoke.

A It is easy. I mean, I do it all of the time, but I just want to be sure I understand what your question is.

Q Did you ask Mr. Rebozo to confer with Herbert Kalmbach concerning the Hughes money?

A Then you withdraw your first assumption that I

asked Mr. Kalmbach to see Mr. Rebozo?

Q Yes, sir.

A In other words, your question only is or is corrected to whether I asked Mr. Rebozo to talk to Mr. Kalmbach?

Q Correct.

A Yes, that is correct, I did.

Q What was the purpose in asking him to do so?

what was the purpose in asking him to do so?

A The purpose was that Mr. Rebozo had told me, as we have earlier testified, that he had the one hundred

thousand dollars left from the campaign, the Hughes

contribution, and he wanted to know what to do with it.

My belief was that that one hundred thousand, as well as anything else that we had personally under our control, should be used for the '74 campaign. I therefore suggested that Rebozo talk to Kalmbach and get Kalmbach to see whether he would take the one hundred thousand or advise Rebozo how he could put the one hundred thousand dollars into the '74 campaign.

Now the question raises why not give it to the National Committee --we have gone through this a little earlier -- or why not in some other area, because what I was planning to do in '74 was exactly what we had done in '70, was to set up a separate fund for the election of candidates, and so forth, in which I could have, along with

my associates, some control over their disbursal so that the money wouldn't be wasted as both the Democratic and Republican National Committees usually waste their money on a lot of losers, although I must say we didn't pick many winners this last time.

Q Mr. Kalmbach has stated that at the meeting, actually the first of two meetings they had on consecutive days which apparently were April 30 and May 1, 1973, that Mr. Rebozo told Mr. Kalmbach that, he, Rebozo, had given some of the Hughes money to F. Donald Nixon, to Rose Mary Woods, to Edward C. Nixon, and others. Did Mr. Rebozo ever make any such report to you?

A Well, on that particular point, that came to my attention and the public attention, as you may recall, Mr. Michel, very dramatically. In this case not in Mr. Anderson's column but in THE NEW YORK TIMES in 1974, very early in 1974, -- Nixon kin receives secret Hughes money, or words to that effect.

I did pay attention to that story, and I asked Mr. Rebozo about it. He told me categorically, first, that he had never told Mr. Kalmbach that he had given money to Don Nixon, Ed Nixon or Rose Mary Woods, and that that was a false statement.

Second, I went further, however, and I asked my brother Don, I asked my brother Ed, and I asked Rose Mary

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Woods, the first two by phone and the other by, as I recall, the other person, Miss Woods, personally, whether or not Mr. Rebozo had ever given them any money, and I am not referring just to Hughes money, and their answer was, no.

Now, incidentally, when I say any money, if Mr.

Rebozo gave Miss Woods a gift or something of that sort, or

my brothers -- I doubt if he would have done that -- he might

have, he might have picked their checks up, too -- that is

something different, but we are talking about the Hughes

money and the Kalmbach allegation. Rebozo says it is

totally false; Miss Woods denied it to me personally, and

my brother Don and my brother Ed have denied it to me

personally, and that is all I can tell you about it.

Q Now let me ask you to look quickly at two or three more brief portions of transcripts of taped conversation. The first is designated Exhibit No. C-6, and it reflects the transcript, page 112 of the transcript of a tape of a conversation April 25, 1973, from 11:06 a.m. to 1:55 p.m., a conversation including, in addition to yourself, Mr. Haldeman and Mr. Ehrlichman.

A Yes.

(The document referred to was marked Exhibit No. C-6 for identification.)

BY MR. MICHEL:

Q I would like to direct your attention to the

portion in the middle where you are quoted as saying quote - as I said there is a few, not much, as much, I
think, as two hundred there available in the '74

A I think now this puts in perspective what I told you earlier about the conversation on the 17th. You may recall, when you read the whole conversation I pointed out the evidence available. You also recall that, from my conversation that I had with Mr. Rebozo, that we didn't discuss specifically what he had in mind, but I know specifically what I must have had in mind at this time because it, as the transcript reads, it says there is "a few, not much"— and here is an unintelligible again, "as much as, I think, two hundred thousand dollars that is available in the '74 campaign already."

That refers to two hundred thousand dollars I
was sure of, not money that would have to be raised in
addition by Abplanalp and Rebozo, but we had a hundred
thousand, I knew, in the Andreas money at that time, because
I learned we had a hundred thousand on March 21 and we had
a hundred thousand in the Hughes money.

Ω Let me ask you to also look at what is marked
Exhibit 7, which is an excerpt from the transcript of a tape
March 21, 1973, from 10:12 to 11:55 a.m., at page 331,
reflecting a dialogue between yourself and John Dean, and I

campaign already."

would ask you to look at the final paragraph near the bottom of the page which quotes you as saying - quote - what I mean is you could -- you could get a million dollars. And you could get it in cash. I know where it could be gotten - end quote.

Do you recall making that statement or a statement of that sort?

A I certainly do. I have often been reminded of it since.

(The document referred to was marked Exhibit No. C-7.)

BY MR. MICHEL: for identification.)

Q And when you made that statement, what were you referring to, funds that had already been received?

A No, I was referring to funds we could get, and it says so. And what I meant, Mr. Michel, is I had a number of friends who are very wealthy, who if they believed it was a right kind of a cause would have contributed a million dollars, and I think I could have gotten it within a matter of a week. We decided not to do it, as you recall.

Now let me also ask you to look briefly at Exhibit C-5 which is page 31 of a transcript of a tape of a conversation of April 25, 1973, from 4:40 to 5:30 p.m.

This is a conversation involving yourself and Mr. Haldeman,

and I would ask you to look at the final two paragraphs near the bottom of page 31 where you are quoted as saying, - quote - remember I told you later I could get a hundred thousand," and Mr. Haldeman then says - quote - that rings a bell because you talked about Rose having some money or something. I remember that."

Do you recall that conversation?

Yes, I already testified to that as you know. A (The document referred to was marked Exhibit No. C-5.)

> for identification.) BY MR. MICHEL:

That is the reference to the Andreas money?

Yes, and as a matter of fact, just so we understand clearly what happened there, after the conversation which concluded with Mr. Dean, we had made at least a tentative decision that we could not go forward with this and raise the money for Hunt's attorneys' fees or whatever it was. I felt, however, I had at least an obligation to see what kind of an option we had, and it was then that I asked Miss Woods to check and she came back and reported to me that we had one hundred thousand dollars from Andreas.

Can you recall from whom you first learned, according to your earlier testimony in the fall of '71, I take it, of the delivery of the Andreas money?

The delivery?

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Q Yes. Who told you about the delivery?

A The delivery of the money I first learned from Miss Woods.

Q And was that at about the time that the delivery occurred?

A Oh, immediately thereafter. When I say immediately, perhaps two or three hours or within two or three hours, maybe the same day or the next day.

Q And did you instruct her to have the money put away in a safe place?

A I had instructed her to do that earlier.

Q How was it that you knew that the money was about to be delivered?

A Well, Mr. Hobart Lewis had talked to me. I can't tell you where the conversation occurred, but he was a very close friend of Mr. Andreas and he said that Mr.

Andreas would like to make a contribution, but it had to be a contribution that he did not want to make to anybody on the Finance Committee because he was a Humphrey supporter and was supporting him too, but he felt very friendly to me and, frankly, I think he wanted a foot in both camps and he could afford it, and he said that he would like to make a contribution, but he wanted it to be made personally and privately, and Mr. Lewis asked me how it should be done. I said have Mr. Andreas bring it in and give it to Rose.

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A few days thereafter -- it might have been even the next day -- I don't know -- Andreas walked in and handed Miss Woods, and said this is for the President. She put the money -- I am now reflecting what she told me -- she put the money in the safe and did not open the folder or whatever the money was in until March 21 when she went down and counted it.

As a matter of fact, I, as I have already stated, the recollection that I have here is fresh due to having seen this in the material you have furnished, and also knowing what happened to the money.

- Q Did you ever discuss this money, the Andreas money, with Mr. Andreas himself?
  - A I cannot recall a discussion with him, no.
- Q But you do recall a discussion between yourself and Mr. Lewis shortly before the money was delivered?
  - A I do. I do.
- Q Do you recall any discussion with anyone else such as Governor Dewey concerning the prospect of a contribution along the lines made by Andreas?

A I must say that I can't recall any such discussion.

As you remember, Mr. Dewey died in March of that year.

That was -- this is eight months or so before the money was brought in. I don't believe I saw Mr. Dewey, although he was expected to come to the White House that day for a

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.C. Mashington, D.C. 20002 (202) 546-6666 dinner, the day he died. I don't think I saw him in the first three months of that year, and the only conversations I can recall with Dewey was that he was a great friend of Andreas and was constantly needling Andreas and telling him that he ought to be helping the Republicans and not just his friend Humphrey, but beyond that I recall nothing specific about this particular item.

Q Now in your conversation with Mr. Lewis shortly before the Andreas money was delivered, did Mr. Lewis express, presumably on behalf of Mr. Andreas, any condition or limitation on when or how the money that Mr. Andreas wished to contribute could be used?

A I don't recall that he did, no. It was to be used at my discretion and the only condition was that he wanted it to be used privately and anonymously.

Q But that could be done because the new campaign reporting laws had not gone into effect, so if it had been used in '72, the fact that Andreas was the donor would not have to have been publicly reported.

A At the time the money was given apparently it would not have to have been reported, as you recall.

Q Was there some particular reason why the money was not used in the re-election campaign of 1972?

A Yes, a very good one; we didn't need it. I have found in my campaigns that you never want to get over-

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confident. In 1960 when we were the victims of the lastminute blitz when we were outspent two to one in the last
week -- I am not saying this critically, but it was of
great credit to Bobby Kennedy, who was managing his
brother's campaign, that he put the money in when we had
run out and in 1968 we were almost the victim of a blitz
when we were outspent on television three to one in the
last week, and I told not only our finance people but
anybody that I also had in mind myself that I wanted to be
sure we had funds on hand if we needed it to counter the lastminute blitz.

Of course, the campaign never got that close and it was not needed, and it was not spent. As a matter of fact, I really didn't think about it.

Q The next time that the existence of the money came back to your attention then was in March when you asked Miss Woods to count it and verify how much was there?

A Yes.

Q Now, thereafter our information has established that the money was returned, probably June 19, to Mr.

Andreas by way of Hobart Lewis. Was that at your direction?

A Yes, I directed Miss Woods to return the Andreas money, and I think I recall the conversation because it is rather interesting feminine reaction, and she said, well,

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I know Andreas, but I know Hobe Lewis better, could I do
it with him, and incidentally she called Lewis -- she said
she called Lewis on the phone and he came in; she handed
him the money and then later, perhaps -- I don't know
whether it was that day, but shortly thereafter she got a
call from Andreas saying rather cryptically, well,
everything is done, or whatever that meant. I cannot of
course, testify as to whether or not Mr. Lewis physically
gave the money to Mr. Andreas, but I can testify what Miss
Woods told me, and that is that she delivered the money to
Mr. Lewis and that she then received a telephone call from
Mr. Andreas, which she apparently implied meant that he had
received it from the other man.

Q You testified earlier that you had at least tentatively the thought in mind to use the Andreas money in the 1974 congressional races, but of course you instead returned it. Why the change in the plan?

A The reasons I think would be obvious to all the splendid members of this staff, and I say this with great respect.

The heat was so great with regard to campaign contributions and all of the rest Mr. Andreas had been under some cause. Apparently some of his dealings with Hubert Humphrey were beginning to leak out and, incidentally, he was found, I think, not guilty in Minneapolis on that one,

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use another time that might prove an embarrassment to him or an embarrassment to us.  $Q \qquad \text{Now the same month that the Andreas money was}$ 

and I felt that it was best to return the money to him

so that we had no campaign funds left which we could

Now the same month that the Andreas money was returned to its donor or sent en route, the Hughes money was returned, and you had indicated again that at one point in time you had thought you might use the Hughes money in the '74 campaign. Was it your thinking to exchange that plan and instead return it for the same sorts of reasons as in the case of the Andreas money?

A The attempt to return the Hughes money, I think it started considerably earlier, and, as Mr. Rebozo, I think maybe has testified, although not before you but before the Senate Watergate Committee, as he told me on many occasions the difficulty was that his long-time friend Mr. Danner that delivered the money didn't want to take it back. The Hughes organization, as you know, was going through an enormous battle and apparently Danner didn't want any part of it. But finally Mr. Rebozo arranged for its return through a Hughes company lawyer. I think his name, as a matter of fact, was Davis, Rich Davis, and Mr. Gimmel, who was then Mr. Rebozo's lawyer, returned the money to him.

I am now, incidentally, recounting what Mr. Rebozo

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.C. Washington, D.C. 20002 (202) 546-6686 told me, which you already know.

Q Sir, as we advised your counsel, there is one other aspect of the Hughes matter that we wish to ask a number of questions about, a small number, and that is when the Internal Revenue Service expressed an interest in determining whether Mr. Rebozo's receipt of the Hughes money would affect him or his taxes, and Miss Denny has a number of questions on that particular Internal Revenue Service interest aspect of the Hughes matter.

#### BY MISS DENNY:

Q I want to direct your attention to the spring of 1973. The first event that we will talk about is in late February and we will go into April, just to set the context.

In February, around February 23, there was a request by IRS to the White House for authorization of an interview with Mr. Rebozo concerning his receipt of the one hundred thousand dollars. Then in April, April 6 to be precise --

- A It was limited to that, ma'am.
- Q The request was limited -- the request on February 23 was limited --

A Are you very sure of that, or was it a general question to simply interview him on a full field investigation? I would like to know the answer to that question.

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1	Q The request I am referring to came through				
2	Secretary Schultz on February 23.				
3	A For what?				
4	Q For authorization to interview Mr. Rebozo.				
5	A About what?				
6	Q About his receipt of the one hundred thousand				
7	dollars.				
8	A That was all?				
9	Q That was it. It was simply as a third party				
10	interview, as a witness, because at that time there was				
11	an intensive investigation going on by the Hughes				
12	operation in general and				
13	A So this was an investigation, and I am not				
14	trying to be argumentative I just want to be sure I				
15	understand what it was, and I think you answered it when yo				
16	said as a witness. They wanted to interview him as a				
17	witness, rather than as a target at that point?				
18	Q That is correct, at this point the IRS was				
19	interested in Mr. Rebozo's receipt of this one hundred				
20	thousand dollars in connection with their invesitgation of				
21	the Hughes operation. On February 23				
22	A You are correct. Go right ahead. I didn't				
23	mean to delay your investigation at that point.				
	O Secretary Schultz has testified that he discuss				

with Mr. Ehrlichman the desire of the IRS agents to interview

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.C. Washington, D.C. 20002 (202) 546-6656 Mr. Rebozo, and my question is, did you discuss this desire of the IRS with Mr. Ehrlichman?

A I have no recollection of having discussed it with him.

Q Would it possibly refresh your recollection if

I told you that General Haig has told us that he learned

that you were aware in February of the IRS concern and

that Mr. Ehrlichman was handling the matter for you?

A General Haig's recollection might be correct.

As I said, I don't have any independent recollection of his having asked me about an IRS investigation. If I had been asked, I would have approved it.

 $\ensuremath{\mathtt{Q}}$   $\ensuremath{\mathtt{This}}$  is the IRS interview rather than the investigation.

A That is right.

Q Did you discuss this fact with Mr. Haldeman, the fact that IRS wanted an interview with Mr. Rebozo?

A I have no recollection of discussing it with Mr. Haldeman. I might have, but I have no recollection.

I should point out that my recollection in that period, if it is dim on things of this sort, and I don't want to continue to make this point, but I make it once again, that that was a period of time, as you recall, when we were having massive problems after getting the peace agreement to get our POW's back and having even considered

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the possibility of resuming bombing in the Laotian area and that sort of thing. What I am getting at is this, that when your mind is so consumed with what you consider to be a terribly important thing, your recollection of incidents of this sort is not clear, and so I have no recollection of it and, frankly, I would not question Mr. Haig's recollection either if he recollects it differently.

One more attempt to refresh your recollection.

On March 5, Mr. Ehrlichman met with Mr. Rebozo in the

White House. This was one of the very few times that he did

in fact have a face to face meeting. My question is did

you suggest that meeting in order to respond to the proposed

IRS interview?

A I have no recollection of such a meeting.

Q Did you know that Ehrlichman ever met with Mr. Rebozo about the IRS interview?

A Oh, I have known it since I have been informed of this and it is possible I could have even known it then.

I don't independently recall it though at this time.

Hard as that may seem to believe, this is the best recollection I have.

Q You said you were just recently informed.

A Oh, yes, I have been reading these documents that you so graciously furnished me. If you hadn't furnished the documents, I would have been having a worse time.

the possibility of an interview or the fact that the agents

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were coming to see Mr. Rebozo with Mr. Rebozo?

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I don't recall any discussion in that period. A You say May 10 is when they came to see him?

That is right. Did you discuss the interview with Mr. Rebozo before it actually occurred on May 10?

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Well, I have no recollection of discussing the interview before it occurred. I will tell you what I do recall and that is that Mr. Haig came to see me. It might have been at the time of the interview or thereafter --I don't recall which -- and he told me that he had had a call from Mr. Simon, who was, as you recall, is now Secretary of the Treasury, was Under Secretary of the Treasury, to the effect that the IRS had an investigation on Mr. Rebozo. That is my first independent recollection of when I first heard about it. That would have had to be, of course, after April 30 because Mr. Haig wasn't on board.

It was also after May 10, when this interview occurred. So are you saying you don't recall any discussion of the proposed interview before it actually happened?

