WATERCATE ON THE WARASIA

The inside story of a secret, five year carmalon of burglary bugging, wiretapping and ratificking linked to the highest levels of the FBI, the sustice Department, which the Vetereins Administration.

BY GEORGE OTO OLE

On an August hight in 1970, three men dressed as telephone company repairmen entered an office building in down-town trolanapolis and rode the elevator to the eighth-floor suite of U.S. Ben. Vance Hartke. One of the three a former air force intelligence agent, proked the lock on the office door, and the trio entered. While one man rifled the files in search of lists of campaign contributors another hunted for Hartke's personal income tax fetures, and the three attached a tiny microphone and FM transmitter to the priderside of a desk used by one of Hartke's aides.

The break in at Schetor Harlke's of fices marked the beginning of a secretive-year campaign of burglary begging, wire tapping, and political dury tricks in the Midwest an undertaking only tecently uncovered by a grand jury probe in indianactis. But the operation was not a purely regional affair before the grand juries completed their work they heard sworm testimony linking the spy program to the highest levels of the FBI, the dustice Department, and the Veteran's Administration during the Nixop and Ford administrations. According to indictments handed down in the case the didy work was done by a small private detective firm called international Investigators.

International investigators was formed in the early 1960s by two former FBI agents George W. Ryan and George Miller, who hired a staff of former agents from the Office of Special Investigations the counterintelligence department of the U.S. Air Force.

After a few years Flyamand Miller sold the company (Ryan became security manager for Arameo, a consortium of American oil companies in the Middle East), and it subsequently changed hands several times. By 1970, when it was taken over by C. Flmothy Wilcox, it was nearly defunct. Wilcox is a pleasant olean-out and articulate young man who once worked as a buyer for an indianapolis department store. His only experience with security, work was a long stint as a burglar alarm salesman, but he was also a Republican precinct committeeman, who viewed politics as the key to success, especially, in the private detective business.

From the first, Wilsox courted the ceps. He realized that it is almost impossible to do effective crivate investigative work without the cooperation of the local police, and that it is frequently useful it.

they can be relied upon to look the other way. Wilcox didn't waste his time ingratiating himself with the cop on the beat; he went straight to the top, which, at the time, was a police chief who answered to the distinguished moniker of Winston Churchill.

Churchill was police chief in the administration of Indianapolis Mayor Richard Lugar, whom ex-President Nixon once described as his "favorite mayor." Wilcox may have approached Churchill through a local Republican party contact, such as GOP National Committeeman L. Keith Bulen, whom Wilcox listed as a character reference in his application for a private detective agency license. However he made the contact, Wilcox chose an opportune moment to knock on Churchill's door.

Chief Churchill suspected one of his police lieutenants of taking bribes from a local madam and dealing in drugs. He had assigned two of his officers to watch the suspect. For three months the detectives had videotaped the cop and the madam through a telephoto lens, but they failed to obtain evidence to validate the chief's suspicions. Churchill decided he would get better results if he used an investigator who did not work for the police department, and he chose Wilcox for the job.

Shortly after Churchill assigned International Investigators to the case, a neighbor living in the same apartment house as the policeman under suspicion noticed a man dressed as a phone company repairman working on a telephone terminal box in the building. The neighbor, who happened to be an employee of Indiana Bell, noticed a few things about the "repairman" that didn't seem genuine, and he asked to see some identification. When the man could not produce any phone company creden-

tials, the neighbor called the police.

A state trooper arrived and questioned the "repairman," who identified himself to the officer as C. Timothy Wilcox. He flashed his private detective's license and told the trooper he was working for the Indianapolis police chief. The trooper confirmed this and released Wilcox.

The next step in the surveillance was to break into the police lieutenant's apartment, search it, and plant a concealed bug. According to several former employees of International Investigators, Wilcox headed the three-man entry team, which included a former U.S. Air Force lock-picking specialist who had taught courses in surreptitious entry to students from such organizations as the FBI.

