(Tape noise occurs throughout)

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EHRlichman: Well, he and his two lawyers who are ver-
very bright young guys came in. --So I said, "Evidently, judging by your phone call
earlier this is moot." He said, "Yes, we have just come from our informal conference
with the U.S. Attorney." He proceeded then to voluntarily give me his whole testimony
from beginning to end.

HALDEMAN: (Unintelligible) sticky wickets, but no new
ones.

EHRlichman: That's right.

PRESIDENT: Your definition of their (unintelligible)

HALDEMAN: On the other side (unintelligible) It's much
rougher on Dean.

PRESIDENT: On Dean, he told him to lie?

EHRlichman: No. He's been a participant, an active
participant in this thing right from the
very beginning.

HALDEMAN: (Unintelligible) talked about the case in
the most coherent way we've ever had.

EHRlichman: And I must say--

HALDEMAN: We finally will know what happened.

EHRlichman: This has the--this has the ring of truth
about it. He, he is a convincing witness.
So, ah, ah, you know. But at the same time
it has...

HALDEMAN: It also is not in conflict with anything
else you've got...

EHRlichman: That's true.

HALDEMAN: and almost totally corroborates everything
else you've got except you get to end of
this time.
EHRLICHMAN: his all starts back in September of 71, when Dean, Caulfield and Magruder,--ah, met and contrived an intelligence effort called Sandwedge. Too much, 2 months later, ah, Dean had been unable to find the right people to make that thing work.--and Dean had approved of Liddy And later ah, Dean, Liddy and Magruder met. Liddy, after having some contact with Dean, and Magruder is a little vague on (unintelligible) forward with a million dollar proposal.--Magruder says that Dean says that a million dollars was the right figure. And that's why he picked that figure.--Budgets and so the four of them met. They went over it and Mitchell rejects it. A week later, Liddy came back with a budget half as big, the half-million dollar budget. And that was also rejected-

PRESIDENT: By Mitchell?

EHRLICHMAN: By Mitchell. Dean went on and said "These kinds of things shouldn't even be run by Mitchell. He's Attorney General of the United States. He is sitting over here in his parochial office and he shouldn't even--Liddy and Magruder then went on to try and develop a satisfactory project proposal.

PRESIDENT: A quarter...

EHRLICHMAN: A quarter million dollar level. Magruder said he was never satisfied with it. He kept sending Liddy back to the drawing boards. Finally, Colson called, with Liddy and Hunt in his office (unintelligible-tape noise) vigorously. Finally, although he, and he felt Mitchell, too, were nervous about it and didn't feel comfortable about it, he said, "Well all right, I'll start this moving."

PRESIDENT: (Tape noise) he doesn't say that Colon chewed him out? Specifically about this proposal?

EHRLICHMAN: He said, Gordon Liddy's projects. He did not say wire taps. He used the word "projects." In fact, there was indeed a budget for this quarter million dollar proposal. It was in writing. A copy of it
had been furnished to Gordon Strachan. And items very specific, in terms of the kind of equipment to be used.

PRESIDENT: It was furnished to Strachan?

EHRLICHMAN: Yes sir. (Unintelligible) There was no problem from Strachan. That is he informed Strachan that he was going to go ahead with the so-called Liddy proposal and, I read his, I read his non-response as okay from higher-up. I am not able to say of my own knowledge that there was any knowledge of anyone higher-up. Ah in point of fact, the, the ah, ah, -- was insisting upon was information on Larry O'Brien. That was the thing he called about and that's the thing that he had been driving at. Around the end of March, Mardian, ah, ah, excuse me, Magruder and LaRue went to Key Biscayne where John Mitchell was.

PRESIDENT: Magruder. LaRue

EHRLICHMAN: Right. They presented it to Mitchell, Liddy's final proposal, which (unintelligible) installed bugs in three places -- Watergate --

PRESIDENT: Was that on the phone?

EHRLICHMAN: They were in person.  

PRESIDENT: Magruder...Magruder and Mitchell-- and LaRue and LaRue. Presented it to Mitchell?