I have no recollection. There could have been a discussion, but I don't recall it. My first recollection of it is when Mr. Haig came in and told me about Mr. Simon and then of course I became greatly concerned about it and asked Mr. Rebozo about it.

MISS DENNY: I think that concludes my questions.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.C. Washington, D.C. 20002 2023 546-6666 MR. MICHEL: But for the other matter that has been deferred, that completes our questions on this so-called unreported campaign fund period.

We need, of course, to confer with Grand Jury members who are here as to whether they have any questions.

(Counsel and Jurors withdraw from conference room.)

MR. MICHEL: Let the record reflect that I have conferred with the members of the Grand Jury here present and they do not wish to propound any questions or have us propound any further questions in this area.

MR. MORTENSON: Why don't we break a half hour.

(Recess.)

### BY MR. MICHEL:

Q Sir, you testified on April 15, 1973, in a conversation aboard the Sequoia Mr. Rebozo indicated to you that he had some funds left over from the 1972 campaign or following the 1972 campaign. At a later point in response to questions, I believe you stated that on the 17th, in your conversations with Mr. Haldeman and Mr. Ehrlichman, the money you referred to there included the Hughes money, which you had known about since some time after the 1972 election and you indicated that that was part of the money that Mr. Rebozo had had in his possession following the

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400VER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 1972 election. The question is, did you know of any other money that Mr. Rebozo had in his possession following the 1972 election?

A Well, I have testified about the conversation on April 15 and we had no discussion of what money he had left over. He only said that he had some money left over from the '72 campaign and that between him and Abplanalp they could get two or three hundred thousand dollars. That is my recollection of the conversation.

As far as what I knew, I presumed that he had the Hughes money. I was aware of the fact of that contribution in May, that had been made, that he had it, but beyond that I don't recall any other money that Rebozo had.

MR. MICHEL: Thank you. No further questions.

(Whereupon, at 4:35 o'clock p.m. the

deposition was recessed until 9:00 a.m.,

June 25, 1975.)

9/16 Grand Jury testimony of Richard M. Nixon June 24, 1975



167 UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA 2 3 UNITED STATES OF AMERICA 4 V. January 1964 5 JOHN DOE Grand Jury Investigation 6 7 San Clemente, California 8 Tuesday, June 24, 1975 9 The deposition of RICHARD M. NIXON was reconvened 10 at 9:00 o'clock a.m., Pacific Standard Time, June 24, 1975, 11 in the Conference Room, United States Coast Guard Station, 12 San Clemente, California, the witness having been previously 13 sworn by The Honorable Edward J. Schwartz, Chief Judge, United 14 States District Court for the Southern District of California. 15 APPEARANCES: 16 On behalf of the Government: 17 HENRY S. RUTH, Esq., Special Prosecutor 18 RICHARD J. DAVIS, Esq., 19 Assistant Special Prosecutor 20 JAY HOROTITZ, Esq., Assistant Special Prosecutor 21 FRANCIS J. MARTIN, Esq., (Page 222) 22 Assistant Special Prosecutor 23 HENRY L. HECHT, Esq., Assistant Special Prosecutor (Page 213) 24

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# APPEARANCES (Continued)

On behalf of the Witness:

HERBERT J. MILLER, JR., Esq., R. STAN MORTENSON, Esq., 1320 - 19th Street, Northwest Washington, D. C.

## Also In Attendance:

FOIA(b)6

Foreman, January 7, 1974 Grand Jury

Juror, January 7, 1974 Grand Jury

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# PROCEEDINGS

MR. RUTH: Let me go on the record.

This is a reminder that this is a continuation of yesterday's sworn deposition, that therefore the oath continues today and, in addition, you may continue, of course, as you did yesterday, to consult with your attorneys who are here, Mr. Miller and Mr. Mortenson, consult with them at any time you wish.

The attorneys here today, in addition to Mr. Davis and myself, are Mr. Hecht, at the far end of the table, and Mr. Horowitz nwxt to him.

Whereupon,

### RICHARD M. NIXON,

having been previously duly sworn, was examined and testified further as follows:

# ${\tt E} \ {\tt X} \ {\tt A} \ {\tt M} \ {\tt I} \ {\tt N} \ {\tt A} \ {\tt T} \ {\tt I} \ {\tt O} \ {\tt N}$

### BY MR. HOROWITZ:

Q. Sir, my name is Jay Horowitz and Mr. Hecht is next to me, to my right.

We intend to ask you some questions relevant to the Grand Jury's investigation, which is, specifically, into allegations that White House affiliated persons attempted to influence the IRS to audit or otherwise harass Mr.

Lawrence F. O'Brien, Sr., and questions which are also relevant to the Grand Jury's investigation that the White

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 House affiliated persons attempted to secure from the Internal
Revenue Service documents --

A. Could I interrupt, please?

In other words, the Special Prosecutor's Office is only interested in the IRS harassment activities insofar as it deals with Mr. O'Brien? It is not interested in any harassment that the IRS may have done or is doing or has done with regard to, say, me, my friends, or anything like that? Am I clear that your sole interest is IRS activity with regard to O'Brien?

- 0 Not exactly. In this particular investigation, this particular Grand Jury investigation --
- A. Do you have other Grand Jury investigations in which you are applying a single standard, in which you are looking, seeing whether the IRS has harassed other people?
- 0. Well, Mr. Nixon, this particular investigation is directed to these allegations.
  - A. I think you have answered my question.

    Go ahead.

MR. RUTH: Could I just interrupt, sir?

THE WITNESS: Sure, anytime.

MR. RUTH: As you know, sir, we are limited by a charter that we operate under that limits our jurisdiction to certain factual situations having to do with White House staff members, presidential appointees and the 1972

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 presidential campaign and other matters. We can only investigate that which is within our charter.

THE WITNESS: Your charter, however, Mr. Ruth, as
I understand it, is not limited simply to one political
party. It covers both, does it not?

MR. RUTH: That is correct.

THE WITNESS: In other words, harassment, if it happened in the other political party, would also be part of your charter, would it not?

MR. RUTH: Only if it were by presidential appointees from January 20, 1969. The Department of Justice has to do the rest. We are quite limited in what we are able to do.

THE WITNESS: Yes. I just wanted to know, and you have quite enough on your plate without having more to do.

Sorry, Mr. Horowitz. Go ahead. I know you have a lot of questions.

BY MR. HOROWITZ:

0. I think I indicated, sir, that one thrust of this Grand Jury investigation relates to efforts to get the IRS to audit or otherwise harass Mr. O'Brien.

The other leg of it, if you will, relates to attempts to secure documents from the Internal Revenue Service, attempts allegedly made by White House affiliated persons for the purpose of disseminating such documents or

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 distributing them to unauthorized persons, that is, persons who would not in the ordinary or legal course have access to such internal revenue Service information.

Now, those are the two legs of this particular and very specifically, as you pointed out, specifically limited investigation.

I will focus most of my questions upon various documents which we have, to a certain extent, been provided by your counsel in the past, and we have provided them prior to our meeting here today, and most of the questions will be by myself, although near the end probably Mr. Hecht will put some questions to you as well.

Now, one further thing by way of prefatory remarks and background, and hopefully we can assist in refreshing your recollection.

Where we are focused, sir, is on the summer, and primarily July, August and September of 1972, and during that period there was an extensive Internal Revenue Service investigation of Howard Hughes, whether personally or his affiliated company, but that conglomerate of interests, and it was in the course of that investigation that the Internal Revenue Service developed information which established that Mr. O'Brien and two associates of his, one by the name of Joseph Napolitan, N-a-p-o-l-i-t-a-n, and one by the name of Claud de Sautels -- I am not sure of the spelling of that one.

Associates. It is a public relations firm.

Q. (Continuing) -- that those individuals had

I think it is not Mr. Napolitan, it is Napolitan

Q. (Continuing) -- that those individuals had received various funds from Mr. Hughes back in 1969 and 1970.

Now we are going to focus specifically, starting on a meeting that you had with Messrs. Haldeman and Ehrlichman on August 3 of 1972. But before I do that, since this information developed prior to that time in the course of the investigation, could you tell us when you first became aware of the fact that information indicating that O'Brien and his associates had received funds from Hughes or Hughes affiliated companies had come to surface through the IRS investigation?

A. Well, we are talking about two different problems here, and I want to be quite precise.

First, is the problem in which you have jurisdiction, and that is the alleged harassment of Mr. O'Brien by the IRS; and, second, when I became aware of the fact that the Hughes Company had Mr. O'Brien on retainer. Is that your question?

Well, no, I made it a little unclear, I think.
What I am interested in is when you first became aware that the Internal Revenue Service had developed information that the Hughes Company had O'Brien on retainer.

A. My first recollection of having knowledge that the

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 Internal Revenue Service had information with regard to the retainer by Mr. O'Brien was sometime in the summer of 1972.

However, I should point out that I had been informed long ago, and I think this was public knowledge, that O'Brien was, O'Brien and Senator Hubert Humphrey's son-in-law and others, were on retainer with the Hughes organization. I learned that as early as, oh, 1969 or 1970. Whether the IRS knew it then or was interested in it then, I do not know.

- Q. You say in the summer of 1972. Can you tell us who first informed you that the Internal Revenue Service was inquiring into that matter?
- A. No, I can't remember who specifically informed me that the Internal Revenue Service was looking into that matter.
- When you first heard that they were looking into that matter, what did you understand they were looking into?
- A. What I understood they were looking into was the fact that Mr. Hughes and the various other people that the recorder has already put into her notes were receiving very, very substantial retainers from Mr. Hughes or from, I should say, the Hughes organization, and the question was whether those retainers were for services rendered or whether those retainers might be used for the purpose of being funneled into political campaigns. That is, in sum, a number of

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 of conversations, you see.

Q All right, I think it will assist, and perhaps it was about the time of these first notes to refer then to notes of August 3, 1972, which we have been provided by your counsel sometime ago, and they refer to a meeting between yourself, Mr. Haldeman and Mr. Ehrlichman in the morning, and I will mark that D-1, which serves as a Grand Jury designation.

A. Uh-huh.

(The document referred to was marked Exhibit D-1 for identification.)

THE WITNESS: Where did it take place?

MR. HOROWITZ: That I cannot tell you.

THE WITNESS: Sorry.

BY MR. HOROWITZ:

0. Now, these notes, like others --

A. I would have thought my counsel would have furnished you with tapes where it took place.

MR. HOROWITZ: We now understand it took place in Washington, D. C.

THE WITNESS: All right, go ahead.

I was just curious whether it was San Clemente. It may help to refresh my recollection.

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### BY MR. HOROWITZ:

- 0. These notes, like other notes we will get into, are fragmentary in part, and what I propose to do with these notes, which I will do with later notes, is to read those notations on the notes to you which directly appear to pertain to our investigation.
- You, of course, will have a copy for me so I can read along with you?
  - Let me give you D-1.
- I can see why teachers hate to grade papers. They are so hard to read, the writing, let alone to know what they meant by it.

Go ahead.

Under (1), which is headed IRS and Justice, there is a note, "Investigations of us when we were out," a note pertaining to Ed Nixon-Oceanographic Fund, and in the following notes, "Use our power, contributors, Larry O'Brien."

Can you tell us what that conversation was as to that portion, "Use our powers, contributors, Larry O'Brien"?

Perhaps it would be best for me to, rather than to take that out of context, to put it in context, which I know you would want, so that you have a total story.

When I referred to investigations of us when we were out, I was referring to the fact that the IRS notoriously had a well-deserved reputation for being used politically,

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 and in some instances developing within its own bureaucracy a partisan political viewpoint.

For example, when I ran for Vice President in 1952, the IRS, I understand, and I am not sure from whom they got the orders, but from very high sources, took my income tax returns and made them available to a Washington columnist, Mr. Drew Pearson, and to the Saint Louis Post Dispatch.

Those returns were used in the campaign against me.

They were not -- obviously, whoever got the returns only put out those portions of the returns that might be derogatory.

The next year I gave the whole return out, all of my returns, to Look Magazine, and they were printed, and that is when Look was still being published.

In 1962, the IRS again -- I was then, of course, out of power -- I was not in Washington -- I was running for Governor -- the IRS instituted an intensive investigation which was a dry hole for them.

As a matter of fact, at the end I think they owed us some money. But an intensive investigation with regard to the purchase of my house, in Truesdale Estates, they leaked that information to the press, in this instance to the California press, to the Los Angeles Times and the Long Beach paper, and I have a letter, ironically, which I received from the man who was the head of the field office of the IRS, which I would like to submit for --

179 10 THE WITNESS: Can I submit something, a document 2 in evidence? 3 MR. RUTH: Yes, sir. THE WITNESS: (Continuing) -- which I will submit 5 as D-3. 6 MR. HECHT: 2 - sir. THE WITNESS: D-2. 8 (The document referred to 9 was marked Exhibit D-2 10 for identification.) 11 THE WITNESS: This is the letter of November 13, 12 1973. It is to Miss Woods, my secretary. I will leave out 13 the --14 MR. RUTH: Excuse me, sir, does this pertain to 15 any particular --16 THE WITNESS: The IRS, it certainly does. 17 MR. RUTH: Does it have to do with a tax situation of yours? 18 THE WITNESS: You listen and you will see. 19 MR. RUTH: Could I just explain a problem we have? 20 THE WITNESS: Sure. 21 MR. RUTH: We have an outstanding indictment 22 having to do with a tax situation with Mr. De Marco and Mr. 23 Newman, and we are not allowed to use the Grand Jury to get 24

into that, and I just wanted to make sure --

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.S. Washington, D.C. 20002 (202) 546-6666 THE WITNESS: No, this is November 13, 1973. It has to do with the IRS harassment of an individual who had been Vice President, who is running for Governor of California, about his returns, and I am sure the IRS and this group have no interest in that sort of thing. I mean obviously if you did, you would lose your jobs.

It says, "I am writing this letter to you" -Miss Woods -- "with the hope that you will have the
President see the two attachments. My wife is a
cousin of Edward Haakinson, and many members of my
family live in Sebring. I have been there many
times over the past fifty years and am so proud
that such a distinguished lady as you came from
that town."

That is Sebring, Ohio.

"I retired from the Treasury Department as of 12-31-65. My position was 'super supervisor' in charge of sensitive audits -- one being you know who. I immediately took charge and verified the original audit as 'no change' and the case was sent back to Washington. Within a month it came back with a letter severly criticizing the N.C. report and referring to articles in the newspapers and magazines. I sent the case back to Washington with this comment: 'We don't work

cases by what the news media and magazines say, we base our findings on facts.' That settled the case. Three times it had been sent to Los Angeles from Washington."

Now, without saying who sent it, without saying it was done with the knowledge of people high in government, it was quite clear that the IRS was engaging in harassing tactics during that campaign.

Now, that is what that refers to, the use of their power in a personal way, the IRS, for harassment purposes.

Now when we talk about using our power here, what we are talking about, as far as I was concerned, having gone through this agony, was not, in my view, to harass, but at least to see what you gentlemen, as you stand before the bar of history, must have in your minds, that you will be judged not only by the very effective job you have done and are doing on one side, but whether or not you have had a single standard and are just as effective in going after any charges, the 140 that are before you right now, with regard to violations by the other side.

It says here "contributors."

MR. HOROWITZ: I am sorry --

THE WITNESS: Let me finish the answer.

It says "contributors." That refers, of course,

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.C. Washington, D.C. 20002 (202) 546-6666 to contributors to the other side.

"Larry O'Brien," and then his notes say, "Better they drop him now because" -- I don't know what the note means. It possibly means that I said on Larry O'Brien, don't go forward with him now because it would be too politically hot to do so.

Nevertheless, later on there is something to indicate that there is a suggestion that we go forward.

Then the next notation, "Check McGovern IRS files." Now this, understand, is Mr. Ehrlichman's notes. I should point out that I can never recall suggesting Mr. McGovern, Senator McGovern's files be checked. What I do recall is only a suggestion that the McGovern contributors might be checked.

## BY MR. HOROWITZ:

Q. So, if I understand, sir, when you discussed using "our powers," that was to use the powers in the White House to get the Internal Revenue Service to audit Mr. O'Brien, is that right?

A. You are putting words in my mouth there that I did not say. What I am saying is, and I am looking at these notes -- I am refreshing my recollection about an event that occurred two years, three years ago, when I was engaged in activities that in my view were far more important than this type of activity, and from the notes and from my recollection

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 and to the best of my recollection, I can only say that I was suggesting that in the campaign that we should be as effective in conducting our investigations as they had been effective in conducting their investigations.

- Q. Now, sir, on the --
- A. As you noted, it says "Better they drop him now," whatever that means.
- I was just about to ask you, sir, you indicated that you don't recall that. Do you believe that that was a discussion about talking to the Democratic Party or someone representing the Democratic Party and urging that they drop him, meaning that they drop Mr. O'Brien?

A. You know, many times, Mr. Horowitz, people think that a President of the United States running for re-election, with a good chance to be re-elected, has a great deal of power, but even the suggestion that I or one of my representatives could have influence within the Democratic Party to get them to drop their National Chairman is so absurd that really I am not going to dignify it with a comment.

- O. So, clearly, it doesn't mean that, it doesn't have anything to --
  - A. I have answered the question.
- 0. If I might, if I could refer your attention to the second page of these notes, and the notes read, "Sh," and I believe that that is a reference to then Secretary Treasury.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.C. Washington, D.C. 20002 (202) 546-6666 Shultz, and the three entries underneath that in Mr. Ehrlichman's handwriting are, "Must be political, give him an external type, e.g., Larry O'Brien, check his returns."

Now, can you tell us about that part of the conversation?

A. Oh, I have no independent recollection of that conversation.

Q In connection with the phrase, "an external type," do you have any recollection of a conversation about conveying to Mr. Shultz some bit of information concerning Mr. O'Brien?