International Investigators' surveillance of the police lieutenant continued for three months; but the results were apparently not sufficient to validate Chief Churchill's suspicions, for no action was taken against the officer at that time. International was paid \$450 for the job-seemingly an extravagant fee when results have been nil, but actually a bargain-basement price for the risks Wilcox and his people took. The break-in, bugging, and wiretapping were done without warrants (in Indiana no one but a federal agent can legally conduct electronic surveillance, under any circumstances) and left the International team open to prosecution on several federal and state charges.

Wilcox continued to cultivate senior police officials whenever he could. He checked their offices and telephones for bugs and wiretaps. Since International's offices were located near a pawnshop run by a suspected fence, the firm's staff recorded the numbers of all police cars visit-

ing the shop, and Wilcox turned them over to a senior police officer. Wilcox even took out a private detective's license for a police captain to enable the man to moonlight for International. Free of charge, Wilcox helped Chief Churchill prepare an application for a federal grant to set up a criminal intelligence unit; the plan involved hiring a former Secret Service agent, Kenneth Hale, as a consultant. Hale, a friend of Wilcox, eventually succeeded Churchill as chief of police. One measure of Wilcox's success in wooing the cops can be seen in the private detective's annual applications for renewal of the agency's license; whenever such an application was filed, senior Indiana police officials would be listed as references to vouch for the character of Wilcox and David Kramer, the firm's vice-president.

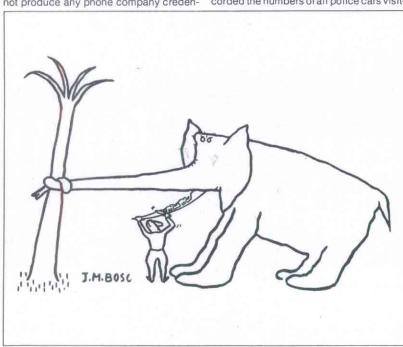
With the cops in his corner, Wilcox set out in pursuit of what he saw as the key to success: political influence. The first opportunity that presented itself was the Indiana senatorial election of 1970. Richard Roudebush, a Republican congressman who served on the House Un-American Activities Committee, was challenging the Democratic incumbent, Sen. Vance Hartke. Roudebush's campaign coordinator was Edgar L. ("Nick") Longworth, a local party worker and an old friend of Wilcox.

Longworth retained Wilcox to serve as security officer for the Roudebush campaign. Wilcox checked the campaign headquarters for bugs and wiretaps, but former employees of International Investigators claim the sleuthing services he provided went well beyond such defensive measures. They charge him with masterminding a dirty-tricks operation that almost succeeded in capturing Hartke's Senate seat for Roudebush.

Two former agents of International Investigators have admitted taking part in the August 1970 Hartke break-in as well as in a second entry into the senator's offices a month later (to replace the fading batteries in the bug they had installed during their first visit). They say the third member of the team was Wilcox, and that he planned and directed the operation. And they have revealed that the Hartke break-ins were only part of a series of burglaries they carried out with Wilcox during the 1970 campaign.

Edward D. Lewis, an Indianapolis attorney and a close friend of Hartke, was the target of another of the political break-ins. Lewis's offices were entered and his files searched. Cancelled checks covering a three-year period were taken, and a microphone-transmitter was concealed under Lewis's office chair. The intruders parked a car in a nearby street and concealed in its trunk a special FM receiver coupled to a voice-activated tape recorder. Every conversation held in Lewis's office was recorded by the hidden device. An International agent periodically replaced the tapes with fresh reels.

In yet another break-in, the former International detectives confide, they and Wil-



54 PENTHOUSE

cox once entered a building near Hartke's offices and broke into a room used for meetings of his campaign workers. They concealed another bug in a potted plant and positioned it to pick up conversations anywhere in the conference room. In this case the receiver and recorder were installed in the nearby Republican State Headquarters, inside the office of a senior Roudebush campaign official.