EHRLICHMAN: Yes sir.

PRESIDENT: In three places, huh?

EHRLICHMAN: It involved bugging three places -- Watergate, McGovern Headquarters and the Fontainebleu. In the conversation, Mitchell orally approved it. Ah, now, it involved other things besides taps, and ah, he was not specific. He said, "In all, in all honesty this was a kind of a non-decision. Nobody felt comfortable in this thing but we were sort of bull-dozed into it." (Unintelligible) Ah --

PRESIDENT: By Colson?

EHRLICHMAN: I think March, about the time of the meeting
down in Key Biscayne, Liddy threatened Magruder's life. He said he was transferred to the Stans' operation.

PRESIDENT: Yeah.

EHRLICHMAN: LaRue approached Magruder and said, "We need that operation. You ought to take him back because it's, it's dead water without him."

In fact, from the White House to the Headquarters, he says he told the U.S. Attorney, convinced him that they needed the operation. Back to the quality of the work, they, what they were were getting was mostly this fellow Oliver phoning his girl friends all over the country lining up assignations. And paying money and discussing their Young Leaders' Conference. Liddy was badly embarrassed by the, ah, chewing out he got. (Unintelligible) again met in meeting with him. He said to John Mitchell, "Mr. Mitchell, I'll take care of it." That was all that was said. So the next break-in was entirely on Liddy's own motion. But Magruder says neither Mitchell nor Magruder knew that another break-in was contemplated.

I said "what ah, (unintelligible) after the firing of Liddy." Magruder was very nervous about him. He phoned John Dean and asked Dean to talk to Liddy and try and settle him down because he was acting erratic. Who in the White House is--involved in this whole thing?--the names that I have given you. Dick Howard, some of Colson's people, and a lot of the secretaries in the have various information about a lot of different projects, and pickets--all kinds of things that will come pouring out in the process of this whole thing. Well I said, "Back to the burglary, who else?" He said, "No one else." He said, "The U.S. Attorney is hot after Colson:--they know he was close to Hunt. The only thing they have him on right now is the phone call to Magruder ah, so far as Jeb knows. But his attorney then chimed in, and said, "I think the U.S. Attorney has a good deal more because the U.S. Attorney told the lawyer that Hunt had re-perjured
himself with respect to Colson."-- when he was called back in under immunity and testified as to the break-in, and the capture of the burglars, and the cover-up. Mitchell, LaRue, Mardian and the lawyers basically--plus Magruder. Ah, Dean devised a cover story, ah, in concert with these other people, and enlisted, ah, Bart Porter who went to the Grand Jury and perjured himself in concert with the cover story. Dean prepared Magruder and others for the testimony at the Grand Jury, cross-examining and getting them ready. Likewise, he leaked out information from the Grand Jury to the people at the Committee for the Re-election. The U.S. Attorney knows that he did that. It is illegal to do so.

PRESIDENT: Did he say where he got it?

EHRLICHMAN: He got it from higher-up. Ah, I assume that's Henry Petersen, but I don't know. Okay, with Magruder and Mitchell in the operation of their, of this cover story about ah, these meetings. And they, they worked out a, a, deal and they cancelled one meeting -- the million dollar meeting--and the second meeting which was the half-million dollar meeting -- they told the Grand Jury they...

PRESIDENT: He's testified to all this?

EHRLICHMAN: Yes. They talked about election laws. Yeah, he's just told the U.S. Attorney all this. He-destroyed his diary, but he couldn't do that. Ah, there's a million and a half dollars in cash that was distributed.

PRESIDENT: Jesus Christ!

EHRLICHMAN: LaRue and Stans know about it. There is quote the famous list un-quote of where that money went. Ah, I don't know I am going to have to check my notes with O'Brien. O'Brien may have told me about that. He may have given some idea of where that went. The three-fifty is a part of that. Mitchell says to Magruder, "Don't talk."