A. I have no recollection of telling Mr. Ehrlichman what to do, except to be sure that since there was, apparently, an investigation of the Hughes organization involving O'Brien that it could be followed to its conclusion, and as one of the later documents I trust you will put into evidence will show, I tell them if nothing turns up, drop it.

You have that document, I assume?

- 0. I think we will get to a document which reflects that, sir.
- A. Yes, and of course exculpatory matters should be put in as well as others.
  - Q. If I just might have one more question on that.
  - A. You can have five.
  - Q. The words "external type," that doesn't bring

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back any recollection of a conversation in which information was conveyed in a fashion from some third party or something of that nature, rather than directly from a White House person to the IRS?

A. I wouldn't know who such a third party would be.

Q. Now, sir, at about this same time, as I have alluded to, the Internal Revenue Service was in the process of investigating all of these many Hughes related items and they had come upon the O'Brien business and they had shortly, prior to the time of this meeting to which we have been referring, scheduled an interview of Mr. O'Brien and Mr. O'Brien had failed to show up for that interview and there was considerable discussion concerning that fact at the high ranks of the Internal Revenue Service, and what I am asking you --

- A. You are telling me you know this?
- Q. Right, that the evidence has established that.
- A. Okay.

Q. And since that event crystallized shortly before this meeting, can you tell us whether you became aware at or about this time that such an event had occurred, i.e., they had gone out to interview O'Brien and he hadn't shown up and they were considering what next to do with him?

A. You would have to refresh my recollection as to some document on that. I am sure you have documents.

A Commence of the Commence of

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 All right, we will get to some documents.

A. Perhaps it would help to refresh my recollection if you would tell me, when you say that the IRS was having discussions with regard to whether to go forward with the O'Brien investigation -- is that what you are telling me?

0. Well, exactly how to proceed next insofar as Mr.
O'Brien was concerned in the context of their overall Hughes investigation, because to be sure Mr. O'Brien was one of probably hundreds of people --

A. What were your discussions, is what I am trying to get at.

When next to schedule an interview and that type of thing.

A. When or whether, or both?

0. Well, both to a certain extent.

A. You mean the Internal Revenue Service was not going forward, necessarily?

Q. Well, I think we will come back to that, but their policy at that time was to, as to a number of figures, both Republican and Democratic, that came up in the Hughes investigation --

A. That was not to use their --

 Mindful of the political sensitivity to try to delay it, but if I can go on I think we will come back to that.

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- A. Not to do what they had done to me in '52 and in '62?
  - 0. I can't speak to that.
  - A. Well, I have spoken to that.
- At the same time, and perhaps related to the notations on Mr. Ehrlichman's notes, and maybe you better pull them back in front of you, the notation "contributors," about the same time as you are having this discussion with Mr. Haldeman and Mr. Ehrlichman, evidence before the Grand Jury establishes that there was discussion between Mr. Ehrlichman and Mr. Chotiner about the production of a list of contributors.

Now, we are not interested in that as an independent matter, but we are interested in raising that because it seems to tie in to the O'Brien matter, and what I would like to do is place before you a list which will be marked D-2 --

- A. D-3. I got 2.
- Q. I am sorry, what I will mark as D-3, and ask you to take a look at that.

(The document referred to was marked Exhibit D-3 for identification.)

THE WITNESS: Yes.

What is your question, Mr. Horowitz?

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## BY MR. HOROWITZ:

Q In connection with the same conversation you had, sir, about Mr. O'Brien, which is reflected here in these notes of August 3, and the notation immediately above that "contributors," do you recall whether there was a discussion about using your powers against Democratic contributors?

And I show you that list because it was a list, the evidence establishes, which was produced at about this period of time or following this period of time.

- A. Are these Democratic contributors?
- O. Yes.
- A. Did you establish that?
- O. Yes.

Do you recall whether that was discussed, using your powers against contributors?

A. I don't understand the question.

Why don't you put it more precisely, so that the Grand Jury will be able to understand it when they read the transcript?

0. Perhaps I have confused you somewhat because it is a little premature to show you the list.

The list was not produced until somewhat later but all I am asking you is on your notes, rather Mr. Ehrlichman's notes of this conversation with you, which is reflected in D-1, you referred to using our powers against contributors

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 and Larry O'Brien.

Now, in fact, the evidence establishes that the same day as this meeting there was a meeting between-- Shall I wait until you are finished consulting?

A. Well, I think you are putting an assumption in there that I do not say, "to use our powers against the Democrats."

What we are referring to here is what I referred to yesterday, and what I referred to again today, referred to, Mr. Ruth, again today is something I strongly believe in, that there should be a single standard where justice is concerned and a single standard where government generally is concerned, and not a double standard.

And I was quite aware that the IRS was harassing, if I may use that term, not only contributors, but other friends on our side. I felt that they should simply have a single standard. That is what I was talking about.

I don't recall asking anybody to prepare a list of contributors and give it to the IRS. I have no recollection of that. I have no recollection of seeing this list.

I think this was shown to me yesterday, maybe one of the same lists was shown to me yesterday.

- O. Sir, if I might continue on.
- A. Sure.

MR. HOROWITZ: We will mark as D-4, and I will

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 hand a copy to you, a slightly longer than one page typed memorandum which bears the heading, "Memorandum for H. R. ; Haldeman from The President."

I would like to ask you some questions about that.
THE WITNESS: Sure.

MR. HOROWITZ: That is Exhibit D-4.

(The document referred to was marked Exhibit D-4 for identification.)

## BY MR. HOROWITZ:

O You have taken the time to read this and I think we had supplied this to you earlier. I want to ask you some questions about several of the references there, to what appears to have been a conversation between yourself and then former Secretary Connally. I think he already had left his position as Secretary of the Treasury.

The notes read, sir, and I am taking portions of them, but by reference to your conversation about Mr. O'Brien that, quote, "Connally feels very strongly that any information we get in this matter should not be held but should pop out just as quickly as possible."

And in the same vein you refer to, quote,

"Connally's very strong conviction is that dropping something
on O'Brien will have far more effect now than at a later

time," close quote.

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 Now, can you tell us what you intended to do in that connection?

A. All I can tell you is that I am reflecting here, as
I read this memorandum, what former Secretary Connally had
urged in terms of the handling of this matter.

Q. Did you agree with his urging at the time?

A. Let us speak very precise. In terms of a political campaign, there are those who use broad and sweeping terms which may mean one thing to them and something else to somebody else.

As far as I was concerned, and obviously you will put this in the record, I wanted the matter to be handled in an evenhanded way.

For example, as you will note, I say "Ehrlichman says that unless O'Brien responds with a request that he submit to a voluntary IRS interrogation, that he be subpoensed. I think this should not be handled on that basis until at least a telephone call is made by the head of the IRS to O'Brien and before he stonewalls it, a subpoens should follow."

That was the proper way to handle the Chairman of the Democratic Party, rather than the way that Mr. Stans is being handled by some of his opponents.

Q. I am sorry, if I might just ask a few more questions about this memorandum.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. NOTENING & 5 2004 (202) 546-6666 A. Sure.

Q. You will note that in the beginning of the second paragraph on the first page, you refer to "Connally strongly urged that in addition to following through on the that was paid to O'Brien and associates, and the that was paid to Joe Napolitan, we should follow on the Napolitan returns in 1968 and O'Brien's as well," close quote.

Can you tell us whether Mr. Connally gave you that specific information or whether you gave it to him?

A. I knew nothing about Mr. Napolitan or what had happened in the '68 campaign.

Back there, Connally, Mr. Connally was on the other side in '68, as you may recall, and he was supporting Mr. Humphrey and therefore what he points out, and if you read this memorandum, it says according to Connally there was approximately nine million dollars in unpaid bills after Humphrey's unsuccessful campaign. All of the bills submitted to Napolitan were paid. The others were not, apparently.

O'Brien at that time was making a great deal out of the fact he was an unpaid National Chairman. Of course, Connally was pointing up, I assume, from his experience on the Democratic side some of the matters that were popping up in the Hughes investigation that, if they proved to be true, should be publicly exposed.

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HOOVER REPORTING CO., INC.

320 Massachusetts Avenue, N.S NW#hitigion 65 20042 (202) 546-6666 Q Just going back, because I perhaps lumped two things into one in my question to you. Specifically, as far as the information about paid to O'Brien and associates and that was paid to Napolitan, that particular information, do you recall whether you conveyed that to Mr. Connally or whether he conveyed that to you?

- A. I have no recollection. I think that it was the other way around, that Mr. Connally knew about it.
- O Do you recall learning where Mr. Connally found that out from?
- A. No, I don't know where he could have learned it.

  It could have very well been public knowledge at the time

  of the Hughes investigation. In fact, be sure to check Jack

  Anderson's column. Your staff seems to be very interested

  in that, and that is always a good source.
  - Q. Sir, if I can continue on with this matter --
  - A. I won't ever stop you.
- (Continuing) -- beyond those notes, but let me ask you first, can you tell us whether you had discussed the O'Brien matter in the summer of '72 with Mr. Connally prior to the time of what appears to have been an August 9, '72, conversation?
  - A. I have no such recollection of a conversation, no.
- Q. Do you recall having further conversations with Mr. Connally later in the summer regarding the same business

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of Mr. O'Brien's tax situation?

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No, I have no independent recollection of any further conversation with Mr. Connally.

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Either telephonic or in a meeting?

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No. No.

Oh, I would have to qualify that to this extent:

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When nothing, as I had expected, developed out of the O'Brien

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investigation, and instead of conducting two years of

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harassment against him, as they have against Mr. Rebozo, for

shortly before the election -- Connally said that IRS, he

says that is what you have to expect, I didn't expect they

that time at least, in the pocket of the Democratic Party.

of McGovern. I think that was the other point he made. I

am not referring to the man at the very top because, as you

know, there are only two people appointed by the President,

would do anything. He said they are right in the pocket, at

I remember that on one occasion -- that was

I would say the top leadership was all supporters

All of the rest is a self-perpetuating bureaucracy

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example, they simply dropped the matter.

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and it was that bureaucracy that Connally, even as Secretary

of Treasury, was unable to control, and I don't mean control for improper purposes but to control them to get them to have

with the advice of the Secretary of Treasury.

a single standard, the same thing I am urging upon all of you.

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0. I understand that.

If I might continue on and fill in a few facts which evidence before the Grand Jury has established.

In mid-August, in fact, the Internal Revenue Service arranged an interview with Mr. O'Brien, and they did interview Mr. O'Brien, and it is of interest to the Grand Jury whether you received, personally received, any memorandum prepared by the Internal Revenue Service, one or another of their agents, concerning or summarizing that interview.

- I don't recall personally receiving any memoranda. I do recall receiving a report that the investigation was a dry hole and that the whole matter was being dropped at some point. I don't know who gave it to me.
- We will get to that in a minute, sir, but just for the time being if we can distinguish between just a memorandum of an interview of O'Brien, and you indicated you don't recall receiving such a memorandum --
- I say I don't recall receiving any memoranda on the matter. I am telling you what I do recall and what I know the Grand Jury is most interested in is what happened in all of this case, and what happened was that the IRS conducted a cursory investigation and dropped the matter and we did nothing further.

Incidentally, we put nothing out publicly on it.

As far as the memorandum of the interview, you 0.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 don't recall having seen one. Do you recall Mr. Ehrlichman or anyone else briefing you or discussing with you those things that Mr. O'Brien had said during his interview?

A. I don't have any recollection of that. I think it would depend on the time, Mr. Horowitz. If I were busy with, you know, preparing a speech or something of that sort, they wouldn't have briefed me on a matter of this sort.

Normally, even though this was the campaign period, at that time we, as you know, were rather busy in international affairs, and I simply wasn't paying much attention to the campaign, and I left it to my top appointees to handle matters of this sort. But I am not saying that he may not have briefed me. He might have.

0. Now, the interview and any conversations about the interview would have occurred in mid-August, and of course the convention at which you were nominated again was August 21 or 23 -- something in that neighborhood.

Now, thereafter, certain reports, in late August and early September, were prepared by the Internal Revenue Service which discuss and analyze Mr. O'Brien's situation.

Now, you have alluded to one, and I would like to mark as the next Grand Jury --

A. I haven't alluded to any written report that I have seen. I have told you, Mr. Horowitz, that I have no recollection of having seen a written report on this, no

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenua, N.E. Washington, D.C. 20002 (202) 546-6666 recollection. I may have -- I may have. It may have crossed my desk. I do recall having received in substance a report that nothing was developed on the O'Brien investigation, it has been dropped.

MR. HOROWITZ: If I might, sir, let me mark as D-5, a report which was prepared by the Internal Revenue Service.

THE WITNESS: For whom?

MR. HOROWITZ: I will give that to you.

This one was an Internal Report prepared to the Commissioner from the Acting Assistant Commissioner.

(The document referred to was marked Exhibit D-5 for identification.)

THE WITNESS: I have scanned the report.

BY MR. HOROWITZ:

You have scanned that, and do you recall that or
anything substantially similar to that, recall having seen
it, Mr. Nixon?

O I don't recall. It is possible in the mass of material that comes across a president's desk that it might have been sent to me, if it was available to us. And, incidentally, so that we can be perfectly candid, this was one of those sensitive case reports where it would have been available to us, so I assume it was available to somebody.

HOOVER REPORTING CO., INC. 320 Massachusetts Avenus, N.E. Washington, D.C. 20002 (202) 546-6666 Q Let me ask you this: Do you recall Mr. Ehrlichman informing you around this period of time that he had himself personally, and not yourself, that he had received reports similar to that?

A. No, I only recall that Mr. Ehrlichman was following the O'Brien matter. He didn't indicate to me that I can recall what reports, if any, he was receiving in written form or oral form. And he certainly wouldn't have wasted my time by going into great detail about a matter of this sort.

All that I recall with regard to Mr. Ehrlichman, my conversation with him about this matter at that time, is what I already testified to, that the Internal Revenue Service has completed its investigation of O'Brien, and have found nothing. And I said, well, that is what I expected, drop it, they won't try to find anything.

O Sir, some evidence before the Grand Jury establishes that Mr. Ehrlichman was, during this period of time, in contact with a Mr. Roger Barth, who was a gentleman who was then employed by the Internal Revenue Service as Assistant to the Commissioner, and that at one time or another during this period the two of them discussed this matter.

Do you recall being aware of Mr. Barth and/or aware of Mr. Ehrlichman's contact with Mr. Barth on the subject?

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenua, N.E. Washington, D.C. 20002 (202) 546-6666 A. I was aware of Mr. Barth, although I don't know him well, I was aware that he was working in IRS, and from the documents that you have shown me it appears that Mr. Barth and Mr. Ehrlichman were in contact, but I have no recollection of it independent of those documents.

- 0. All right, that was my question.
- A. Sorry for such a long answer.
- 0. Nor do you recall whether Mr. Barth-- Let me rephrase that.

Do you recall understanding or hearing at that point of time that Mr. Barth had prepared some report?

- A. I don't recall that. It is possible that I might have been so told.
- Now, sir, I have asked you about reports. There is a notation on another document -- I think I can just handle this with one question really -- which leads me to ask you whether you during this period of time, you yourself saw Mr. O'Brien's tax returns?
  - A. That I saw his tax returns?
  - Or asked to see his tax returns, yes.
- A. I can say categorically that I did not see his tax returns, and as far as asking to see his tax returns, I can't recall asking to see his tax returns.

I didn't even take, as I pointed out yesterday, enough time looking at my own returns, let alone looking at

HOOVER REPORTING CO., INC. 320 Massachusetts Avenua, N.E. Washington, D.C. 20002 (202) 546-6666 somebody else's.

MR. HOROWITZ: Now if I might mark as D-6, what are handwritten notes, again Mr. Ehrlichman is the author of the notes, and they are dated, although the date is not complete here but we have established that the date is September 5, 1972, and they relate to a conversation aboard Air Force One between yourself and Mr. Ehrlichman and there are some notations there, and I would like to ask you about those.

(The document referred to was marked Exhibit D-6 for identification.)

THE WITNESS: Have you previously shown us this document or is this a new one?

MR. HOROWITZ: No, no, you have seen all of these. These were all furnished to you.

THE WITNESS: When they are new, if you will let me know, I will read them more carefully.

MR. HOROWITZ: Well, they haven't been.

THE WITNESS: That is perfectly all right for you to have any you have got.

Go ahead with your question.

BY MR. HOROWITZ:

Now, sir, at the bottom of this first page it reads, "6. Anonymous to Hart re Hughes and O'Brien, warn

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 Senator McGovern, " and McGovern is abbreviated.

Now, do you recall having a conversation with Mr. Ehrlichman or this conversation with Mr. Ehrlichman about warning Senator McGovern about the O'Brien-Hughes business?

- A. This is what date?
- O. This is September 5, 1972.
- A. I have no recollection of the conversation and it is very hard for me to decipher Mr. Ehrlichman's notes due to the fact that he, like many note-takers, has a practice of writing notes to himself as well as recording what he is hearing. All that I say is that I don't recall any conversation of this kind.
- Q Merely in an effort to refresh your recollection, do you have a recollection of a conversation with Mr.

  Ehrlichman that McGovern should be informed that there was this material pertaining to O'Brien's tax situation which could prove to be embarrassing to McGovern or to the Democrats?
- A. No, I do not have a recollection of this, apart from what these notes show.
- I, frankly, would be very surprised, very surprised, if I indicated that we were going to try to warn Senator McGovern -- apparently the Hart referred to is now the young man who is now a Senator from Colorado, and Miss Westwood, you know, I guess she was the chairman of their

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campaign -- that you better do something about O'Brien.

What difference would it have made? I don't understand what this is about.

