

The Weather

Today—Partly cloudy, high in the middle 70s, low tonight near 58. There is a 20 per cent chance of rain today. Friday—Fair, high in the 70s. Temp. range: Yesterday, 77-58; Today, 75-56. Details, Page C7.

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96th Year · No. 135

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THURSDAY,

Mitchell, Dean

Payoffs, Magruder

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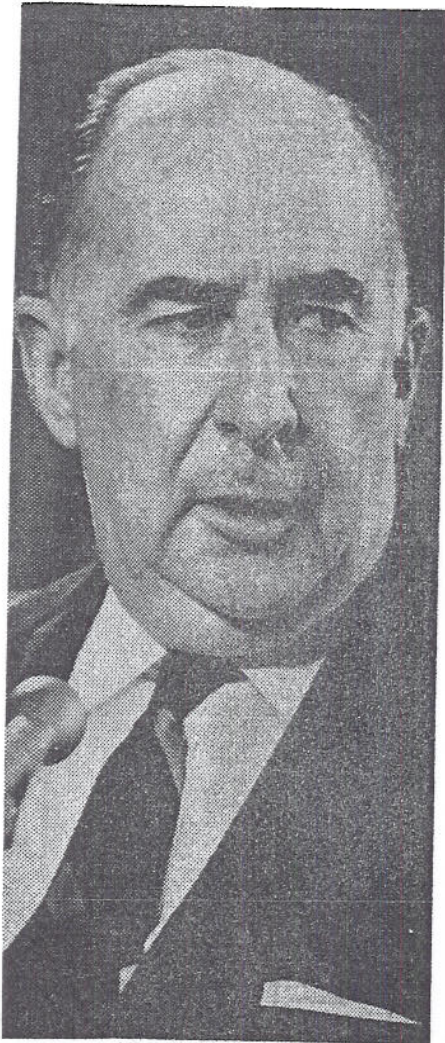
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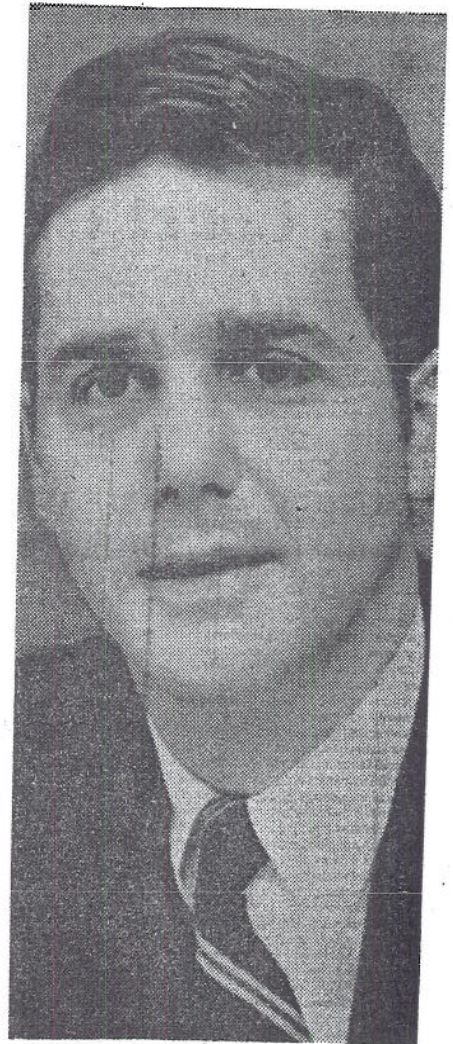
Approved Watergate, Reportedly Says



JOHN N. MITCHELL
... President's chief adviser



JOHN W. DEAN III
... resignation believed imminent



JEB STUART MAGRUDER
... faces jury today

By Bob Woodward and Carl Bernstein

Washington Post Staff Writers

Former Attorney General John N. Mitchell and White House counsel John W. Dean III approved and helped plan the Watergate bugging operation, according to President Nixon's former special assistant, Jeb Stuart Magruder.

Mitchell and Dean later arranged to buy the silence of the seven convicted Watergate conspirators, Magruder has also said.

Magruder, the deputy campaign manager for the President, made these statements to federal prosecutors Saturday, according to three sources in the White House and the Committee for the Re-election of the President.

The sources said that Magruder is scheduled to testify before the Watergate grand jury today and is expected to repeat the statements under oath.

One of the sources went so far as to say that Magruder's statements and other information developed by the prosecutors—especially regarding the payments of cash to the conspirators to plead guilty and remain silent—are expected to result in the criminal indictment of both Mitchell and Dean.

Dean's resignation as counsel to the President is considered imminent, according to sources in the White House.

Two sources in the executive branch said yesterday that White House chief of staff H. R. (Bob) Haldeman also may resign as a result of recent Watergate disclosures. There is no known evidence to link Haldeman to criminal involvement in the bugging, the sources said.

Magruder, who served at the White House as a deputy to Haldeman and later as Mitchell's principal assistant at the President's re-election committee, "chose to talk because he felt the walls were coming in on him," one source said yesterday.

