

Conversation Number 741-2  
June 23, 1972, 10:04-11:39 A.M.  
Oval Office  
President and Haldeman

[Haldeman was logged into the Oval Office at 10:04 A.M., while the president was with Alex Butterfield signing documents. After a quick discussion of pressing scheduling matters for that afternoon the president was anxious to get up to Camp David, but Secretary of State Rogers wanted to meet quickly, and Henry Kissinger was returning from his travels. Haldeman immediately turned to Watergate and the latest developments. The conversation transcribed below originally began at 0:09:42.0]

HALDEMAN: Now, on the investigation, you know, the Democratic break-in thing, we're back to the—in the, the problem area because the FBI is not under control. Because Gray doesn't exactly know how to control them, and they have, their investigation is now leading into some productive areas, because they've been able to trace the money, not through the money itself, but through the bank, you know, sources the banker himself. And, and it goes in some directions we don't want it to go. Ah, also there have been some things, like an informant came in off the street to the FBI in Miami, who was a photographer or has a friend who is a photographer who developed some films through this guy, Barker, and the films had pictures of Democratic National Committee letterhead documents and things. So I guess, so it's things like that that are going to, that are filtering in. Mitchell came up with yesterday, and John Dean analyzed very carefully last night and concludes, concurs now with Mitchell's recommendation that the only way to solve this, and we're set up beautifully to do it, ah, in that and that ...the only network that paid any attention to it last night was NBC.

PRESIDENT: That's right.

HALDEMAN: Who did a massive story on the Cuban thing, and all that.

PRESIDENT: Right.

HALDEMAN: That the way to handle this now is for us to have Walters call Pat Gray and just say, "Stay the hell out of this, this is, ah, business here we don't want you to go any further on it." That's not an unusual development—

PRESIDENT: Um huh.

HALDEMAN: And, uh, that would take care of it.

PRESIDENT: What about Pat Gray, ah, you mean he doesn't want to?

HALDEMAN: Pat does want to. He doesn't know how to, and he doesn't have, he doesn't have any basis for doing it. Given this, he will then have the basis. He'll call Mark Felt in, and the two of them, and Mark Felt wants to cooperate because—

PRESIDENT: Yeah.

HALDEMAN: —he's ambitious

PRESIDENT: Yeah.

HALDEMAN: Ah, he'll call him in and say, "We've got the signal from across the river to, to put the hold on this." And that will fit rather well because the FBI agents who are working the case, at this point, feel that's what it is. Is the CIA. [NOTE: Why did the agents feel it was CIA? Because they had pulled Hunt's phone records, and discovered he had been in contact with a lot of present and former CIA agents, many of whom refused to talk to the FBI. The FBI does not have a right to talk to anyone without a subpoena.]

PRESIDENT: But they've traced the money to whom?

HALDEMAN: Well they have, they've traced to a name, but they haven't gotten to the guy yet.

PRESIDENT: Who is it, is it somebody here?

HALDEMAN: Ken Dahlberg.

PRESIDENT: Who the hell is Ken Dahlberg?

HALDEMAN: He's, ah, he gave \$25,000 in Minnesota, and ah—

PRESIDENT: Well—

HALDEMAN: —the check went directly in to this, to this guy Barker.

PRESIDENT: Maybe he's a, ah, he didn't, I mean, his, his base is Stans.

HALDEMAN: Yeah. It is. It is. It's directly traceable and there's some more through some Texas people in, that went to the Mexican bank which they can also trace to the Mexican bank, they'll get their names today. And [pause.]

PRESIDENT: Well, I mean, ah, there's no way I'm just thinking if they don't cooperate, what do they say? They, they, they were approached by the Cubans. That's what Dahlberg has to say, the Texans too. Is that the idea?

HALDEMAN: Well, if they will. But then we're relying on more and more people all the time. That's the problem. And ah, they'll stop if we could, if we take this other step.

PRESIDENT: All right, fine. Right.

HALDEMAN: —and they seem to feel the thing to do is get them to stop?

PRESIDENT: Right, fine.

HALDEMAN: They say the only way to do that is a White House instruction. And it's got to be to Helms and, ah, what's his name? Walters. [NOTE: Neither Mitchell nor I suggested Helms, only Walters. So Haldeman has elevated this on his own.]

PRESIDENT: Walters.

HALDEMAN: And the proposal would be that Ehrlichman [coughs] and I call them in— [NOTE: This is a nervous cough, that could be explained that he was choking on his words, because neither Mitchell nor I suggested Ehrlichman. Rather he seems to be drawing on the earlier understanding, to sell that Ehrlichman had dealt with Helms.]