One final question on that. I phrased my question in terms of Mr. Ehrlichman.

Do you recall any conversations with anyone around that period of time which pertain to that type of subject, that is, informing the Democrats of this?

I don't recall any conversations of this nature at that time. I cannot affirm or deny that people working in the campaign, like Mr. Ehrlichman, may have brought up subjects, some of them as far out as this one. It seems far out today.

But you don't remember him bringing up that farout-type thing?

No. It sure wasn't my idea. I think it was a stupid idea, frankly.

On the second page, sir, there are the two sentences, or two notations to which I have not yet alluded which appear there: "Get someone in Las Vegas. Do it. Ask how much he got."

And there is other evidence, sir, that Mr. Ehrlichman and/or Mr. Barth had someone from the Internal Revenue Service situated in Las Vegas, apparently, to get information.

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 Do you recall hearing anything like that or knowing anything about that?

A. Until these papers were put in front of me, I had no recollection of that. Having read these notes and also the transcript of a telephone call that Mr. Ehrlichman had with Mr. Shultz and I think the then head of the Internal Revenue Service, apparently there was somebody, they had somebody in Las Vegas, but I am not testifying to that on firsthand knowledge. That is simply hearsay.

0. I understand that.

Did you know that Mr. Ehrlichman had anyone from the Internal Revenue Service who was, in effect, acting out of channels for him in the fashion that is suggested by those notes, that he had someone in Las Vegas?

- A. No. What I know is what his notes show.
- Q. Now, --
- A. As far as his notes are concerned, I am not going to testify to their veracity and I am not going to testify as to their interpretation, because I don't know what he meant by them.
- Q. Now, finally, Mr. Nixon, I think we are at the end of our documents and drawing to a close here, but let me show you what we will mark as D-7, which are, again, Mr. Ehrlichman's handwritten notes of a meeting between yourself and him, and again part of the date appears to have been cut off, but

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 we have established that it was September 30, 1972.

I would like you to-- This again is something you have seen before, but I will place it before you.

(The document referred to was marked Exhibit D-7 for identification.)

THE WITNESS: You also have-- Would you please give me the memoranda I wrote to Haldeman? You want to put those two in evidence, don't you?

MR. HOROWITZ: I believe that is in evidence, sir.

THE WITNESS: I don't see them. I have one.

There are two to Haldeman. Could I see the second one or
the first one?

MR. HOROWITZ: We can get into that.

THE WITNESS: No, I want to see them. I mean I should be able to see them. You furnished them to us earlier.

MR. HOROWITZ: Let's mark that D-8, and that is a one-page typewritten memorandum for H. R. Haldeman from The President, dated August 9, 1972.

THE WITNESS: Could I see that too, because it may refresh my recollection.

(The document referred to was marked Exhibit D-8 for identification.)

THE WITNESS: Just in answering your question,

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenu?, N.E. Washington, D.C. 20002 (202) 546-6666 the memorandum to Mr. Haldeman on August 9, with regard to this whole matter, and which counsel has not questioned me on yet, says on both the O'Brien and Kimmelman matters -- Kimmelman, incidentally, was the finance secretary of the McGovern campaign -- "I want you personally to follow up and keep me posted on what has developed. Of course if nothing turns up, drop the whole matter. But let's be sure we have gone the extra mile and developed material before we drop the matter."

I think, Mr. Ruth, it is proper to have that in and be questioned on that as well as matters that are derogatory, do you not?

MR. RUTH: I think Mr. Horowitz intended to.

THE WITNESS: Well, Mr. Horowitz didn't intend
to put this in thoroughly and I have.

MR. RUTH: I think he intended to put it in.

THE WITNESS: I don't question Mr. Horowitz'

ethics. I am sure he was going to put it in.

Now, what do you want to know about this one?
BY MR. HOROWITZ:

- Q By this one-- I think we have confused some pieces of paper in --
  - A. This is September 30, '72.
- On the bottom of the second page, we have the notes, "Larry O'Brien worry him."

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 What was that a reference to?

- A. What is this conversation, please?
- O This is a conversation between Ehrlichman and yourself.

A. Well, as I say, three years later all I can imagine is that Larry O'Brien was worrying Mr. Stans with a lawsuit. He was certainly being a very effective-- Mr. McGovern made a great mistake in not using him. He was the only effective pro that McGovern had working for him and was worrying us. So I think there must have been some discussion of worrying Mr. O'Brien with regard to the fact that he, having claimed that he was an unpaid chairman now apart from the IRS investigation, had received in the neighborhood of two hundred thousand dollars a year from the Howard Hughes organization.

I thought that would worry him, and I thought it was perfectly proper to put that out.

- O You understood, sir, did you not, that those funds had been paid, at least as far as the IRS investigation had been established, had been paid for his services. They weren't paid as a salary for the Democratic National Committee.
- A. As far as the IRS investigation is concerned -just a moment.

Mr. O'Brien, you understand, had made a point

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenua, N.E. Washington, D.C. 20002 (202) 546-6666 that he was an unpaid national chairman when he was chairman of the National Committee. By "unpaid National Chairman," that means to me and it would mean to members of the Grand Jury that he is not going to be paid there and they don't think he would be taking something on the side.

And the point was that the Howard Hughes organization at that time was under intensive public investigation as well as private, with regard to payoffs. That is how the investigations began. And here Larry O'Brien had his hand in the till there.

Now, I am putting now a connotation on it which I do not want to be left in the record as being unfair to O'Brien. It is very possible that his story about it is correct, that he rendered enormous services for the Howard Hughes organization even though he didn't register as a lobbyist apparently for them, in doing the things that they wanted to have done. And if he did, he was entitled to be paid, that was all.

0. So let me understand.

Those facts you felt, in view of his puffing his unpaid status, should be brought out to indicate that perhaps he had not been unpaid, is that it?

A. You know, you have to think of the campaign. In the one sense our campaign, we were the campaign of the rich, with all of the big people supporting us, and their campaign

HOOVER REPORTING CO., INC. 320 Massachusetts Avenub, N.E. Washington, D.C. 20002 (202) 546-6666 was the campaign of the people, you know, like Mr. Strauss, the Democratic National Chairman took fifty thousand dollars in cash from Ashland Oil, and apparently sold somebody on the idea that he didn't report it because he thought these were five-dollar contributions from people who worked for Ashland Oil that were against the war.

You couldn't find that many people in Kentucky that were against the war at that time. And yet, it was accepted.

In the case of O'Brien, this purist image of no connection with big business, which the McGovern campaign of course was trying to do, and, incidentally, no connection with the milk interests, and we received twice as many letters from Democratic Senators, including one from McGovern and one from Humphrey, asking for ninety percent parity on milk as we did from Republican Senators, and three times as many from Democratic Congressmen as we did from Republicans, and, incidentally, they were all proper, all proper.

- Q. I am sorry, sir, could I just turn back to the O'Brien matter?
  - A. Oh, all right.
- On the following page, you state -- I am sorry, Mr. Ehrlichman's notes state, "Get it to O'Brien. Don't publish."

Does that refresh your recollection as to a

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenua, N.E. Washington, D.C. 20002 (202) 546-6666 conversation in which the purpose was not to make public these facts but rather to convey the information to O'Brien, indicating that he did possibly face tax problems?

A. No, it doesn't refresh my recollection. I don't remember the conversations, the specifics of it.

I only remember, as I have indicated, my general interest in the O'Brien matter due to the fact that he was giving us a rough time, and I felt that we had, at least, as I pointed out only if the facts bore it out, and we should emphasize this. I said if nothing turns up, drop the matter.

Now, that ought to be there -- the Grand Jury I think is interested in a matter like that, as well as something which says if something doesn't turn up, go after him anyway.

That is what I am trying to say, and I think you should emphasize that to the Grand Jury too.

Q. In the same conversation Mr. Ehrlichman's notes read, and just for your reference I am on page 3, reads, quote, "Bobby Baker blowing whistle on Larry O'Brien and others," close quote. And immediately above that you have "Gossip" -- I am sorry, I misspoke, Mr. Ehrlichman has "Gossip - plant, Jack Anderson," and Jack Anderson was underlined.

Did you have conversations at around this time

of planting this information with reporters?

A. Since you have put in the record the name of
Bobby Baker, let me just be sure that after all of the abuse
that poor man has taken, and apparently some of it deserved,
but Bobby Baker had apparently talked to people in our
campaign, and when he saw that we were the victims of the
roughest campaign physically -- and incidentally, when we do
get into this business of wiretapping and so forth, I want to
be sure that the Special Prosecutor tells us what he has
done with regard to the bombing of our Phoenix headquarters,
what he has done with regard to twenty-five thousand dollars
in damage directly ordered by the McGovern Campaign --

- Q. Sir, I am sorry, but --
- A. All right, now we will come back to this.

  Bobby Baker came in and said, look, he says I

have enough on O'Brien to sink him. He put that in.

- 0. Who did he tell that to?
- A. Who did he tell that to? He told it to somebody and they reported it to me. I don't recall.
  - Q. Do you remember who reported it to you?
- A. Who reported it to me? I think it could have been Haldeman, that Bobby Baker was talking.
- On these same notes, sir, on the last page there is the notation, quote, "Via Andreas, dash" --
  - A. Incidentally, Bobby Baker is reporting he was

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going to blow the whistle, not only on Larry O'Brien, he said, but a number of Democratic Senators that he, Bobby Baker, personally had delivered cash to.

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Apparently Bobby Baker had been a bagman for

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for many others, as well, and he said there were a number of Democratic Senators, technically those on the Left, that were taking a sanctimonious attitude and that he wanted all of this brought out. 10 Incidentally, nothing came of that. He would not

Hughes at one time, as well, or at least a transmittal valve

have been a credible man to use in a campaign, and that kind of gossip I didn't frankly feel was proper.

- 0. In other words, you do recall discussing using the Bobby Baker information? Is that it?
  - We didn't use it. That is the whole point.
- You recall discussing it and deciding not to, is that it?

I recall that it was brought to my attention, and it seemed to me to be so way out that with Bobby Baker just having finished a prison term, that it would be not right to use it, and also I felt that we should just go on and conduct our own campaign.

We were doing all right without that kind of stuff. We allowed them to engage in that kind of thing, but we went on and did our campaign without it.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E.

Washington, D.C. 20002 (202) 546-6666 On the last page there are the notations, quote,

"Via Andreas - worry O'Brien - work through Dean," and other

evidence before the Grand Jury establishes that there was

an attempt to have Mr. Andreas make an overture to Mr.

O'Brien, indicating that Mr. O'Brien was in tax trouble.

Do you recall a discussion about that, sir?

A. I don't have an independent recollection of that.

I have seen these notes and I have been trying to think what it must mean.

I can only surmise that what it may mean is that

Andreas first was a very big financial supporter of the

Democratic Party.

He was also one of our supporters in this campaign and it was felt that Andreas, who also apparently was a pretty good political operator, could have some influence on O'Brien in terms of the violence and viciousness -- strike the word "violence" -- in terms of the word "viciousness" of the attacks that O'Brien was making, not only on Mr. Stans, but on me.

- Q. Was it discussed that he would have more influence if O'Brien was told that O'Brien faced tax problems otherwise?
- A. I don't recall that we talked about O'Brien -- I don't recall any conversation about O'Brien's tax problems.
  - O. In other words, was Andreas to be a courier to

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenub, N.E. Washington, D.C. 20002 (202) 546-6666 Mr. O'Brien to have an influence?

A. I think probably this notation is more interesting here where it says "Offer him a retainer."

MR. HOROWITZ: All right, sir, just two or three more questions from Mr. Hecht.

BY MR. HECHT:

O. Aside from Mr. O'Brien's receipt of income from the Hughes Tool Company, were you aware that after the '68 campaign he had taken employment as an officer in a Wall Street brokerage firm?

A. No, I really wasn't, not until it was brought to my attention in this investigation.

Q. Were you aware that, jumping ahead in time, not the summer of '72 but in the spring of 1973, that Mr.

O'Brien was audited, or an audit was begun as to the handling of some stocks that he had owned in that brokerage firm that he had been officer of and that he had taken a loss on those stocks?

A. No. I am learning that, I think, for the first time right now.

All that I am aware of is that I understood from the papers that you have provided -- sorry, that we have provided you and you have provided me, that O'Brien after the '68 campaign wanted employment.

He went with a brokerage firm. The brokerage

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firm went broke and that after that he went with Hughes, even though Hughes, I think, had offered him a rather good job before he went with the brokerage firm. He then decided to go with the Hughes firm, which proved to be a very good choice for him.

Q Now, as to the receipt of funds by Mr. O'Brien from the Hughes Tool Company or the stock loss issue or any other issues on Mr. O'Brien's returns, did you have any conversations directly with Mr. Shultz, who, during the relevant period of time, was Secretary of the Treasury?

A. I have no recollection of any such conversations. I don't believe Mr. Shultz would bring such technical, and what to me would be picayune, matters to my attention. I believe that all that would be brought to my attention by Mr. Shultz or Mr. Ehrlichman, whoever was familiar with this, the big issue, whether or not Mr. O'Brien was or was not vulnerable to a major income tax violation. If he was, I wanted to know.

- Q. Did you have occasion to discuss that question directly with Mr. Shultz that you recall?
  - A. No, not with Mr. Shultz that I can recall.
- Q. Did you have occasion to discuss that matter with the then Commissioner of the Internal Revenue Service, Johnnie Walters?
  - A. Not that I can recall. I don't think I saw him

at all.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenub, N.E. Washington, D.C. 20002 (202) 546-6666 MR. HECHT: I think that covers our questions, but we are going to take a short recess to inquire of the representatives of the Grand Jury whether they have any further questions.

THE WITNESS: I should have talked to Mr. Walters, I guess.

(Short recess.)

MR. HOROWITZ: Sir, we have no further questions for you.

Thank you.

THE WITNESS: Let me say, Mr. Horowitz, and Mr. --

MR. HECHT: Hecht.

THE WITNESS: I thought it was. H-e-c --

MR. HECHT: -- h-t.

THE WITNESS: I thought so.

That is the store in Washington?

MR. HECHT: Yes, sir. No relation.

THE WITNESS: Do you have a part --

MR. HECHT: Unfortunately not.

THE WITNESS: They do well, I think. We bought a dining room set there once.

I did want to say for the record, and particularly to Mr. Horowitz and Mr. Hecht, I know you have been living with this O'Brien investigation and you have gone through a

HOOVER REPORTING CO., INC. 320 Massachusetts Avenuc, N.E. Washington, D.C. 20002 (202) 546-6666 lot of work to prepare these questions and you have probably been somewhat, perhaps, disappointed that some of my answers have been, well, to put it mildly, rather testy, which is not my usual way of trying to answer questions in what is basically a legal forum.

But I think that it is time, and perhaps the Special Prosecutor, when he files his final report, will have one paragraph in for history, it is time for us to recognize that in politics in America, and this is not excusable, but it does explain it to an extent, particularly where the highest office in the land is involved, and even in some instances where campaigns for governor in major states or senators are involved, that in politics some pretty rough tactics are used. We deplore them all.

I am very proud of the fact that as a result of my orders, and I gave them directly, that never to my knowledge was anybody in my campaign responsible for heckling Mr. McGovern or shouting him down. Sometimes he was heckled, not much. I told them not to do it.

Now, actually my decision was not all that altruistic, to be quite honest. My decision was based on the fact that I didn't think it would do any good. Why martyr the poor fellow? He was having enough trouble.

And yet, there was not an appearance I made in the campaign, not one in which not only we were the subject

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of voice heckling through loud speakers and the rest. is why I got a little hoarse, even though I didn't make many speeches -- but also of violence and threats of violence, violence in San Francisco, for example, which I am sure you have investigated or will. And if you are going back a few years, you can pick up the violence in San Jose when a direct assault was made on our car, and so forth.

What I am pointing out here is not that our campaign was pure; what I am pointing out also is not that theirs was all that bad, but what I am saying is that having been in politics for the last twenty-five years, that politics is a rough game, and in 1952, as I said, I was subjected to some of the most brutal assaults, not only by the IRS and political opponents, but particularly by some elements of the press.

Now, I have given out some too, to be perfectly honest -- I am speaking now of speeches and that sort of thing.

But in 1962, the same thing, where the Administration in power, and they were pretty smart, I guess, rather than using a group of amateur Watergate bugglers -- burglars -- well, they were bunglers -- used the FBI, used the IRS, and used it directly by their own orders against, in one instance, a man who had been Vice President of the United States, running for Governor, and in another instance a man

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 running for President of the United States, the FBI, according to information that we have, were at least ordered to, and whether they did it or not, I can't say, to bug the plane of the Presidential candidate.

What I am simply saying is that here we must be under no illusions about what happens in politics in America. I don't condone it.

I see memoranda which I have long forgotten.

What really counts in the long run is what happens, and when
I see this long list -- this is what they call the enemy
list -- what happened? Nothing.

I never recall seeing any income tax return; I never recall seeing any result of any of this done. What happened to Mr. O'Brien's case? Nothing.

A cursory, pleasant interview with the IRS. That is one thing. All that I say is that the Special Prosecutor, you had your job, you had to do it, we made our mistakes, we have to pay for them.

All have paid a heavy price. I am paying mine, but if there is one thing I am going to do to the day I die, it is going to be to insist to the best of my ability that whether it is the case of political leaders or the press, including the television people, or education leaders, that it is time where ethics are concerned in politics, not to clean up one side and then turn your back and forget what

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 happens on the other side.

I would say that our campaigns in '68 and in 1972, in terms of what we did, were clean campaigns. I would say as far as their campaigns were concerned, there was some violence, there was some rough heckling, but we took it.