Magruder will not be granted immunity from prosecution, the sources said yesterday, but he hopes to receive some sort of favorable treatment.

President Nixon was briefed on the Justice Depart-

ment's recent findings Sunday, a day after Magruder spoke to the prosecutors. On Tuesday, Mr. Nixon, in his statement announcing "major developments" in the Watergate case, said: "I have expressed to the appropriate authorities my view that no individual holding, in the past or present, a position of major importance in the administration should be given immunity from prosecution."

The details of Magruder's visit to the prosecutors became known less than 24 hours after President Nixon made his remarks.

The President said he personally "began intensive new inquiries into this whole" matter on March 21, partly as a result of "serious charges" that had come to his attention.

After 10 months of White House denials of involvement of presidential aides in the Watergate bugging and other political espionage and sabotage, the President said Tuesday he will suspend "any person in the executive branch who might be indicted by the grand jury."

Magruder could not be reached for comment yesterday. His attorney, James J. Bierbower, would not comment last night on the contents of The Washington Post story. "I will confirm that he will testify before the grand jury when he is called," Bierbower said.

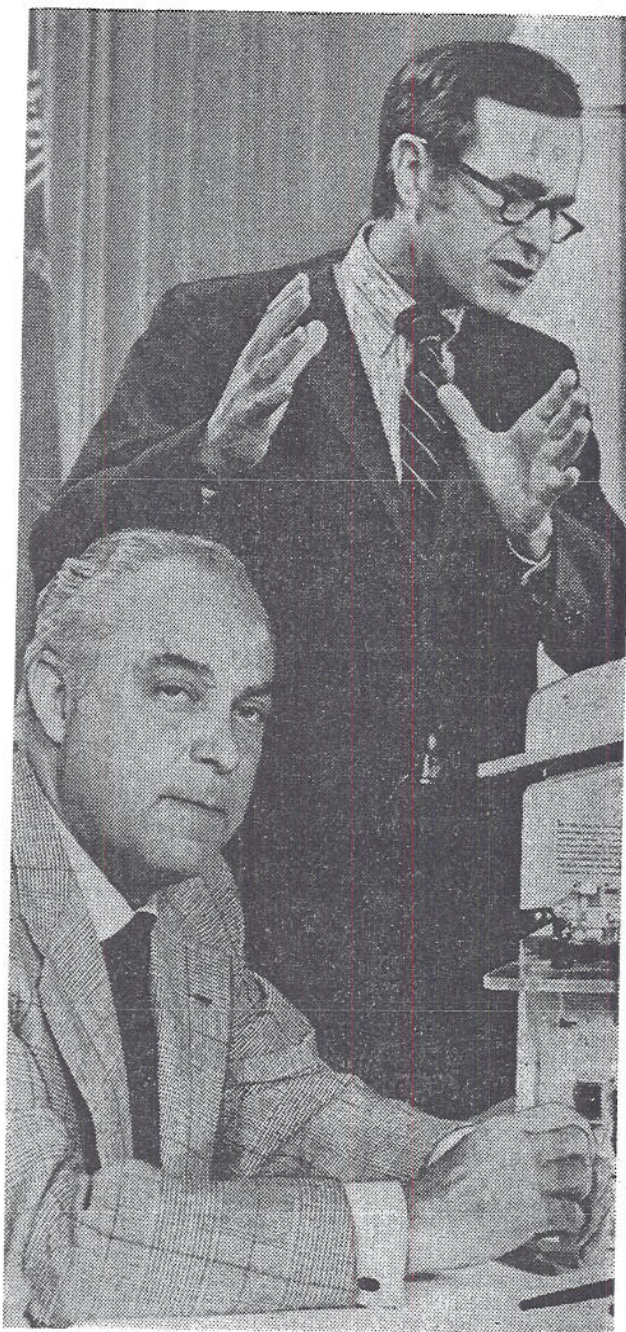
According to The Post's sources, Magruder provided the prosecutors with a first-hand account of a February, 1972 meeting in Attorney General Mitchell's office to discuss and approve the illegal electronic eavesdropping operation at the Watergate. At the time, Mitchell was the nation's chief law enforcement officer.

Those who attended the meeting were Mitchell, Dean, Liddy and Magruder, according to the sources' account of Magruder's statements.

Convicted Watergate conspirator James W. McCord Jr. testified before the grand jury and Senate Watergate committee that he was told by Liddy that there was such a meeting in February at which the bugging was planned and discussed.

McCord's testimony was based on hearsay, but Magruder's statements to the prosecutors provide evidence that

See WATERGATE, A12, Col. 1



By Arthur Ellis—The Washington Post

Democratic National Chairman Robert Strauss (seated) and GOP National Chairman George Bush in a joint appearance before members of the National Press Club.

WATERGATE, From A1

can be used to obtain convictions, the source said.

The prosecutors also have received statements from other persons who can testify that Mitchell and Dean were involved in the arrangements to pay the seven Watergate conspirators for their silence, the sources said.

Dean has acknowledged to others that he was involved in arranging the payments, one of the sources said, but he has maintained that he was acting on orders.