PRESIDENT: Discouraged him. What about Haldeman?
EHRlichman: Haldeman's very much a target of the U.S. Attorney. So far they, they, they indicated that they, he was implicated only by association with other people—meaning Strachan presumably.--The attorney gave me his private evaluation, that that was a little puffing on the part of the U.S. Attorney. He did not think that they had anything. Reisner and Powell Moore—Powell Moore is somebody on Timmons' staff who was at the committee and who accompanied Liddy on what are called "The Saturday Events." "The Saturday Events" are the events that took place the day after the burglary Liddy went out to find Kleindienst at Burning Tree and, ah, told him to let everybody out of jail, on orders from John Mitchell. And LaRue, of course, and Mardian, largely on obstruction. They're developing many counts of obstruction of justice. Ah, one of the attorneys then in winding up, I told him— I gave Jeb your wishes and felicitations and so on and one of the attorneys said "Well, you know, in all of this there is not a scintilla of evidence that the President was in any way aware of any of these transactions." And he said, "Well I didn't say that for any purpose except just to express to you an impression I have about the way this thing's going." He said, "Literally tens of dozens of people down there crying to, to be heard by the U.S. Attorney. And he said, "This thing is rapidly deteriorating." But, ah, he said, ah, "In all of this I don't see any evidence of the involvement of the President." So that was that and I thanked them and sent them on their way. Now I have the Attorney General of the United States sitting at home waiting to go to this dinner party and I have the Deputy Attorney General out of town. But as Bob points out, there isn't anything in my report that isn't pretty well covered and expanded on in what they've just got from Magruder. So, I think what I can do is call the Attorney General, tell him what I was going to tell 'em, tell him that
Magruder has just disclosed to me what he has shown to the U.S. Attorney and that I really don't have anything to add, but that I did want him to be aware of the fact of the work that was done, and what I have done today. And, ah...

HALDEMAN: Meetings which you had with Mitchell...

EHRLICHMAN: Yeah.

HALDEMAN: ...and Magruder,

EHRLICHMAN: Yeah.

HALDEMAN: The purpose of your meetings was to make the point to them that they should not go on--on the misguided assumption that that was for the President...

EHRLICHMAN: Right.

HALDEMAN: (Unintelligible) This says that the meetings at Key Biscayne (unintelligible) existed long after...

PRESIDENT: Tell me this Bob, ah, what is, what about Strachan? Strachan says he did not know about this.

HALDEMAN: Can I give Strachan a report on this?

PRESIDENT: Sure. Sure. What is your, what was your view about Strachan's perjury?

EHRLICHMAN: I don't know.

(More than one voice heard, all unintelligible)

Make the headlines.

HALDEMAN: (Unintelligible) He goes to the Grand Jury Monday morning. That's why it's fair that he be given this information so he doesn't perjure himself.

PRESIDENT: Right.

HALDEMAN: I don't think he's testified on any of this so I don't think he has any perjury problem. What he's got to do is build the defense that, that ah.

PRESIDENT: Meets these points.

HALDEMAN: Meets these points and ah...
PRESIDENT: Could...

HALDEMAN: And he could--he can keep himself as a, as an office boy, which is what he was. A conference boy. If he lied about a thing--he persuaded Gordon to keep Liddy on, or something, or Jeb to keep Liddy on--ah, I would think he would argue back that--"Jeb said to me, 'Now, what should we do?' and I said, "Jees, I think we better keep him on--he's getting good stuff." (Unintelligible) I think Gordon knows how to deal with that if you give it to him. But I -See now, I went back to Gordon today on this point (unintelligible) and he said, "Absolutely, there was no other money." That on the 22 the only deal was for a fella to handle it according to what Howard told him--that's who they sent the money over to.

PRESIDENT: For him (unintelligible).

EHRLICHMAN: Well, we got Magruder, now, in this pickle. He's still on the government payroll in the Commerce Department.

PRESIDENT: In Commerce?

EHRLICHMAN: I think it is.--I thought he was.