And I am confident that Mr. McGovern, who I understand is a rather gentle man, probably wouldn't have approved it, just as I wouldn't have approved any violence, but it happened.

But I simply want the record to show here that when you conduct this extensive investigation of whether or not Mr. Larry O'Brien was being persecuted by the Administration in power, I think, and I don't urge you to do this because now he has a splendid position and I think he is the Basketball Commissioner, and he deserves it. He doesn't have any money and he has a big family, and I think he is a decent guy actually, but he plays politics tough.

But if you were to look, as Bobby Baker suggested, into Larry O'Brien's activities politically over the years, and into the activities of some of the Democratic Senators and others, including some Republicans who are taking this sanctimonious attitude about the cleanliness of their campaigns, if you would put them to the same test you have put us, you would find that we come out rather well.

I don't say this, as I say finally, in

justification of any wrongdoing where it occurred. I deplore it. I regret it. And I am paying a price for it.

And as far as you gentlemen are concerned, you have your job to do, and I respect you for doing it. For two years you have been on this job; for two years, and you have been working very, very hard to expose anything that we did that was wrong.

And I do not, in what I am writing at the present time, my memoirs, which I hope will come out before you die or before I die, I am not going to be critical of the fact that you are doing the job you are hired to do.

But I am going to come down hard, and you, I would urge, thinking not of yourselves because at the present time, if I could give one last bit of advice, taking the double standard is going to make you much more popular with the Washington press corps, with the Georgetown social set, if you ever go to Georgetown, with the power elite in this country, but, on the other hand, think of your children -- they are going to judge you in the pages of history and as they look at you, they are going to say, well, now, you did a pretty good job one way, but did they overlook other things because they believed things.

I mean I am not unaware of the fact that the great majority of the people working in the Special Prosecutor's Office did not support me for President. After all, there

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.C. Washington, D.C. 20002 (202) 546-6666 are many millions of people who didn't -- about thirtyeight percent of the people in the country. I respect
those who didn't, just as I am thabkful for those who did
support me.

I am not unaware of the fact, too, that therefore you would have a motive to go after me and my associates and to ignore others, but I also say I just trust in the future, as you go on, after you leave these positions, have a single standard. That is what the country needs.

I am sorry to take so much time.

MR. RUTH: I wonder if we could recess a second because the Prosecutors are not allowed to respond to the charge of being partisan; we are not going to respond, and we will pick up in the area of questioning having to do with the wiretaps in a couple of minutes.

THE WITNESS: Sorry, I intended no personal reflection.

(Short recess.)

## BY MR. HOROWITZ:

asking you some questions.

Right.

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Grand Jury relates to the so-called National Security Council

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Q More specifically, if I might indicate to you, the Grand Jury's investigation insofar as this electronic surveillance project is concerned is focused upon two primary incidents: First, the circumstances in the summer and early fall of 1971 when the wire tap project itself had ended, and the records of the wire tap project were removed ultimately from the FBI to the White House, so they are focused on that as one leg of their inquiry, and, second, they are focused upon allegations that Mr. L. Patrick Gray, in February and March of 1973, during his confirmation hearings, committed perjury while testifying about the electronic surveillance project.

Sir, the next area of inquiry being pursued by the

surveillance project and on that I will be asking you some

questions and Mr. Frank Martin, who is to my right, will be

- A But you haven't decided that yet.
- Q Upon allegations, as I said.
- Q Before we get into removal of the records, sir, just so that it is clear when we are referring to the electronic surveillance project, we are referring to the project which embraced, I think, a total of 17 wire taps of various reporters and some White House affiliated persons, and it commenced in and

about May of 1969, and terminated in and about February of 1971.

Now before we get right into the removal circumstances, which were in the summer of '71, during the project itself, can you tell us whether you personally received the summary letters which Mr. Hoover wrote, which summarized the information that was coming off these wire taps?

A I think I testified yesterday that the first summary letter that I received, and it is the only one that I can recall receiving, was one within two or three days after I was inaugurated president in 1969. It was a report on Mr. Henry Brandon, the correspondent of the London Times, and I, being new at the job, wondered what it was all about.

I asked Mr. Hoover, when we had our first meeting, which was shortly there afterwards -- perhaps within a week or so -- what this was all about.

## (CLASSIFIED MATERIAL DELETED)

we do other taps, as well, where we think the national security is involved, and he said -- he pointed out then -- he said "I have to have a direct relationship with you and the Attorney General on these because these can only be instituted by and approved by the Attorney General."

Q All right, sir, but commencing with what I have identified as the project for purposes of our questioning, which was May of '69, putting to the side for the moment the

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25 00, INC. reference which you made, although not ignoring it --

- A But you understand the Brandon name was on that list,
- Q That is right, he was on that list.
- A My point is it was there, it has been there for years, long before we came in.
- Q But during the project itself, from May of '69 to February of '71, if I can just focus briefly upon that period from May of '69 to May of '70, the first half of that period, letters were addressed by Mr. Hoover in duplicate original form, one to Dr. Kissinger and one to Mr. Ehrlichman. Now my question at this point, briefly and limited, is did you receive those letters, did Mr. Ehrlichman bring those letters into you or route them to you? Do you remember that?
- A I don't recall that he did. If he did, I would, of course, have approved them.
- Q Did he, during that period, route his own memoranda to the President, which would review the letters that he had received from Mr. Hoover? Do you remember that?
  - A You mean review the fruits of the taps?
  - Q That is right.
- A Yes, I don't recall that he did. It is possible that he did.
- $\Omega$  The reason I am raising these questions again is because we are interested in what records there were that relate to the summer of '71.

A Sure. Let me point out, so the Grand Jurors would not think that I was being derelict in my duties, when I saw this Brandon report, it was such a bunch of garbage and irrelevant that I told Kissinger, I believe, at the time -- I said, "I don't want to see any of this crap." Pardon the expression, but that is what I thought it was. I said, "Have it evaluated and if there is anything we need to know involving our national security, let me know, but I don't want to see any FBI raw files or FBI reports. That was my policy. But I cannot say for sure that sometime across my desk one of these summary reports, you know, with the usual language, "a highly sensitive source has informed us that", and so on, may have been a wire tap source.

I must also point out, because I think counsel should know, that Mr. Hoover used that "highly sensitive source" for one of his other projects. As you know, he had no confidence in the CIA, and it was mutual, . . .

(CLASSIFIED MATERIAL DELETED)

. . and I remembered that

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Mr. Hoover, because I remember seeing that report, Mr. Hoover used to use the same, that phrase that he used when I saw the Brandon report, "a highly sensitive source known to this Bureau" has found and reported this and that and the other

thing, so that is why I can't identify whether it was a wire tap source or that source or something else.

Q I think, sir, that you have answered the next limited question I was going to put to you, which was during the second half of that wire tap project, which would have been from May '70 until February '71, the letters from Mr. Hoover which summarized this wire tap business, and you have accurately described the way they started, they were not sent in dual originals. They were, during that period of time, directed to you, but sent to Mr. Haldeman, and my next question was whether Mr. Haldeman would in the regular course send those into you or make copies for you?

A No. On the contrary. The reason that developed was that Mr. Hoover did not want to have so much proliferation of his reports. He came to be very suspicious in his later years of many people in the bureaucracy, including people in the White House, and he did have confidence in Haldeman and he asked me on one occasion if he could just have one person that he could send this stuff to. I said, "Fine, send them to Haldeman."

Now I cannot recall Haldeman discussing anything from some of these reports. It is very possible that he did. If it involved a national security matter of importance, he would have, but, as you will note, Mr. Horowitz, because you have lived with this record for two years and I have seen it for

a couple of weeks, but, as you will note, I in one of the tapes point out that I found that these wire taps were very unproductive, which means that nothing had come into me that meant anything.

Q Now, finally, sir, before we get to the summer of '71, the wire tap project per se ended in February of '71 and there is a reference which you take in a conversation much later down the road, in April of 1973, with Mr. Henry Petersen, in which you refer to a - quote - hullabaloo causing the end of this wire tap project."

Now, can you tell us what you remember about how the or what brought the wire tap project to an end in February of '71?

A Well, I know the reference to the hullabaloo was that our press office and I in press conferences, as well, as I recall, were catching a lot of heat or taking a lot of heat because of alleged wire taping of newsmen. That was their concern. I don't believe they mentioned the National Security people. They may not have known that they were being tapped.

I know, too, that Mr. Hoover was taking a lot of heat on this score, and he, in his later years, became very sensitive about anything that happened in the press.

By "hullabaloo" I meant, in other words, the hullabaloo we were catching from the press.

Q All right, sir. Now we are going to shift timewise

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to after the project had terminated in February of '71, to

June of '71, and to the allegations which relate to the removal

of these records and their ultimate storage in the White House,

to the so-called Pentagon Papers case and Mr. Martin will ask

you those questions.

A Okay.

BY MR. MARTIN:

I would like to begin with some questions concerning the time period immediately following the publication of the Pentagon Papers and although I realize there may have been many concerns that you would have had with that event, to focus in in particular as to your being concerned or your Administration being concerned about what exactly these papers were, who had prepared them, where copies were, who had access to these papers and whether or not you recall learning very early on that these papers had been prepared, in part, by Mr. Halperin, who had worked for Dr. Kissinger early in your Administration.

A Well, Mr. Martin, I can't recall specifically Mr. Halperin's name coming up in connection with having prepared the Pentagon Papers as of that time. As of a later time I had a suspicion that that might have been the case.

What I should say is that the reason, and I think you want to know, the reason that we were concerned about the Pentagon Papers was, and their release, was that, first, a lot

of highly classified material was contained in it. Much of it was unimportant. It could have been released without any damage to the national security, but, as I pointed out yesterday, it takes only two or three words for an expert to break a code; it takes only two or three references for an individual who is serving the United States abroad in the CIA or FBI or what have you, or even in Foreign Service, for his wife to become endangered if it is known he is acting in this way, and the release of the Pentagon Papers thereby jeopardized the life of Americans who might be engaged in such activities.

It also made their release, raised a grave question in the minds of foreign leaders who came to see me in great numbers, and I went to see them in considerable numbers — foreign leaders — grave questions as to the confidentiality of the discussions we were having and that confidentiality, of course, I considered and they considered to be absolutely essential if we were to reach agreement on sensitive matters. And the release of the Pentagon Papers also raised a serious question as to what we within the close circles in the White House and our discussions with those from the Joint Chiefs of Staff and the State Department could discuss in confidence because we had a number of initiatives at that time beginning, the Soviet initiative, the China initiative, the initiative with regard to Vietnam, and also with regard to a cease fire in the mid-East.

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Now, and we will come right down to your question, with regard to the Pentagon Papers, ironically, there were some members of my staff, particularly on the public relations side, that said, look, this is no skin off our back. The Pentagon Papers, as you know, did not involve what happened during this Administration; they only involved what had happened during the Johnson Administration and the Kennedy Administration, the history of the --

Q Sir, I --

A Let me finish my answer. — the history of the war administration, and so far as we were concerned, from a political standpoint it would have been much to our advantage to have the Pentagon Papers revealed, to throw off, if we wanted to, on previous presidents, but in my view, where American lives are involved, where the United States is involved in a conflict, even though it is one that many people disapproved of, there is only one President — I don't care whether he is a Democrat or Republican, whether he is for me or against me, but I said, "As far as these papers are concerned, we have to protect the confidentiality of presidential communications, and unless we stand here there is not going to be any chance for not only this President, but future presidents, to be able to conduct their foreign policy successfully."

That is the background with respect to the Pentagon

Papers.

Now if you will come to the precise question, I will answer the precise question.

- Q The precise question, and realizing there were many concerns of great importance that you would have had --
  - A Concerns not involving our Administration.
- Q Not involving your Administration and involving foreign policy. Putting that aside, whether you learned or were informed or became aware that Mr. Halperin was one of the people principally responsible for the preparation of this study and that Mr. Halperin was one of the people who had given access to that study to Mr. Ellsberg, who, obviously, was the person who did leak the papers. Do you recall being informed of that?

A I can't recall being specifically informed that
Mr. Halperin gave access to the papers to Mr. Ellsberg. I can
only be informed -- I can only tell you that the suspicions
as to who might have given access to Ellsberg were rampant
and Halperin's name was among many others that were included.

Q Given your statement that the suspicion focused on one, as you say, of many people, but one of them was Mr. Halperin, and I ask whether you recall directing or being aware that anyone in the White House or elsewhere was reviewing these wire tap records that had been on for some 21 months on Mr. Halperin to see whether there would be any information

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there that might be helpful in determining whether or not Halperin had leaked these documents or had been involved in leaking these documents?

At what time would this have been done?

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Q This would be done shortly after the publication of the Pentagon Papers. It appears -- I realize this is difficult to go back and separate out times, but it appears that very shortly after that you were aware of Mr. Halperin's involvement?

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A Potentially. I wasn't sure.

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Q But that you would have directed or at least been aware of people going back and checking the wire tap of Mr. Halperin, which had been on for some 21 months, and see whether

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or not --
A I have no recollection of suggesting that Halperin's

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wire taps, which had occurred so many months before, be reviewed to see if he was one of those who was a leaker. I do have a recollection that Dr. Kissinger told me, when he separated Mr. Halperin from his NSC staff, that he felt he had made a mistake in taking him on because they considered him to be a leaker. That is why the suspicion was raised, but many people were leakers, so that was nothing new.

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Ω Turning now to Mr. Ellsberg, in some of the information that has been supplied to us by your attorneys there is reference to Dr. Kissinger informing you of his previous

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E Washington, D.C. 20002 (202) 546-6666 association with Mr. Ellsberg and of informing you that Mr. Ellsberg was somewhat unstable and that Mr. Ellsberg used drugs? Do you recall being informed that Mr. Ellsberg used drugs?

A The fact that Mr. -- I mean the charge or the allegation that Mr. Ellsberg used drugs I have no recollection of. All that I do recall is that Dr. Kissinger pointed out to me that Mr. Ellsberg apparently had been one of this students and therefore he knew him.

He also, apparently, knew of his record in Vietnam or he had been a hawk at one time -- I testified to this yesterday, so I won't repeat it today -- and then turned into a dove and that his, during the time he was a hawk, apparently he was working with the JCS, and then, also, Dr. Kissinger's evaluation of him as a man and Dr. Kissinger and I had very frank discussions, and I hope all future presidents can have such discussions with their top national security advisors and their secretaries of State, and that will only happen in the event that Mr. Miller and Mr. Martenson are successful in the suit that we are now bringing to be sure that confidentiality of future presidents, as well as our own, is protected. But Dr. Kissinger said that Ellsberg, he said, basically, and I use the term, he was a "nut", that he was unstable, therefore untrustworthy, and he didn't know what he might do. He felt -in other words, he had no confidence in Ellsberg's emotional

stability.

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 Now let me, however, be sure that I give Mr.

Ellsberg credit for what he also had. He said that he was a

brilliant doctor, that he had been a very good student, that he

was very bright, but that he would become emotionally involved

in a matter and then be on one side at one time and some other

side at another time.

As far as the use of drugs is concerned, I recall neither Dr. Kissinger or anybody else telling me that Ellsberg used drugs.

Q I would like now to show you a letter to see whether this at all refreshes your recollection, and we will mark this as Exhibit E-1.

(The document referred to was marked Exhibit No. E-1 for identification.)

## BY MR. MARTIN:

- Q I will ask you to take a look at the second paragraph of this letter that deals with Mr. Ellsberg.
  - A This letter I notice is dated on September 3, 1969.
- Q Let me explain that for you. This is one of the letters that was sent as part of this overall wire tap project, and this letter, although this copy is addressed to you, a copy also went to Dr. Kissinger and Dr. Kissinger did receive and discuss this letter.

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A I do recall, and when I testified earlier I was aware, of course, of this letter, I do recall that letter having been brought to my attention. I do recall that Dr. Kissinger had a very high opinion of Mr. Ellsberg and Mr. Halperin's mental capability and a very low opinion of their emotional stability, but I recall Dr. Kissinger -- this does not refresh my recollection, and I think that by this time, September 3, 1969, the policy had been instituted, which I have earlier described, where I had this, what I call this wire tap information sent to Haldeman or Kissinger or whoever had responsibility, but not to be sent to me unless there was something that required action on my part, but I might have seen it.

Q Realizing that might have been the policy during the operation of these wire taps, given the fact that Mr. Ellsberg had been accused of leaking these papers and it becoming a majorissue in the summer of '71, the question is whether or not that information was brought to your attention in the summer of '71 concerning Mr. Ellsberg?

A After Mr. Ellsberg was indicted, you mean?

Not necessarily after he was indicted, but after he was identified as the source and became a topic of discussion.

A I recall some discussion with regard to Ellsberg and Halperin being friends and being, shall we say, possibly engaged

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E Washington, D.C. 20002 (202) 546-6666 in erratic activities. I don't recall any specific discussion at that time of a letter of this sort saying that a wire tap two years before had disclosed that Ellsberg and Halperin had — the Grand Jurors are going to love this — had recommended that Harry not take a trip at the same time his wife takes one, so Ellsberg subsequently mentioned to another individual that he left a satchel filled with stuff at his friend's house during a contact with Pat Marks — that, of course, would be a misspelling — of Scarsdale, New York. She told him that the stuff Harry had was all right, although it was disorienting.

Anybody reading the letter would say that that must refer to drugs. I am not up on this lingo of "trip" and the rest. What information was brought to me, when it came to my attention, I do not recall. At some time I heard, after the Pentagon Papers case became national news--Mr. Ellsberg's name was brought into it along with, apparently, Mr. Halperin's--I heard that there was information to the effect that these people were on drugs. I must say, though, that my recollection at this time was that that information had been developed in the investigation of Ellsberg after the Pentagon Papers came out, rather than in this period. And, frankly, when I read this file, I was surprised to find that this business about Ellsberg being on drugs and so forth was two years old at the time of the Pentagon Papers.