Frederick C. LaRue, a former White House aide and one of Mitchell's most intimate assistants for years, was also involved in the payments—reportedly totaling well over \$100,000—the sources said.

La Rue, who investigators have said helped direct a "housecleaning" at the re-election committee in which documents were destroyed after the Watergate bugging, was subpoenaed by the grand jury yesterday, the Associated Press reported.

The Post reported earlier this month that following the Watergate bugging, LaRue received \$70,000 in Nixon campaign funds from the same account that financed the il-

legal electronic eavesdropping. Federal investigators are now attempting to learn if that money was used to pay the Watergate conspirators for their silence.

Magruder, 38, was chosen by the White House to coordinate President Nixon's 1972 inauguration. He has been a target of the federal grand jury investigation since it reopened its inquiry last month.

He testified on Jan. 23 at the Watergate trial that he had no knowledge of the Watergate bugging, but said that he helped establish what was supposed to be a "legal" and "ethical" intelligence-gathering operation.

Magruder testified that he authorized the payment of at least \$235,000 to Watergate conspirator G. Gordon Liddy to run the operation.

Liddy, who is serving a jail sentence of at least six years and eight months for his conviction, has repeatedly refused to cooperate with the federal investigation.

Government investigators considered Liddy's silence a roadblock to the new effort to answer the many questions that remained after the Watergate trial.

Mitchell, the pipe-smoking former attorney general, was a senior partner in a prestigious New York law firm that Mr. Nixon joined after his de-

feat in the 1962 California gubernatorial campaign. The two men soon became close friends, and Mitchell was said to be Mr. Nixon's most trusted adviser.

Mitchell was Mr. Nixon's campaign manager in 1968 and assumed the post of attorney general in the first Nixon administration.

Mitchell resigned as attorney general on March 1, 1972, to assume command of the Nixon re-election effort. The director of the successful 1968 campaign, Mitchell was then considered the President's chief political adviser.

Mitchell's reign as head of the Nixon re-election campaign lasted exactly four months and one day. He resigned from the post last July 1—two weeks after the Watergate break-in—citing a desire to spend more time with his wife, Martha. Mitchell denied any link between his resignation and the Watergate affair.

A week before the resignation, Mrs. Mitchell had issued a public ultimatum to her husband to choose between "politics and me."

"I'm not going to stand for all those dirty things that go on," Mrs. Mitchell said.

Last Sept. 29, The Washington Post reported that Mitchell—while attorney gen-

eral—controlled a secret cash fund that was used to finance political sabotage against the Democrats. Reached by telephone at his home in New York at the time, the former attorney general called the story "all that crap."

A month later, however, Clark MacGregor, who succeeded Mitchell as Mr. Nixon's campaign director, acknowledged that a cash fund existed, although he said it was not used for illegal or improper activities. MacGregor named Mitchell as one of the officials who had access to the fund.

Increasingly in recent weeks, Mrs. Mitchell has complained bitterly that her husband was being made a scapegoat in the Watergate affair.

In an interview with The New York Times published Tuesday, she repeated her conviction that her husband is innocent of any wrongdoing in the Watergate affair. She said she insisted he leave Washington because of "the dirty things going on there" and that now "they're all trying to pin this on him."

Asked by the Times' reporter, "Did you get him out in time?" Mrs. Mitchell said, "I don't know. I really don't know."

Asked if the President's friendship with the former attorney general could "save him," she said, "That's a good question, isn't it? That's what I keep asking myself."

The White House has said that Mitchell met there Sunday with presidential assistant John Ehrlichman, but Mrs. Mitchell has continued to insist that her husband saw the President. The purpose of the White House visit has not been disclosed by either Mitchell or the White House.

Dean, 34, worked for the House Judiciary Committee and for two years as associate director of the National Commission on Reform of Criminal Law. Shortly after Mr. Nixon's first inauguration in January, 1969, he was named an associate deputy attorney general in the Justice Department headed by Mitchell.

The next year, Mr. Nixon brought Dean to the White House, installing him as counsel to the President.

Last Aug. 29 the President announced that, based on an investigation by Dean, "no one in the White House staff, no one in this administration, presently employed, was involved in this very bizarre incident . . ."

The Dean investigation was cited repeatedly in the following months by White House spokesmen when asked whether presidential assistants' were involved in the Watergate affair.

Dean's name emerged again last March, during Senate confirmation hearings on the President's nomination of L. Patrick Gray III to be permanent director of the FBI.

Gray disclosed that he had turned over secret FBI files on the Watergate case to Dean, and in response to questioning, agreed that the presidential counsel "probably" lied when he told FBI investigators that he would "have to check" on whether Hunt had a White House office.

On March 26, it was reported that McCord—quoting Liddy—had named Dean and Magruder as having advance knowledge of the bugging. The White House denied the substance of the allegation and said the President had "absolute, total confidence" in Dean.

Late yesterday afternoon President Nixon went to his mountain retreat, Camp David, accompanied by Halde- man and Ehrlichman. The White House said the President was expected to return to Washington this morning.