Not all the dirty tricks involved illegal entry. In one case several mailbags awaiting pick-up in the lobby of Democratic Headquarters were stolen. The bags contained a mass mail-out of invitations to a \$100-a-plate Democratic fund-raising dinner. According to a former International detective, in order to ensure a poor turnout, the invitations were delivered to Roudebush campaign workers, who posted them shortly before the dinner.

Nineteen seventy was the year of the Kent State massacre and the two-month invasion of Cambodia. The November elections were viewed by the Nixon administration as an opportunity for an endorsement of its policies, a kind of ideological referendum. Nixon personally campaigned for Republican candidates in twenty-one states in a bid to increase the support that he had in the Democratic-controlled Congress.

Indiana's customary roughhouse politics escalated into a bitter name-calling match in the Senate race. Roudebush's supporters accused Hartke of being "a

supporter of the Vietcong" because of the senator's opposition to the war, while the Hartke campaign focused on Roudebush's ties to organizations affiliated with the John Birch Society. The race for Hartke's Senate seat was close; it was finally settled by a recount, which gave Hartke a thin lead of 4,500 votes.

Informed of the recent disclosures of the 1970 break-ins and buggings, Hartke recalled that he had suspected leaks in his campaign organization. The Roudebush people seemed to have advance notice of every campaign maneuver he made. Hartke now believes that the dirty-tricks operation nearly cost him the election.

According to several former International employees who took part in the operation, the break-ins and buggings were intended to cost Hartke a great deal more than his Senate seat. One of the objectives of the operation was to obtain evidence proving that Hartke had been involved in a number of illegal deals. A Roudebush campaign worker recalled Wilcox's boasting on election night 1970, "I have enough to put Hartke in jail for the rest of his life."

The efforts of International Investigators, Inc., to obtain evidence of criminal wrongdoing by Senator Hartke actually antedate Wilcox's 1970 purchase of the firm. When Wilcox acquired the company, he found, among the detective agency's many dossiers, a thick file on Hartke compiled during the 1960s. The client who had paid for the investigation was a major midwestern

utility company that suspected Hartke of selling political favors to some of its business competitors.

The theory the company sought to prove was that Hartke had received payments from Hoosier Energy, Inc., an Indiana electric utility, in exchange for using his influence in Congress to advance the business interests of the company. The payments were supposed to have been channeled through UNITO, Inc., a public-relations firm that had close ties to Ed Lewis, a friend of Hartke and target of one of the 1970 break-ins.

The grand jury probing dirty tricks in the Hartke-Roudebush contest apparently heard testimony that Indiana utility interests had played a role in the 1970 anti-Hartke operation. It subpoenaed the top officials of Public Service Indiana—Indiana's largest electric utility—and demanded records of payments by the company to the lock man who had taken part in the break-ins. The grand jury also subpoenaed Gerald R. Redding, senior partner of the law firm that represented Public Service Indiana, and later indicted him for conspiracy in the break-ins.

Did the repeated efforts of International Investigators and its clients—carried out for almost a decade—ever manage to prove the theory that Hartke was involved in wrongdoing? Apparently not. One veteran of the 1970 operation recalls, "We weren't able to make a good enough case, so we let it drop." In fact, there is nothing to indicate that they were able to make any case at all.

The Hartke operation was only the first of a long series of political dirty-tricks campaigns conducted by International Investigators. A former Republican campaign worker recalls Wilcox's boasting to her that he had broken into more than 100 offices in Indianapolis. A detective who worked for the firm for five years described his participation in more than a dozen "political investigations." Often, he said, such investigations were aimed at compiling derogatory information to be used for political blackmail.

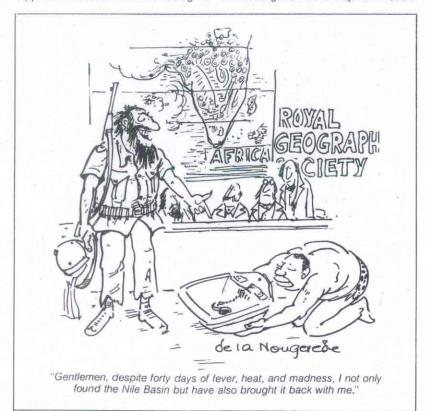
"You wouldn't believe how political philosophies change," he said, "when you show someone a photograph of himself in bed with the wrong person."