Q Given that there would be concern about Mr. Ellsberg's erratic behavior and the possibility that he had other documents which he might leak, do you recall or do you have any knowledge of anyone directing that Mr. Ellsberg himself or any of the other principals involved in the Pentagon papers case should be wire tapped during this time period, after the publication of the Pentagon Papers?

A No, I have no recollection of directing that they be wire tapped. As a matter of fact, there was a considerable disagreement within the Administration as to whether Ellsberg should even be prosecuted.

As I testified yesterday, I stopped the prosecution or stopped the efforts that someone had to make to prosecute the publishers, who were equally guilty, for reasons that I thought were very good reasons, and in the Ellsberg case I didn't think or I didn't know or didn't believe -- I mean, when I say that, many of my associates did not believe it was worthwhile to go ahead and prosecute him, but eventaully the decision was made to go forward on the prosecution.

Incidentally, one of those who was very reluctant at the beginning to go forward on Mr. Ellsberg's prosecution was Mr. Hoover and that was for a very sensitive, personal reason. Ellsberg was involved --

- Q You refer to Mrs. Marx?
- A To Mrs. Marx. That is why I say it is a misspelling

here. It says M-a-r-k-s here and it is M-a-r-x, the Marx I knew and Mr. Hoover knew and Ellsberg was married to the daughter of the toy maker, who was one of Mr. Hoover's closest friends, and apparently Mr. Marx, like, I am afraid, poor Mr. Hearst, even though his daughter he knew was a little off, he still loved her, and Hoover just didn't want to get into the Ellsberg thing because of the embarrassment that it would cause to them.

Incidentally, he didn't tell me that specifically, but that information was conveyed to me, I believe, by the Attorney General.

Q Returning to the issue of wire tapping, much later on, and again in the same conversations that Mr. Horowitz has referred to earlier, in April of 1973, on that day you had meetings with, among others, Mr. Petersen and Mr. Richard Moore, and in those conversations you again refer to the Marx episode with Director Hoover. You seem to indicate in those conversations that there was some wiretapping and you state to Mr. Petersen, and I quote, "Now when Hoover got into it, it should now be wire tapping" and later you state, that same day, to Mr. Moore, "They had the FBI do bugging once it got into the case, let me assure you - unquote.

I believe you stated you don't recall being aware of such wire taps?

A Yes, sir, and I am well aware of that record,

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and I must say I was surprised to find, when I read this record, that there was no wire tapping except for a highly sensitive case that I, of course, will answer questions on if the Special Prosecutor is interested in it, involving Yoeman Radford, but there was no wire tapping after February of 1971. Of course there was none after June 20 of '72 because that was the time the statute went into effect.

I just assumed, without knowing, that Mr. Hoover in conducting an investigation would probably be doing what the FBI always does, going to every source, using every method possible in order to get information. My assumption, apparently, was incorrect.

Q I would like to turn to the period after --

A Incidentally, I should point out I can't recall seeing and have no recollection of seeing any wire taps that May.

If they were instituted and then destroyed or something, I
have no recollection of ever being informed of what was in
them or anything of that sort, so if they were destroyed,
which is possible -- that is Mr. Hoover's practice quite
often -- nothing was produced in them that was considered to
be important to the prosecution.

Ω I would like to turn briefly to a meeting you had with Mr. Mitchell, Mr. Ehrlichman, Mr. Haldeman, after Mr. Ellsberg was indicted, and just to try to refresh your recollection, the meeting was on July 6. What you might

whether or not members of the NSC staff, Dr. Kissinger's staff,

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E Washington, D.C. 20002 (202) 546-6666 may be involved in leaking information, whether there may be a conspiracy aspect to various leaks that were occurring at that time, but what we are specifically interested in is the references beginning on page 8, where Mr. Haldeman raises the possibility that someone should review the wire tap records that we have been referring to to see whether there would be anything of value to the Pentagon Papers investigation and Mr. Mitchell states that he is having them reviewed in the Bureau. That conversation continues in that vein up to about the middle of page 9 or the top of page 9.

- A Yes, I have read it.
- Q Do you recall being informed by Mr. Mitchell that these wire tap records were being reviewed?
- A I have no independent recollection of it, but having seen this conversation, Mr. Mitchell must have told me that on that occasion.
- O Do you recall whether anyone, other than Mr. Mitchell, informed you of that?
- A I have no recollection of anybody else having told me, because it is not a subject that I consider to be -- I fear at that time I had very much on my mind.

You noted the date here - July 6?

- Q Yes, I noted that is the date that Dr. Kissinger was on his way to China and I think that --
  - A You know why I wasn't thinking about it?

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I am sorry?

It was at that time that the Chinese initiative 3 was being undertaken and my mind was, being the single track 4 mind that it is, where major subjects were concerned, through-5 out the period of July, until the announcement was made on 6 July 15 that the trip was going to be taken, and for some 7 time thereafter, I was thinking of the China initiative. Con-8 sequently my recollection of a conversation of this sort is, 9 frankly, as I stated. I simply don't recollect it, but if 10 you were to question me today about the meetings I had with 11 Kissinger, the cables that he sent to me while he was on the 12 way to China, the problems he was having of getting from Pakistan to China, his conversations with Chou En-lai and a 13 14 meeting that he had with other Chinese officials, I could remember it almost verbatim. But this kind of thing I just 15 didn't pay that much attention to, and I don't think you would

- Q I can appreciate that --
- A No, you wouldn't.
- I would like to turn to --Q

I don't say that with any reflection on you. I mean you have your job and I have mine, but I want the Grand Jurors to understand when I say I don't recognize something, it isn't because I am trying to duck a question. If I don't recollect it, I am not going to say I do, and when you are

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have either.

engaged in activities that are, for example, what you talked about, the date of the institution of the wire taps, -- You know how many Americans were being killed in Vietnam them -- three hundred a week. There were 600 Pows in Vietnam in May of 1969, and at that time massive offensives were coming down from the north in Vietnam and at that time, as well, 14,000 Americans were being drafted. All of that we stopped, and we couldn't have stopped them unless we had had secret meetings with the Chinese, with the Russians, with the North Vietnamese and the South Vietnamese. It was a four-legged stool, and that is why, you see, my concern about leaks was so great, my concern about the Pentagon Papers was so great.

A lot of our sources dried up for some time after the Pentagon Papers came out and they dried up because they didn't think they could talk to somebody from the United States without fearing — I am speaking of foreign sources — without fearing, without being assured that that would be in confidence, so I would say that as a result of what Mr. Ellsberg did and what the New York Times, and, in my opinion, one of the most irresponsible actions by a great newspaper of this nation did, the ending of awar and the killing of Americans was delayed. Initiatives would have come much sooner had that not happened.

Oh, I know this goes against the current thinking. I don't mean you gentlemen and I don't mean the Grand Jurors.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 The current thinking is that Ellsberg and the New York Times should be heroes for exposing and putting out all of this confidential information.

Let me say when confidential information is put out that costs one American life, I think the one that puts it out should go to jail for it.

- Q Well, appreciating your concerns as you stated them --
  - A Why I think you agree with that, don't you?
  - Q Well, I think I --
- A I am sorry, it is not my right to question you. I am sorry.
- Q Given this concern, and given your concern about the fact that Mr. Ellsberg, in order to minimize the damage that had already been done, he should be prosecuted so that this would be an example that might restore some of this confidence that has been lost, I would like to go back and focus on the events involving Mr. Ellsberg during this period. I would like to turn to a meeting that you had in San Clemente with Mr. Ehrlichman and Mr. Haldeman. The notes that we have indicated that Miss Woods was there at the beginning of the meeting, but I believe that portion of the conversation dealt with the Nixon Library and it is not relevant to us.

After that portion of the conversation, the conversation turns to the Pentagon Papers and there is

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ive.

really just two brief references: One, there is a statement, which apparently would have been made by you, stating that Rogers, meaning Secretary of State Rogers, should be tapping more. Do you recall making such a statement?

A I don't recall making such a statement, but I do recall that Dr. Kissinger, and, incidentally, I think incorrectly in this instance, felt that the State Department bureaucracy was potentially more vulnerable in terms of leaking and less trustworthy than any other parts of the bureauracracy, and that we should make some effort to do something about the State Department people.

Now, as far as Mr. Rogers was concerned, he was the Secretary of State. He couldn't do any tapping. It had to be done, as I have also said, through the usual ways: The Attorney General had to approve them or I had to approve them -- no, I didn't approve them -- the Attorney General approved them, but if I ordered them, the Attorney General would approve them, but as far as the State Department personnel were concerned, as you know, none of them were tapped.

Q Being it appears that the subject of wiretapping was being raised by this comment, there is, again, a statement with regard to "re Grand Jury: don't worry re taps on discovery re witness" and it appears to be witnesses of the White House. "Witness" is abbreviated. Do you recall --

A Let me take a look at that one. I know you furnished

it to me, but I have forgotten which one it is.

MR. MARTIN: I have marked as Exhibit E-2 Mr.

Ehrlichman's notes of a meeting on July 10, 1971.

(The document referred to was marked Exhibit No. E-2 for identification.)

THE WITNESS: Yes, you can go ahead with your question. I can listen while I read it.

BY MR. MARTIN:

Q The first page of those notes is, as I indicated earlier, is with regard to the Nixon Library. On the second page, note 9 turns to the subject of Ellsberg, note 10 is the note I read previously concerning Mr. Rogers and then there is this note I just read concerning the Grand Jury. Do you recall any such reference being made to wire taps somehow being discovered or discovery motions relating to wire tapping in the Grand Jury investigation or in any aspect of the Pentagon Papers?

A No, I don't recall. I don't know what grand jury that could have been he is referring to. These are his notes, of course.

I do know this, that on many occasions I told him, and I told Dr. Kissinger, I told several of them that we should not be defensive with regard to wire tapping for national security purposes, that we could defend them. I did not want

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to disclose that we were doing it because that would, of course, blow the whole program, but that we should not be defensive, and obviously if there was a grand jury proceeding, since grand jury proceedings are totally off the record, that is one area where there would be no concern if wire tapping was disclosed.

Q Specifically, the way that concern could arise is that if a Grand Jury witness was hostile and refused to testify and even after granted immunity refused to testify and the government went into court to have him held in contempt, he could raise the issue of whether or not he had been wiretapped. This would have happened, perhaps, although it did not happen, but it could have happened with Mr.

Halperin if he was called before a grand jury, and it could have happened with various reporters if they were called before a grand jury.

Do you recall any concern that in these grand jury proceedings these wire taps might have to be disclosed?

A What proceedings were going on at that time in the grand jury?

- Q There was the Boston Grand Jury at that time.
- A What were they investigating?
- Q They were investigating the aspects more related to the delivery of the papers to the Times and Post as opposed to the earlier investigation, which was, basically, the Xerox-

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ing and copying of the documents during 1969 and '70. Do you recall any such statement about or any indication --

A I don't recall this. I cannot recall the discussion specifically. I recall generally what I have told you already.

 $\Omega$  Do you recall in this discussion or at or about this time being told that Mr. Mardian would come out here to San Clemente to discuss these wire taps with you, that there was some problem with regard to the wire taps?

A Yes, I know Mr. Mardian did come out to talk to me about it.

Q Do you recall the circumstances under which you were told he was coming, whether a talking paper or some preliminary meetings were held, or anything of that nature?

A No, and I don't have any papers. As you know, you have those, so I wouldn't have any opportunity to review that. I mean you have them, unless we haven't turned them over to you. You don't have them unless we turned them over to you.

That is not a fair statement. But your actions have made it impossible for me to have my papers here.

Q We would like to turn now to the meeting on July 12, '71, and I have marked as Exhibit E-4 Mr. Ehrlichman's notes of that meeting.

(The document referred to was marked Exhibit No. E-4

for identification.)

THE WITNESS: Which part of this?

BY MR. MARTIN:

On the second page, and unfortunately due to the Xerox-0 ing --

- That is all right; I can read it. A
- Just above the note 1 there was a note on the original that just said "Mn", meaning Mr. Mardian, so this is the beginning of the portion of the meeting at which Mr. Mardian is present - the second page.

These are the notes of the meeting of Mardian and Ehrlichman? Ehrlichman must have been there, because he made the notes, I suppose.

Right, and then Haldeman comes in after the first notation.

Fine. A

The first notation is "re National Security taps", as you can see, especially "special coverage taps, Beecher, Sheehan, Hedrick Smith - overhearings would be disclosed," and then the notation Referred Do you recall Mr. Mardian at this meeting giving a list of any of the names of the people who had been wire tapped during this project, such as Mr. Ehrlichman would have written down - these names?

It is possible that he did mention some names. I don't recall that he did.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E Washington, D.C. 20002 (202) 546-6666 Q Well, these notes, and it does state national security wire taps, but the special coverage taps is the term and I believe you would be familiar with them, that some people in the FBI used to refer to this project of the 17 taps, which is principally what he was discussing. Now do you recall Mr. Mardian listing any additional names, such as Mr. Halperin?

A I don't even recall these names. These are names of newsmen, as I recall,. Beecher, Sheehan and Hedrick Smith were all reporters with the New York Times.

I can't even recall that, and I don't recall his listing any names of National Security staff or NSC staff people, but he might have.

Q Do you recall whether or not he made the statement that overhearings would be disclosed? Do you recall that statement?

A I cannot recall that. I don't know in what connotation he would make it.

Ω Let me explain to you why overhearings would be disclosed. Mr. Ellsberg, among others, and these people listed here, had been overheard during the NSC wire taps.

A In the earlier period, too?

 $\Omega$  In the earlier period. Now, as you know, the fact that Mr. Ellsberg was overheard was not disclosed, as in the normal course it should have been, at least to the

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 Court in camera, not necessarily publicly, but at least in camera it would have had to have been disclosed after he was indicted, and again these people could have required over-hearings to be disclosed in the same manner if they were indicted or if they had some contempt hearings with regard to the Grand Jury. So do you recall in that vein anyone mentioning these wire taps and these overhearings would have to be disclosed in connection with court proceeses?

A I don't recall it. It is very possible that they did talk to me about those things. I must say I can't remember Mardian even being here, let alone what he said. I was thinking about other things.

Q As we went through earlier with the July 12 meeting with Mr. Mitchell, where he informs you that the wire tap records are being reviewed, do you recall whether or not Mr. Mardian in raising this subject stated this had come up as part of his review of the wire tap records in connection with the Pentagon Papers investigation?

A No, I have no recollection.

Now, the next note involves a U.S. Attorney's office and various indications that people in that office may be disloyal, and I would like to suggest and see whether this strikes any response as something that may have happened, whether or not that was raised in the context that these wire tap records or the fact that these wire taps had taken place

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would in the normal course have to be disclosed to various people in the Justice Department bureaucracy dealing with the Pentagon Papers case and that these people may be disloyal and might leak that information?

A Well, let's understand these, of course, are not my notes; they are Mr. Ehrlichman's notes, and when I saw this reference to the U.S. Attorney's office, this is certainly what he thought about --

Q Well, I --

A Now, just a moment. With regard to the possible disloyalty, as you have asked the question about that, summer interns and Whitney North Seymour, Jr. -- I knew his father, but I never knew him -- et cetera, and Lindsay type people -- I don't know what that means. Oh, yes, Lindsay was mayor then, but I don't know what the New York offi-e, what it had on its plate at that time that it would allow it to get in the wire tap area.

Was there a case there with them? There would have been if we brought something on the newspapers, I suppose. Is that what you are referring to?

Q All I mean to suggest is that if people in the bureaucracy were disloyal and if -- this is just given as an example -- whether other people in the Justice Department, in the U.S. Attorney's offices elsewhere that might have to be handling this case, such as in Los Angeles, whether they

wire taps.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 A Let's stick precisely with the notes. This refers to the New York Attorney's office. What was going on there then?

were viewed as possibly leaking information about these

Q At that time there was nothing further going on there then.

A Then I don't know what the reference is there, why that would be brought up. I would say that would be the last place that you would expect information to be disclosed.

You see, the real point is, as I read these notes, and my asking you about what was going on in New York in the U.S. Attorney's Office bears out what I said earlier, that I just have no independent recollection of the meeting with Mardian and what was discussed at the meeting. I am only relying on, for whatever information I am giving you, on the notes that others have made.

Q Whether or not you remember specifically this meeting as occurring on this date with these people and these exact words being used, do you recall at or about this time this subject matter being discussed concerning the wire tap records?

As we go through you will see that there are various references to gathering these documents together, to destroying the documents, to telling Mr. Hoover to destroy the

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documents and later on a reference to having General Haig return all of the documents he has to the FBI and then to request the FBI to destroy all of the documents. Do you recall that subject matter?

A That subject matter was discussed because at the conclusion a decision was made that Mr. Mardian should go back to Washington and get the documents together, as I recall, and collect them from the various plades that they were. The references to destruction are mystifying to me. I can't recall directing that they be destroyed, and if I did the directing was not carried out.

Q Why was Mr. Mardian having all of these records gathered together? Did it relate at all to the Pentagon Papers and the possible disclosure of these wire taps in connection with the Ellsberg trial or other aspects of the Pentagon Papers investigation?

A No, not as far as I was concerned. What I was concerned about was that after the Pentagon Papers case and the, if I may use the term, the enormous positive hullabaloo that developed across the country, where people who steal classified documents are made heroes and those that publish them get Pulitzer Prizes. I was concerned about a massive leaking problem in the State Department, in the CIA, and, frankly, in the Defense Department -- to my great surprise, I learned later I proved to be right in that respect -- and what I was

concerned about was to do everything possible not to have this program basically totally, not only revealed, but by its revelation the capacity removed to do the necessary work that I considered we would have to do if we were going to plug leaks involving the national security and involving highly sensitive negotiations which we were undertaking.