HALDEMAN: As I listen to this the second time around. Let me tell you what my concerns are. (Unintelligible) When he got down to it, he told the truth. And when he is talking to us, at least, he is bringing us into it. He will, for instance, he'll want to elaborate on uh, Sandwedge and say I was involved in it. Now to the extent that I listened to a presentation, I was. But I, at the time said, "This is something I don't want to be involved in. Something that should not be handled in here. Don't come to me any more with it", and they didn't. And then he'll say I was also involved in the meetings. That he came to me after that second meeting and said, "They came up with, ah, you know, the plans, with a preposterous plan." I told him that, "It can't be done." They shouldn't even be talking about it in the Attorney General's office. I said, "John, get out of it. You stay out of it, too."
And he did. He said he would stay out of it from then on, and I suspect he did. They'll tie me in that way by indirection in a sense that, but, the problem is, that, I think, his people with him. May be that sounds like "everybody go down with the ship" but, ah, when it comes to this cover up business. Expanding on, ah -Yes, he has a feeling--the three fifty. I am not uncomfortable with that, but Dean, Dean is uncomfortable.

PRESIDENT: What do you do about Dean? In other words, John...

HALDEMAN: The U.S. Attorney's got to (unintelligible)

PRESIDENT: But Dean has been ah...

EHRLICHMAN: I think this all has broken since. I think they were probably playing it just right.

PRESIDENT: Play their game (unintelligible) Magruder testifies. (Unintelligible)

EHRLICHMAN: I, I think that's their...

PRESIDENT: Analysis.

HALDEMAN: ...analysis.

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Part II

PRESIDENT: (Unintelligible) that Haldeman's gonna resign, you mean?

EHRLICHMAN: Yeah. Ziegler can, the next day, say "His connection to this was very remote, was very benign." And he...get that out... (unintelligible) in my view, before it was established that a crime was committed by Segretti.

PRESIDENT: Right.

(Several people talk, all unintelligible)

PRESIDENT: I would not, I would not be, I would not be as, not be as strong for your getting it out, except for his having said "self incrimination", the fact that that made him...

HALDEMAN: You've got a really- crunchy decision, which is whether you, whether you want me to
resign or whether you don't. You, that's one you've got to figure out. The problem with that is if I go on the basis of the Segretti matter, you've got to let Dean go on the basis of his implication, which is far worse.

PRESIDENT: Yeah.

HALDEMAN: Strachan's already out of the White House so that's no problem. If they wait awhile (unintelligible) Ehrlichman in, you are going to have to let him go.

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EHRlichman: He's got, he's got sort of a hypothesis that he's developing in our conversation that, that referring him to Kalmbach was almost as good as action (unintelligible).

PRESIDENT: Yeah.

EHRlichman: As a matter of fact, I didn't refer him to Kalmbach. He came to me and said, "May I go to Kalmbach?".

HALDEMAN: He did the same thing to me.

PRESIDENT: Go to Kalmbach for the purpose of?

EHRlichman: For the purpose of getting Herb to raise some money. For the purpose of paying the defendants. For the purpose of keeping them, quote, on the reservation, unquote.

PRESIDENT: Right. With that they could try to tie you and Bob in a conspiracy to obstruct justice.

EHRlichman: That's his theory.

PRESIDENT: (Unintelligible) questionable.

EHRlichman: Well, I'm not so sure that makes any difference at this point. He's coloring this in order to induce (unintelligible) the key-was in their (unintelligible).

PRESIDENT: Well, lesser (unintelligible).

HALDEMAN: Strachan's position is totally tenable and true (unintelligible) -- without giving him any help.

(Beginning of Reel Two)
PRESIDENT: I know. The way you have to handle that, let's face it, is that, uh, I mean, is there, of course, you've got the whole business of the aftermath, as to (End of Reel One)

uh, as to motive. And, uh, there, if you or Bob are asked" uh, what do you say?

EHRLICHMAN: Well, a, as far as I can reconstruct it and I may be putting it favorably, (unintelligible-tape noise) clearly is concerned about what these fellows are going to testify to. The Grand Jury in secret couldn't hurt, whether they would go out and sell their stories, uh, to Saturday Evening Post...