And what would happen if he couldn't get such a photo?

"Indianapolis is a small town," he replied. "You'd be surprised what a little innuendo can do."

Several months after the loss to Hartke, Longworth, the Roudebush campaign official who had recruited Wilcox, resigned his local government job and declared his intention "to devote full time to Republican politics." It's not clear what kind of political work he had in mind, but three weeks before his resignation he applied for a private detective's license in order that he could work with International Investigators.

The next important political contest in Indianapolis was scheduled for the follow-







... is also the newest and easiest.

Not only do we make the finest cigarette papers available in the world today, but we also make the easiest way to use them: the incomparable Minimaxi adjustable rolling machine.



The world's best-selling cigarette papers and rollers. Since 1796.

©1976, RIZLA PRODUCTS, U.S.

58 PENTHOUSE

ing November, when John Neff, a local attorney and former Democratic state legislator, was to challenge incumbent Mayor Lugar, Lugar appointed Bulen, then county GOP chairman, his campaign manager. Bulen's aide, it turned out, was Nick Longworth.

Meanwhile, International Investigators had acquired a new client-the Marion County License Branch. The Indiana license branch system is a private corporation that handles the administration of motor vehicle and driver's licenses under contract to the state. Each branch is controlled by the county chairman of the political party in power. The Marion County branch was controlled by Bulen, Longworth's boss in the Lugar campaign organization. International was put on a monthly retainer of \$500 by the Marion County branch for "security work."

Whether or not International Investigators ever did any security work for the branch is unclear, but it was at about this time that the firm began to work on behalf of Mayor Lugar's reelection campaign. Once again Nick Longworth brought in his friend Wilcox to check the mayor's office and campaign headquarters for bugs and wiretaps, and once again the detective agency's services went considerably be-

yond defensive measures.

An International detective was assigned to infiltrate the Neff campaign. In the guise of a volunteer worker, he went to Neff headquarters, expropriated copies of the candidate's speeches and speaking schedules, photographed the real campaign workers, and scouted the locations of the telephone lines. Two other men climbed to the roof of Neff headquarters to see if taps could be placed on the campaign telephone lines where they emerged from the building. Whether they succeeded in tapping the lines is not known, but a tap was discoverd on Neff's home telephone, and his campaign workers believed their own telephone conversations were being overheard. Mayor Lugar was reelected in a landslide victory.

Nineteen seventy-two-the year of the Watergate break-in and the presidential election—was a busy time for International Investigators. Longworth and Wilcox took a trip to San Diego and brought along an electronic eavesdropping specialist-a former TV repairman who custom built the bugs and taps used by International. The purpose of the trip was to reconnoiter what was then the proposed site for the Republican National Convention. Later Longworth served as Mayor Lugar's advance man at Miami Beach, the actual site of the Republican convention.

On the Indiana scene, former Gov. Mathew E. Welsh was running-unsuccessfully, it turned out-for his old office against Republican Otis R. Bowen. An International agent was sent to infiltrate the Welsh campaign. The anti-Welsh operation seems to have been comparatively tame, involving only the use of a concealed recorder to tape some of the Welsh campaign meetings.

At the same time, Indiana Congressman Andrew Jacobs, Jr., was challenged by Republican William H. Hudnut. An elaborate anti-Jacobs operation was considered, including a plan to send a female campaign worker to Washington to seduce Jacobs in a hotel room before hidden cameras. However, the plan was abandoned when it became apparent that Jacobs was going to lose to Hudnut without any encouragement. (Jacobs regained his seat in 1974; Hudnut is now mayor of Indianapolis. Informed of the recent disclosure of the planned seduction, Jacobs remarked whimsically that it seemed prefer-

able to being bugged.)