PRESIDENT: All right, fine.

HALDEMAN: —and say, ah—

PRESIDENT: How do you call him in, I mean, you just, well, we protected Helms from one hell of a lot of things. [NOTE: Based on the president's memoirs, this is a reference to Marchetti.]

HALDEMAN: That's what Ehrlichman says.

PRESIDENT: Of course, this is a, this is, ah, Hunt, you will, that will uncover a lot of, see, you open that scab there's a hell of a lot of things and that we just feel that it would be very detrimental to have this thing go any further. This involves these Cubans, Hunt, and a lot of hanky-panky that we have nothing to do with ourselves. [President changes his tone to ask this question:] One thing I want to know, did Mitchell know about this thing to any much of a degree?

HALDEMAN: I think so.

PRESIDENT: Shit.

HALDEMAN: I don't think he knew the details [cross talk] but I think he knew.

PRESIDENT: He didn't know how it was going to be handled though, with Dahlberg and the Texans and so forth, did he? Well who was the asshole that did this thing? Is it Liddy? Is that the fellow? He must be a little nuts.

HALDEMAN: He is.

PRESIDENT: I mean he just isn't well screwed on, is he? Isn't that the problem?

HALDEMAN: No, but he was under pressure, apparently, to get more information, and as he got more pressure, he pushed the people harder to move harder on.

PRESIDENT: Pressure from Mitchell?

HALDEMAN: Apparently.

PRESIDENT: Oh, Mitchell, Mitchell was at the point that you made on this, that exactly what I need from you is on the—

HALDEMAN: [Unclear.]

PRESIDENT: All right, fine, I understand it all. We won't second-guess Mitchell and the rest. Thank God it wasn't Colson.

HALDEMAN: The FBI interviewed Colson yesterday. They determined that would be a good thing to do.

PRESIDENT: Um hum.

HALDEMAN: Ah, to have him take a—

PRESIDENT: Um hum.

HALDEMAN: An interrogation, which he did, and that, the FBI guys working the case had concluded that there were one or two possibilities, one, that this was a White House, they don't think that there is anything at the Election Committee, they think it was either a White House operation and they had some obscure reasons for it, non political—

PRESIDENT: Uh huh.

HALDEMAN: —or it was a—

PRESIDENT: Cuban thing—

HALDEMAN: Cubans and the CIA. And after their interrogation of, of—

PRESIDENT: Colson.

HALDEMAN: —Colson, yesterday, they concluded it was not the White House, but are now convinced it is a CIA thing, so the CIA turnoff would—

PRESIDENT: Well, not sure of their analysis, I must say that. I'm not going to get that involved.

HALDEMAN: No, sir. We don't want you to.

PRESIDENT: You call them in.

HALDEMAN: Good.

PRESIDENT: Good deal. Play it tough. That's the way they play it and that's the way we are going to play it.

HALDEMAN: Okay. We'll do it.

PRESIDENT: Yeah, when I saw that News Summary item, I, of course, knew it was a bunch of crap, but I thought, ah, well it's good to have them off on this wild hair thing because when they start bugging us, which they have, we'll know our little boys will not know how to handle it. I hope they will though. You never know. Maybe, you think about it. Good!

[The president signed some pictures for retiring head of the Office of Protocol, Emil "Buzz" Mosbacher, and discussed pending legislation and the debt ceiling. Haldeman reported the Brits had floated the pound, with the president proclaiming its impact did not trouble him for he did not "give a shit about the Lira," which Federal Reserve Chairman Arthur Burns expected to devalue against the dollar. After discussing the use of cameras during the press conference the day before and the impact of the Administration's position on bussing, the president returned to Haldeman calling in the CIA.]

PRESIDENT: When you get in these people, when you get these people in, say, "Look, the problem is that this will open the whole, the whole Bay of Pigs thing, and the president just feels that," I mean, without going into the details, don't, don't lie to them to the extent to say there is no involvement, but just say this is sort of a comedy of errors, bizarre, without getting into it, "the president believes that it is going to open the whole Bay of Pigs thing up again. And, ah because these people are playing for, for keeps, and that they should call the FBI in and say that we wish for the country, don't go any further into this case, period!" And that destroys the case.

HALDEMAN: Okay.

PRESIDENT: That's the way to put it, do it straight now. [Pause, sounds like the president took a sip of his coffee, and then he turned to other subjects.]