HALDEMAN: Life Magazine.

PRESIDENT: Sure, sure.

EHRLICHMAN: Yep.

PRESIDENT: That's right. They're not a bit concerned about (unintelligible).

EHRLICHMAN: So, uh, I, I was concerned about that, particularly Hunt who is a kind of aro an author type and, and would be inclined to do that kind of thing.

HALDEMAN: In fact I had no knowledge who was or wasn't guilty or where the thing led.

PRESIDENT: I see. I see.

HALDEMAN: That's exactly right. We weren't protecting anybody.

EHRLICHMAN: I'm even willing to buy that.

HALDEMAN: I know, I said that to John, and John didn't agree with me.

PRESIDENT: I wish we could keep Dean away from that. Magruder - we don't have to get that in, uh, (unintelligible) unless it's a-- Let me say, uh, let's, let's, let's, let's sleep on what we do with the, uh - My, my view is, though, I think that, I think the odds are, that the interest in the Committee is less. (Unintelligible) some of the big fish. The second thing is going to be, uh -
Part III

EHRLICHMAN: Colson is undoubtedly sending all kinds of signals to Mr. Hunt

HALDEMAN: And that Chuck is, is overkill. I think, he's his own worst enemy. He's very lucky that, that (unintelligible).

PRESIDENT: (Unintelligible)

EHRLICHMAN: He says that, uh, the New York Times has a story that he was here for a meeting with me yesterday.

HALDEMAN: He acts like it was the first time he has ever been in the White House and he wants everybody to know.

   (Unintelligible Conversation).

PRESIDENT: Well, you fellows need a little rest.

HALDEMAN: Rest? Taking us all to that damn dinner (unintelligible).

EHRLICHMAN: We'll grin at the White House Correspondents.

HALDEMAN: That's no rest.

PRESIDENT: Well, then listen (unintelligible).

HALDEMAN: That's work.

PRESIDENT: A year from now, it's gonna be different.

EHRLICHMAN: Oh, yes.

HALDEMAN: (Unintelligible). Yes.

PRESIDENT: Nope, seriously, seriously (unintelligible). You know what?

EHRLICHMAN: Six months from now.

PRESIDENT: Sooner than you think. Let me tell you, John, that the thing about all of this that has concerned me is the dragging the God damn out - thing out and dragging it out and being - and having it be the only issue in town.
Now, and the thing to do now is to have the son of a bitch done — indict Mitchell and all the rest and there'll be a horrible two weeks — a terrible, terrible scandal, worse than Teapot Dome and so forth. And it isn't -doesn't have anything to do with teapot. It isn't as bad as--

EHRLICHMAN:  No.
PRESIDENT:  I mean good God, there's got to be no venality involved in the damn thing, no thievery or anything of that sort of thing. Nobody got any favors, and, uh - You know what I mean?

HALDEMAN:  John (unintelligible).
EHRLICHMAN:  Yeah.  That's true.
HALDEMAN:  Glad to hear it.
PRESIDENT:  The big, the, the, the, uh, the bad part of it is the fact that the Attorney General, and the obstruction of justice thing, which it appears to be. And yet, they ought to get-up fighting, in my view, a fighting position on that. I think they all ought to fight, and say this was not an obstruction of justice, we were simply trying to help these defendants. Would you agree on that or do you, do you think that's my - is, is that - possible. (Unintelligible)

EHRLICHMAN:  I agree.  I think it's gotta be defended, obviously.
PRESIDENT:  Yeah, but -
EHRLICHMAN:  Yeah.
PRESIDENT:  I know if they could get together on the strategy, it would be pretty good for them.
EHRLICHMAN:  Yeah and, I think, uh, undoubtedly, that will, that will shake down.
PRESIDENT:  I would think that the U.S. Attorney's and the rest (unintelligible).
EHRLICHMAN:  Thank you, sir.
HALDEMAN:  Yes, sir.

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