Q If I understand your answer, you are saying that you are concerned about the existence of these wire taps leaking because you felt that it was something that may be necessary, a necessary evil, if you want, to use this type of activity to track down leaks that you were afraid might occur in the future? Is that essentially correct?

A That was my primary concern, yes.

Q I would now like to turn to a later period, in October of 1971, and just to briefly recap what happened:
Mr. Sullivan was fired by Director Hoover at the end of September. At that time Director Hoover learned that these wire taps were no longer at the Bureau and was trying to locate them.

On October 8 you met with Mr. Mitchell and Mr. Ehrlichman and the decision was made to give these wire tap. records to Mr. Ehrlichman since Mr. Mardian had them. What I would like to get to is October 25, and I will mark as the next exhibit two documents. We will mark as Exhibit E-5 a memo from Mr. Liddy to Mr. Krogh, dated October 22, 1971, and

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.C. Washington, D.C. 20002 (202) 546-6666 as E-6 a transcript of a meeting between yourself and Mr. Ehrlichman on October 25, 1971, in the Oval Office.

(The documents referred to were marked Exhibits E-5 and E-6 for identification.)

## BY MR. MARTIN:

- Q Now there are two specific references which I would like to go to, and on the Liddy memo, at page 7 --
  - A Don't you first want to ask me if I have seen it?
- Q Well, the transcript of the October 25 meeting indicates that you had seen it and were discussing it with Mr. Ehrlichman.
- A Yes. Fine. I just thought you ought to get it in the record.
- Sorry. I have seen it; that is right. It is one of the rare instances where a staff memorandum was brought to my attention. Apparently Mr. Ehrlichman sent it in because he thought it was a rather perceptive memorandum, because he agrees with its recommendation that Mr. Hoover had to go.
- Q On page 7, under arguments against immediate removal, that being immediate removal of Mr. Hoover --
  - A This is Liddy?
- Q This is Liddy. The first argument is that Hoover could resist and make good his threat against the President. Now, in discussing this memorandum with Mr. Ehrlichman, in

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the transcript of that meeting you state, with regard to Mr.

Hoover, we may have on our hands here a man who will pull down

the temple with him, and that reference is at page 3 of the

transcript, about a quarter of the way down the page.

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A Page 3?

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Q Yes, page 3.

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A Yes. Right. Go ahead.

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Q Do you recall whether or not you were aware that Mr. Hoover had indicated to you or others that he might dis-

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close these wire taps that we have been discussing?

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A Well, you have read again out of context a very small portion of my statement. We are speculating there about the Liddy memorandum and Mr. Hoover's situation, his problems, and I say, "You are correct, we have on our hands here a man who will pull down the temple with him, including me. I don't think he would want to. I think he considers himself a patriot, but he now sees himself as McArthur did, Benson did, and perhaps Agnew does --

"Mr. Ehrlichman: Yep."

And I say "Yep", and he says, "...himself as an issue greater than the issue which is the great --" and I said "weakness of any political man."

Now what is all this? This is simply a discussion, a free-wheeling discussion between the President and one of his top advisors on some theories that a very bright young

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man in one way, very stupid in others, Mr. Liddy, who had been in the FBI and had written us about Mr. Hoover.

Let me just recount briefly what my attitude towards him was and what I really believe. I always, in my process of thinking, went down every avenue, considered every option, would even put out to my advisors something that I might not even be for myself in order to drag out of them their best thinking because many times, you know, people who advise the President tell him what he wants to hear and they always wait to find out what they think he wants and what he believes before they talk. I didn't like that. I wanted to find out what they really thought.

Now as far as Mr. Hoover was concerned, my relationship with him goes back many years. It goes back clear to the Hiss case where because of an order issued by Mr. Truman the FBI was prohibited from giving the committee of which I was a member any assistance whatever in uncovering that activity. We did it; we got it done. We didn't need a hundred lawyers.

The second point was that over that 25 years I have considered him to be a patriot; I have considered that he was an intelligent man, in a super-sensitive position. I recall, for example, the last conversation -- I believe it was the last one I had with President Johnson in the White House, in December -- you recall, sir, things that are first are last.

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It was in December of 1969, and he told me, very emotionally, that the greatest mistake that he made was after his election in his own right in '64 in not firing all of the people or virtually all of the people whom he had inherited from the previous Administration and getting his own people in, and he said, "You know, many times Edgar Hoover I think is the only man I can talk to. I recall calling President Johnson on the day Hoover died and telling him about it.

I do not mean to digress, but what I am saying is that I met with Mr. Hoover, at his suggestion, in one of our regular meetings at Easter of this year -- I believe it was then. You have the transcript of that conversation.

No, you haven't. You got notes of it or something and recollections as far as that meeting because I recounted that meeting to Mr. Ehrlichman or Mr. Haldeman later. Mr. Hoover on that occasion said that he would leave then, he was over age, he was 75, or he would stay, whatever I want. He said, "My major interest is the country, my major interest"—he was never a partisan — he served President Johnson and President Kennedy, President Eisenhower, just as well as he served me. I mean he was a man who considered the presidency was what was important, not whether he was a Democrat or Republican or Liberal or Conservative, but I remember in that meeting he went on to say he would do anything that would help; if resigning would help, he would get out, if he was a

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liability. He didn't think he was a liability; he preferred to stand and fight.

One of the things he was concerned about at that time was a Congressman, who, unfortunately, was killed, Mr. Boggs, from Alaska. Mr. Boggs had launched a rather vicious attack on Mr. Hoover and Mr. Kleindienst, who was then the Deputy Attorney General, had apparently, in an unquarded moment, indicated there should be a congressional investigation This is in regard to Caleb's charges that the of the FBI. FBI were bugging congressmen and senators, which Mr. Hoover has always denied to me, that he has never done this, but in any event what happened was that I reassured him that he ought not to pay any attention to Boggs. Boggs, and no one likes to speak ill of those who are gone, but everybody knows he had a terrible drinking problem and he would say things. He made an ass of himself when he was in China. We sent him there on that delegation and we practically had to drag him out of there or our relations with China might have been seriously jeopardized. But my point is I reassured Mr. Hoover; forget Boggs' attacks, I am going to keep you on. This was in April All right. At no time did Mr. Hoover, directly or indirectly, ever threaten that, look, unless you keep me on I am going to blow the whistle on you. At no time did he ever say, look, unless you keep me on, I am going to pull down the whole temple, including you.

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I considered Hoover to be a patriot. I don't question that I talked this way, but as far as what I believed is concerned, it is best indicated by what I did. I kept him on until he died, and delivered a rather good eulogy on his death, and so when we talk about his possibly using the fact he had these taps to blackmail, it was something that was brought to my attention. Mr. Ehrlichman thought he might; Mr. Mitchell apparently thought he might. Obviously Gordon Liddy, whom I didn't know -- I don't believe I ever met him, as far as I can recall -- thought he might, but as far as I was concerned, I had to weigh what my closest advisors thought. I still stuck with him, because with all of his weaknesses, even in his advanced age, I didn't know of a better man for the job.

Back in April of '71 -- this Eastertime that you referred to -- there is some indication in the notes that Mr. Hoover implied that if there was such a congressional investigation, one of the things he might be asked about would be wiretapping and that these wiretaps might have to be disclosed. Do you recall discussing that at that time, the possibility that these wiretaps might have to be disclosed if such a congressional investigation were ever launched?

No, I don't specifically recall that part of it, but he well might have told me that because he always leveled with me on conversations.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 Q Do you recall whether or not you had any conversations with Mr. Kleindienst at that time concerning the congressional investigation?

A With Mr. Kleindiesnt? I think the only conver-

sation that I had was more indirect. I think I talked to
Attorney General Mitchell and told him to tell Kleindienst
he was out of his mind to suggest a congressional investigation
of the FBI. As a matter of fact, I can think of nothing
that is more damaging to the national interest than the
current investigation of the CIA. I can think of nothing
that would be more detrimental to the national interest than
an investigation of the FBI.

I don't mean that the CIA and FBI should be engaged in activities without having proper surveillance and the rest, but it can be done without putting everybody out in front of television lights and so forth. Here they have smeared the memories of three former presidents of the United States by suggesting assassinations and by putting all of this out, and as far as the FBI is concerned, if they want to get into them, they will make them impotent, and I am digressing here a moment by pointing out and making the point that it is essential sometimes in government to have intelligence organizations, intelligence organizations that don't run loose and just go off on some kick in Florida where some IRS investigator is looking into homosexuality of people down there — I don't

HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 know what he was doing that for -- but you have to have control, on the other hand, and to have a fullblown investigation
and then to the point that you completely destroy their
ability to do their job, that is not in the interest of this
country.

Q Do you recall any other meetings during this summer and fall of 1971 with Mr. Mardian, other than this one meeting out here in San Clemente?

A No, I don't recall any other meetings. No. One could have occurred, but I don't recall.

BY MR. HOROWITZ:

Q Sir, continuing on the other aspect of this Grand
Jury investigation, which relates to the wire tap project, as
I informed you, relates to the allegations that Mr. Gray --

A Lied?

 $\Omega$  -- lied during his confirmation hearings, and I am going to try to cover that material with you over the next 45 minutes or so.

Before we get directly into Mr. Gray's confirmation hearings themselves, there has been evidence before the Grand Jury which is relevant here, and to them only insofar as it relates to the Gray matter which pertains to this other electronic surveillance project which I will dub the Radford project, which commenced in December of 1971 and continued until June of 1972 and involved installing electronic

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surveillance on others, including Yoeman Radford. My only questions about that will be a few, and relate to this Gray matter.

Firstly, when that commenced in December of 1971, Mr. Mitchell was Attorney General and Mr. Felt was the Deputy Associate Director, or number two or three in the FBI, and they were the people running it.

- Sullivan had left at that time, I think. A
- That is correct, and in about March, or March 1, or thereabouts, of 1972 Mr. Mitchell left his postion as Attorney General and Mr. Kleindienst took over as Acting Attorney General.

My first question is whether you can tell us about briefings or discussions of Mr. Kleindienst concerning the Radford electronics surveillance project, whether you participated in any or were aware of any.

I don't recall participating in any. I don't recall being aware of any. This project was the most highly sensitive that we had while I was President.

- I understand that and I understand --
- And I am going to describe the project, too, even though you won't ask the question. It is necessary. I mean let me say --
  - I don't want to cut you off.
  - Let me say, Mr. Horowitz, the only reason I must do

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this is that you say why don't you tell the Attorney General and the Secretary of State and all of the rest about your taps. I think the Grand Jurors want to know why didn't I tell Mr. Gray about them when he came in to see me, why didn't I mention the Radford taps.

You are anticipating my questions here.

First, if I might, do you have any reason to believe that Mr. Kleindienst did not know about that Radford project?

A I have no reason to believe that he did or did not know.

Q And going ahead in time, when Mr. Gray was named as Acting Director, following Mr. Hoover's death in early May of 1972, when he came in and I believe met with yourself and then served as Acting Director for a period, do you have any reason to believe that Mr. Gray, while the Radford project was being administered by the FBI itself, did not know about the Radford project?

A I have no reason to believe that he did, and from the conversation that I had with him, I certainly didn't inform him of it. As a matter of fact, if the FBI agent who was involved in the project did not inform him of it, he was doing exactly right because it was so sensitive that I didn't want anybody to know about it.

Q But you don't know that Mr. Ehrlichman, for example,

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did not tell him? You just don't know one way or the other?

A I don't know it, but I would assume -- I want this Grand Jury, before it considers or weighs whether Mr. Gray is guilty or not guilty, to have in mind the facts why this was such a sensitive project and why it is very possible that Mr. Gran, as the Director of the FBI, didn't know about it or was not told about it, because, you see, otherwise the Director of the FBI you would assume would know about every wire tap project. Hooever knew about, I think, all of them, unless somebody was tapping him, but as far as this one was concerned, it was so closel- held that even people in the White House staff who would normally know didn't know about it.

Q You have indicated you wanted to state about the Radford project.

A I want to only because it, to members of the prosecuting team and to members of the Grand Jury, it does sound incredible that the Attorney General and Acting Director of the FBI wouldn't have been informed of a wire tap project. If the record is correct, and I assume that it is, that all taps were stopped in February of 1971, and then this one was the only one that was instituted and that there was no tapping in their investigation of Ellsberg — that is what the record, Mr. Martin, indicates, as far as I can see — the question is why this one and why would we take such risks if we had knocked them off before.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 I should also point out when you ask why were the taps discontinued in February, it wasn't just the hullabaloo out there, but you gentlemen should know that that was Mr. Hoover's common practice. He told me about it. He said, "You know a month or so before I ever go up to testify before the Appropriations Committee I discontinue all taps."

I said, "Why do you do that?"

He said, "The reason is so that when they ask me the question as to whether we are tapping anybody, I can say no."

Now that was the reason that it was done. I don't recall any order that I gave, let's discontinue taps, although I would have agreed with it in the event that they had come to me, because I didn't think it had been particularly productive up to that time.

(Continued on page 269)

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 We will come to the Radford tap. You will all remember that miserable war between two terribly poor countries, India and Pakistan. You will all remember, also, that I issued some orders sending the American Fleet into the Indian Oceas and used every diplomatic and other --

MR. RUTH: Could I interrupt a minute?

Could I speak with Mr. Miller a minute?

(Counsel withdrew from the Conference Room.)

MR. RUTH: We will proceed.

THE WITNESS: All right.

As a result of what we did, we were able to save what was left of Pakistan, west Pakistan. We incurred the, at that time, what appeared to be the undying enmity of India, of the Indians, and, of course, in the United States there are many friends of India and very few of Pakistan, among, particularly, the more liberal people of the press. The net result was that there was very vigorous criticism of the decision that I had made to, the decision that I made —

You don't have to take this; I have to take it;

It doesn't hurt me at all. (Referring to medication)

(Continuing) -- the decision that I made putting

pressure on India. We put pressure on the Soviet Union, as
well.

Now you have to understand why we did it and why American foreign policy was so vitally involved.

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I said "ship him out." We got ahold of the Defense Department and they sent him out to Oregon. His parents, apparently, lived there, so he was willing to go. But it was vitally important that he be tapped to see whether this mania he had developed for leaking was continuing, and so he was tapped and his closest associates were tapped for about six months. They were knocked off in June, on June 20, when the tapping was concluded, and I would say that as far as I am concerned, with all of the talk about wiretapping and the rest -- I mean it is your job and I want the Jury and the Special Prosecutors to kick the hell out of us for wiretapping and for the Plumbers and the rest, because obviously you may have concluded it is wrong, but I want to say this, that if as a result of the secret negotiations that we have had we have changed the world, which we have, if as a result we have saved American lives, which we did in Vietnam by shortening a war -- the secret Cambodian bombings saved at least ten thousand lives, as I have told you -- if as a result we have made some progress in reducing the threat of nuclear destruction by arms limitation with the Russians, and if the other choice is to have what we call total openness, with no security whatever, then the United States is finished as a Maybe a lot of people don't care, but I care great power. a great deal. I think all of you care a great deal.

That is what Yoeman Radford was about, and I would

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strongly urge the Special Prosecutor don't open that can of worms, because there is even more, because he not only --MR. RUTH: I think it was probably a specific question addressed to you, sir. We are not opening it up.

THE WITNESS: Yoeman Radford was not only there, but he was a direct channel to the Joint Chiefs of Staff.

BY MR. HOROWITZ:

Sir, if I might take us back now to --

This indicates to the members of the Grand Jury, if I might address them for a moment, why it is that, first, it had to be top secret and, second -- for example, particularly 12 I didn't want the Joint Chiefs of Staff involved in this sort of thing--second, that by keeping it top secret, and my orders were this case is to be out only on a need-to-know basis, and by need-to-know, that could have excluded the Attorney General, it could have excluded Mr. Gray, it could have excluded everybody except those that were conducting the investigation.

That is why, Mr. Martin and Mr. Horowitz, when you asked me the question can you say for sure that Mr. Gray didn't know about the tap, my answer is I am not sure that he did. My guess is he probably didn't because of the high sensitivity involved.

(Continued on page 278)

BY MR. HOROWITZ:

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E Washington, D.C. 20002 (202) 546-6666 Now, as you have focused it back again, we do want to talk about Mr. Gray's knowledge and the knowledge of Radford was one aspect, but a small aspect, so if I can now, I would like to direct your attention, sir, to the month of February, 1973, when Mr. Gray was nominated by yourself to be Director of the FBI, and our specific reference there is that in the days and immediate week before his hearings

Time magazine published an article alleging that there had been wiretapping by the FBI requested or directed by the White House and that that wiretapping had involved White House staffers and newsmen.

The week end of February 23 and 24, which is immediately before Mr. Gray is going up to his hearings, this story is coming out, the White House is aware of it, and the story hits the news stand, I suppose, that Sunday night.

I want to focus our attention on that week end, if I can, and it was a week end when you were in Camp David and Mr. Gray, preparing and anticipating his confirmation hearings, was down at a place called Marco Beach in Florida, and we have notes of a conversation that you had with Mr. Haldeman that Sunday afternoon, which was February 25, so we will mark that in the same E series, as Exhibit E-7.

(The document referred to

for identification.)

was marked Exhibit No. E-7

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BY MR. HOROWITZ:

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I will pass a copy of that over to you.

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Yes, go ahead. A

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So you have looked over these notes and if I might, 0 for the record, they read - quote - talked to Ehrlichman re Time's latest thing on FBI story. Had names of Brandon and Safire. Ehrlichman told Ziegler just stonewall it."

