HALDEMAN:

okay - that's fine. 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 letter head documents and things. So I guess, so it's things like that that are gonna, 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...they did a massive story on the Cuban...

PRESIDENT: That's right.

HALDEMAN: thing.

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. This is CIA.

PRESIDENT: But they've traced the money to 'em.

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

PRESIDENT: Would it be somebody here?

HALDEMAN: Ken Dahlberg.

PRESIDENT: Who the hell is Ken Dahlberg?

HALDEMAN: He's ah, he gave $25,000 in Minnesota and ah, the check went directly in to this, to this guy Barker.

PRESIDENT: Maybe he's a ...bum.

PRESIDENT: He didn't get this from the committee though, from 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.

HALDEMAN: And, 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 from White House instructions. And it's got to be to Helms and, ah, what's his name...? Walters.

PRESIDENT: Walters.

HALDEMAN: And the proposal would be that Ehrlichman (coughs) and I call them in

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.

HALDEMAN: That's what Ehrlichman says.
PRESIDENT: Of course, this is a, this is a Hunt, you will—that will uncover a lot of things. 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. Well what the hell, did Mitchell know about this thing to any much of a degree?

HALDEMAN: I think so. I don't think he knew the details, but I think he knew...

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

HALDEMAN: O.K. We'll do it...

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" ah, 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 plugging 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!

(Information taken from: http://www.nixonlibrary.gov/forresearchers/find/tapes/watergate/trial/exhibit_01.pdf)