The next sentence is, "Everything handled", which is abbreviated, "by Dean, Kliendienst, et cetera. He", I believe referring to Ehrlichman" and "I", referring to Haldeman, "stay out of it."

Do you recall this specific conversation with Haldeman?

A No.

Do you recall discussing with Mr. Haldeman the Time magazine article, their latest thing on the FBI stuff?

I probably discussed it with him. He probably brought it to my attention.

What do you remember about that?

Only what thbse notes may reflect, except these are his notes, and whether his ideas and what are his ideas and what are mine, I can't tell.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 Q Well, for example, sir, do you recall discussing with Mr.Haldeman or perhaps with someone else, like Ehrlichman, that Time had the names of Mr. Brandon and Mr. Safire? Do you recall that aspect of it?

- A I recall it only when I read the notes.
- Q Does that bring it back to you, that you --
- A Like I am saying -- I am telling you the truth -- I said I don't recall the conversation. I just recall it when I read the notes. In other words, you've got it.

What is the next question?

Q You don't recall discussing Safire or Brandon or these names with Mr. Ehrlichman at that time?

A I don't recall discussing names that Time had. I do recall discussing a Time magazine article with Haldeman in which they are supposed to have names of various people that were supposed to have been tapped. As far as what specific names were involved, I don't recall that those specific names were in the discussion. I mean if you want me to lie about it, I will be glad to.

- Q I think I understand, but I was a little confused.
- A Better strike that last.
- Ω In other words, do you recall discussing with Mr. Haldeman that they did have some names, but you don't recall these specific names?
  - A What?
  - Q Is that it, that you recall that they did have

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 some names, but you don't recall these specific names?

A I don't recall a discussion of specific names, but it could have happened.

I just want to say with regard to my earlier point,
Mr. Horowitz, -- I mean I am trying to be a cooperative
witness, and I believe you should press me, but don't put
words in my mouth and make me lie about something.

Q I am certainly not trying to do that.

A I am not going to lie about something. If I don't remember something, I have to say I don't remember.

Q But I also have to try to understand exactly. I might be a little unclear as to your testimony.

Let me ask you this: Are you distinguishing between Mr. Haldeman and Mr. Ehrlichman, that is, do you recall discussing this matter with Mr. Ehrlichman, as presumably you reported on it to --

A No, I have no recollection of that. I very well might have.

Q As I noted, Mr. Gray was that week end, when this matter was coming to light, and apparently, according to the notes, there was some conversation about it, but Mr. Gray was away in Florida preparing for his confirmation hearings and, therefore, not available up here in Washington to discuss this matter in person. Do you recall calling Mr. Gray or causing Mr. Gray to be called to ask him or talk to him about the

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Time article?

A No, I have no recollection of a call by me or one directed by me. One could have been made. I don't recall it at this point.

In an effort to help refresh your recollection, earlier when you had discussed with Gray his impending appointment, which was a meeting you had some week prior to this time, you had emphasized to him, among other things, your concern with leaks and it appeared fairly clear from this Time magazine article that some leaks had taken place to Time magazine.

Now, does that bring back conversations with Ehrlichman or Mr. Haldeman, when it was apparent there was this lead, that they should instruct Gray to do something about it?

A No.

Now, sir, staying with these notes, and again I appreciate you don't remember the specific conversation, but if I can capture the ambiance surrounding the possible conversation, perhaps it will help us. You indicate here or Haldeman indicates that you state, "Everything handled by Dean, Kliendienst, et cetera; "E" and I stay out of it." Do you recall any conversations concerning how the Time magazine article or allegations were to be handled in that respect?

I don't recall it. I can speculate as to what

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I might have said, if you want me to.

But you don't recall it?

No, I can't recall it, no. I mean I can speculate

Exactly. I felt that Haldeman and Ehrlichman were

why I might have said that, if you want to know what my specu-

lation is, about Haldeman and Ehrlichman staying out of it.

I assume because they had other duties?

spending too much time on some of these things. Incidentally,

they weren't spending enough, it turns out. None of us were.

But my view was I wanted them to stay out and let Dean and

people that were responsible take care of it. That was my

Let me ask you when you refer to having said

"Everything handled by Dean, Kliendiesnt, et cetera; Ehrlichman

and I", - Haldeman - "stay out of it," do you recall what there

was to be handled insofar as this Time magazine story was

I understand that qualification.

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concerned, other than putting out a press response to it? Do

thing of that nature?

policy, but I don't understand that.

A No, I have no recollection of my talking about briefing Gray on this article or, as I have earlier said, no

you recall discussions as to Gray had to be briefed or any-

recollection of my briefing or having anybody else brief Gray on the Yoeman Radford wiretaps.

Ω On the following day, sir, just after this

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.C. Washington, D.C. 20002 (202) 546-6666 conversation with Mr. Haldeman, but at this time Time publishes its article and Time does not publish the names of any persons allegedly subject to wiretapping.

A They didn't? Okay.

Now in view of a lot of the things you have told us here about the concerns for the wiretapping and that type of thing, I wonder whether you had conversations with others directed toward making entreaties at the time that they not publish specific names or, alternatively, of conversations about why Time hasn't published the names of who had been tapped?

A No, I don't recall any such thing. Let me say that my attitude toward the press and their attitude toward me is well known.

Q Turning to February 27, that was a day when you had a lengthy meeting with Mr. Dean in the afternoon, and the transcript of your conversation which was taped refers to or includes references to various subjects, but of relevance here are the references to the general subject of wiretapping, and so forth. Most directly relevant here is the following dialog:

Let me, sir, hand to you what we have marked as Exhibit E-8, which is a transcript of this particular meeting.

(The document referred to was marked Exhibit E-8 for identification.)

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THE WITNESS: What page would you like me to look

You don't really need to find the page. Just ask the question.

BY MR. HOROWITZ:

This is a directly relevant reference, and if we can locate it for you and direct your attention to it, we will.

It is the bottom of page 11, sir.

It commences with "Dean's last full statement there - quoting - the way it is postured now, uh, we can stonewall it, ah, Gray can go up there in his confirmation hearings and he's not gonna have to bother with it, because they'd accused him in the article of being, sitting on top of the bugs.

"President: Yea

"Dean: . . . it was there once he came in, which is not factual.

"President: Well, there wasn't any.

"Dean: There were none there when he came in.

"President: Well, three years ago that this happened.

"Dean: That's right.

"President: . . . and there hasn't been a God damn thing since.

"Dean: That's right. Correct.

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 "President. Right."

Now, directing your attention to that, sir, Mr.

Dean apparently is telling you that Gray is going to stonewall this article and by that, I take it, you understood
that he was not going to admit the allegations made in Time
magazine?

A Correct.

Q Do you recall discussing either with Mr. Dean or with others at about this time exactly how he was going to stonewall it, how Gray was going to do that, what type of responses he was going to give?

A No, I didn't discuss how he would testify.

Q Did you understand he was going to testify untruthfully?

A You can play that trick all you want, all day.

We can take all day on that. You are not going to put words in my mouth. Ask the question properly.

 $\Omega$  Did you understand that he was going to testify untruthfully?

A No, I didn't understand that.

Q How did you understand the stonewalling? What did you understand that to mean, the refereence to stonewalling?

A Look, the Time magazine article contained a number or covered a number of subjects and I didn't feel that Gray should be up there trying to respond to a lot of subjects in

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which he might not have had any knowledge, but I did not understand that he was going to testify untruthfully, if that is what you meant. I am not telling you today what he knew. All that I have told you today is that when he did testify, contrary to what the assumptions of your earlier questions were, it is very possible, more possible than not, that Gray did not know that there was a wiretap still in existence when he came into office, and there were none in existence when he came in in the first instance.

Q Sir, if I can, just to make my last question clear, when Dean says "we can stonewall it" and then refers to how the article had some inaccuracies on the bottom of page 11 and top of page 12, he is referring, is he not, to these National Security wiretaps? Those are the ones that Time had alleged. They weren't concerned with this Radford matter. They had alleged the wiretaps of the news reporters and the White House staffers and Dean is referring to stonewalling that. Do you recall taat, the stonewalling reference in that respect?

A Well, the stonewall in that respect -- trying to remember what I might have been thinking three years ago, or two years ago -- would be that if Dean is asked a question, as Mr. Hoover was asked for the fifty years he was Director of the Bureau, as to whether or not there had been wiretapping and there were none at that time, that is a stonewall, yes.

Q I am sorry; you mean if Gray were asked that question?

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A That is right, if Gray were asked it. I am sorry.

Mr. Hoover, over a period of fifty years, always stonewalled that question and he was technically truthful.

O Sir, do you recall -- Well, let me strike that.

In the course of this meeting with Mr. Dean, did you have occasion to discuss with Mr. Dean several of the subjects of these wiretaps, and I refer to Mr. Brandon, to whom you referred earlier today, and Mr. Kraft and Mr. Lake and Mr. Halperin. Now, do you recall whether you knew that anyone was sent to or went to discuss with Mr. Gray those subjects of these wiretaps, those particular ones, that is, Brandon, Kraft, Lake and Halperin?

A I don't recall it, no. I have no recollection of it. I don't believe the record shows in any place that I instructed Dean to go over and tell Pat Gray that you had this -- If you have something to the contrary, I would like to see it.

 $\ensuremath{\mathbb{Q}}$  No. That is why I am asking. I was just curious if you could help us on that.

A I would tell you if I knew, but I don't recall it.

Q Now the other matter which is discussed at some length during this meeting you had with Dean which is relevant to the Grand Jury investigation is you touch upon who might have leaked this story to Time and you talk about — when I say "you", I am referring to both you and Dean, to a

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 certain extent, but I am paraphrasing -- you discuss about Mr. Felt and Mr. Sullivan and so forth. Now in that vein, did you at this time direct that any investigation be done by the FBI as to who the leak was on this Time magazine article, again as to the National Security taps; that is, the seventeen?

A No, I don't recall that.

Q Do you recall learning that Gray had himself directed an investigation of who had leaked this information to Time magazine?

A I don't recall that Gray told me. I think I remember that in a conversation that I had with Gray --- that is the only one I had with -- I expressed my general views about the FBI and the relationship of the Director to the President, but I don't recall any reference to conducting an investigation of, a specific investigation, because your question is specific.

Q Right. I think we are merging together two things.

A I did refer to the fact that I thought the morale of the Bureau was low; I thought there were leakers at the Bureau, et cetera.

Q I think we are merging together two things, and maybe this will help focus my question: During your meeting with Mr. Gray, when you told him you were appointing him, you had occasion to raise with him your concern for leaks in Time magazine, particularly. My question is when, roughly

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a week and a half after that, you had a leak to Time magazine from the FBI which went to one of the sensitive National Security projects, in view of having raised that specifically as a concern with Gray, my question is whether you directed there be any investigation or whether you learned that Gray on his own conducted an investigation.

A I don't recall learning that he had conducted one and I don't recall directing him to do so. I think he knew he was going to have a rough confirmation session and I imagine he was spending most of his time on that.

Q Do you recall hearing or discussing with others, sir, in the days after Gray's relevant testimony on this subject, which was March 1, 1973, when he was asked about the wiretaps and in fact did at least parry those questions, or stonewall them, or what you will, do you recall hearing about his testimony, how he had testified on this issue?

A The only recollection I have, and it is probably something that I read that you furnished to me or that we furnished to you and you furnished to me, is that someone told me that Gray had done well on one occasion and somebody told me on another occasion he hadn't done very well, and I didn't know which way he had done or what they were referring to, actually.

Q To make my question a little more specific, and this might or might not be of assistance, Gray's testimony, when

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asked about the subject, was not to pointblank deny that there had or had not been such wiretapping, but, rather, to testify that there were no records at the FBI which was, of course, literally a true statement?

- A That is correct.
- Q Those records are the records to which we earlier referred in Mr. Martin's questioning.
- A The ones Mr. Mardian delivered to Mr. Ehrlichman and who were, therefore, in the White House, and I don't even know that Gray knew where they were.
- Q But Gray's testimony related to the record aspect of it. My question is whether you recall discussing how Gray had, if you will, couched his testimony in that language, rather than speaking to the allegation directly.
  - A That I suggested he testify a certain way?
- Q Whether you knew that he had so testified and discussed it with others?
- A No, not the specifics of his testimony. I would only get a general -- with all of the things that had to come across my desk and people that came through -- I would only get a general appraisal of how the man did.
- Ω Do you recall any general appraisal beyond what you have already told us is what I am asking.
  - A Well, you have the tape of Dean of the 28th.
  - Q Well, that was prior to his testimony on this

subject.

A Oh, it was?

Q Yes.

A Anything with regard to his testimony, I think
I would have, that it was probably at some meeting that we
had, but I don't recall at this time.

You mean as to how he testified?

Q How he testified.

A As to whether he lied or not?

Q As to whether he couched it in a literally truthful fashion?

A Let me say, first, I never directed him, and I don't know anybody else that could have directed him to go in and lie. I certainly didn't, and I have used this term, as you will note, in one of the tapes, want to give the store away as far as turning over raw FBI files to the Congress, and I think all of you gentlemen would agree that is a horrible practice because the raw files that we get — the FBI doesn't necessarily do work in the area — the raw file we get when people apply for jobs contain the most outlandish quotes and most of it is totally irrelevant — what a kid might have done or a man have done when he is five years old.

MR. HOROWITZ: Thank you.

THE WITNESS: That is not only outlandish; that is

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HOOVER REPORTING CO., INC. 320 Massachusetts Avenue, N.E. Washington, D.C. 20002 (202) 546-6666 just irrelevant.

MR. HOROWITZ: I think you have answered that, and we will check with the Grand Jurors as to whether there are any questions.

THE WITNESS: Let me say first, and I will put this on the record, I first met him when he was Admiral Radford's top assistant and he attended a National Security Council meeting. This was back in the '50s. I didn't know him well. My relationship with Gray was not personal, as it was with Hoover. He was never my personal guest, for example.

With Mr. Hoover, I would see him quite often, with my wife, the two of us together, and her family, on a personal basis, going back over 25 years, and my relations with Hoover were that close.

With Mr. Gray, while he had always been a supporter, apparently, since the Radford days and had been a good friend, I understood, it was more on an official basis, but not on a personal basis. But I would say this with regard to Gray, and I realize the place for this is not before the Grand Jury, but it bears on it because it would be so easy for me to sit here and try to nail Pat Gray to the mast, and I would if, first, if there were any evidence; second, if there was even a suggestion which I might turn into evidence if I thought he was a basically untruthful,

appointed him, as not being particularly the best qualified man to be head of the Bureau — actually we were looking for a judge or former prosecutor or any number of people, including Judge Byrne, as you may recall, who I shook hands with out here, and incidentally Mr. Kleindiesnt thought so well of Judge Byrne that he was the one that recommended him to be considered as head of the Bureau. I hope some day he does get it, even though it is a little late now. He is too old.

But what I was going to say with regard to Gray,
my answers on Gray and what he may have known and what he has
testified to are, of coursae, colored to a certain extent
by my knowledge of the man. He was a decent man; he was an
upright man; he had a relatively high level of intelligence,
but he was sometimes rather, in my view, too military and straighlaced in his thinking. He didn't have the subtlety that Edgar
Hoover had or that I hoped that Chief Kelly has now. But in
terms of whenever I would hear something about Gray, first I
would never have appointed him if I thought he was basically a
man who was untruthful. I wouldn't have appointed him unless
I thought he was honorable.

I believe that in his life he did the best job he could. I believe it is tragic that at this time of this silly, incredible Watergate break-in, he took the papers from

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Hunt's safe and burned them, rather than hold them, which led, of course, to his withdrawing his nomination for the FBI, but when you come down to the key point, you see you have asked me. Mr. Horowitz, and very properly -- I wasn't really needling you before, you understand -- it is your job to needle me, but, very properly, when you pressed me on the point, well, do you think that Gray was telling the truth or was he asked to lie or this, that or the other thing, that all of the information I have and with all of the discussion that I have, my answer is I believe Pat Gray is an honorable man. I do not believe he would deliberately lie. I don't not believe that if he was told that national security was involved, if he knew about the Brandon tap and it was so sensitive that he could not reveal it, that he would not reveal it, but I don't think he even knew about that. That is my belief.

MR. HOROWITZ: Thank you. We are going to ask the Grand Jurors if they have additional questions, and I think that will take all of 30 seconds, and we will be back.

(Counsel and jurors withdraw from the Conference

(Counsel and jurors withdraw from the Conference Room.)

MR. HOROWITZ: Thank you. No further questions.

(Whereupon, at 12:50 p.m., the taking of the deposition was concluded.)

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## CERTIFICATE

I, Mary S. Smith, do hereby certify that the witness whose testimony appears in the foregoing pages was first duly sworn by the Chief Judge, United States District Court for the Southern District of California, that the testimony given by said witness was taken stenographically by me and thereafter reduced to typewriting by me, or under my direction, that the transcript is a true record of the testimony given by said witness.

Mary S. Smith, Reporter

## Memorandum

TO : Peter Kreindler

DATE: July 10, 1975

FROM : Henry L. Hecht

SUBJECT: Typographical Errors in the Nixon Transcript

In my review of the questioning of Richard Nixon concerning alleged harassment of Larry O'Brien by the IRS, I found the following typographical errors.

- (1) Page 170, line 11, nwxt should read next.
- (2) Page 173, Claud De Sautels should read Claude DeSautels.
  - (3) Page 184, line 3, type should read tip.
  - (4) Page 184, line 8, type should read tip.
  - (5) Page 184, line 25, type should read tip.
- (6) Page 197, <u>Internal Report</u> should read internal report.

Because of the sensitivity of this deposition, I have not made a chron or file copy of this memorandum.