Nineteen seventy-three was an off-year and a doldrums for political dirty-tricking in Indiana. The one high point during the year was the break-in at State Democratic Headquarters in August. Unlike the Hartke operation, which employed the expert services of a military-trained lock man, the Democratic Headquarters break-in was accomplished through the crude measure of jimmying a door. A bug was planted and then retrieved two days later. The objective of the operation may have been to monitor certain internal intriguing transpiring within the Democratic party at the time.

It would be unfair to conclude that only Republicans indulged in the midwestern political high jinks. International Investigators worked for the Democrats in Indiana, although in every known instance the target of the operation was another Democrat. In neighboring Ohio, however, International was briefly employed by the Democrats to work against the Republicans. The operation came to an abrupt end when Wilcox drove to Ohio to visit one of his Democratic clients. The client recognized a special coding on Wilcox's Indiana license plate which indicated that the detective had political connections in that

Republican-controlled state. Democratic politicians may have been behind the mysterious burglary at Jackie's Lounge, an Indianapolis cocktail lounge listed in the Yellow Pages with the slogan, "Where the Action Is." Late one night in 1971, the action was in a second-floor office above the lounge, where intruders opened a 1,300-pound safe and made off with its contents. According to Louise Jackson, owner of Jackie's Lounge, the safe contained silver certificates and nothing else. However, she did not report the burglary to the police, and several weeks later a Washington, D.C., private investigator turned up in Indianapolis and hired Wilcox to help in the investigation of the incident. Wilcox borrowed a fingerprint specialist from the Indianapolis police to dust the safe and office, but the resultant findings have never been disclosed. Wilcox told the Indianapolis Star that the private investigator had been hired by G. Gordon Liddy to work on the case, thereby reinforcing police speculation that the

CONTINUED ON PAGE 90

WATERGATE

CONTINUED FROM PAGE 58

safe contained political blackmail material. Police Chief Hale, Churchill's successor, brought in a former Secret Service agent to investigate the incident, a decision which suggests that he may have felt the matter to be too explosive politically to be left to his department. Today, since disclosure of the contents of the safe and of the identities of those behind the break-in seems guaranteed to be politically embarrassing to both Democrats and Republicans, the case is probably doomed to oblivion.

Political investigations represented only a part of International Investigators' business, and, in terms of the company's income, it was only a small part. Conventional or non-political private sleuthing paid better, especially when the firm used the same "direct approach" it employed in political matters. In 1972, for example, International was hired by the chancellor of Indiana Northern University, which was then under investigation by the Indiana Private School Accrediting Commission on suspicion of being a so-called diploma mill. A former International detective says he and another employee of the firm broke into the commission's offices (without their client's knowledge) in the Indiana State House and removed, copied, and returned the commission's files on Indiana Northern. The university paid several thousand dollars to International to conduct the investigation

In addition to its sleuthing services, International Investigators also offered its clients a complete line of electronic surveillance equipment for do-it-yourself investigative work. The bugs and other devices were constructed by Melvin Freeman, a former television repairman who has been described as an "electronic genius." Freeman, a close friend of both Wilcox and Nick Longworth, is at least a very talented tinkerer who can fashion, in a matter of hours, a listening device from readily available electronic components. Why Wilcox chose these homemade bugs over the more professional products of Bell and Howell, Audio Intelligence Devices, or Martin L. Kaiser, Inc., seems obvious. The 1968 Omnibus Crime Control and Safe Streets Act outlaws even the possession of such equipment by anyone other than those official agencies permitted by court order to eavesdrop. In Indiana, where even the police are forbidden under any circumstances to bug or wiretap, it would be impossible for Wilcox to order the equipment from established suppliers.

Freeman's tinkering ran him afoul of the law on several occasions. In 1972 he was convicted of conspiracy to steal equipment from the telephone company in order to build "blue boxes," those contraband devices that are used to cheat the phone

company on long-distance calls. Two years later he was convicted of using a "blue box" and received a three-year sentence. Freeman, whose bugs were planted in the offices of Senator Hartke and his aides during the 1970 campaign, invoked the Fifth Amendment when he was called before the grand jury investigating International's dirty-tricks operations.

The downfall of C. Timothy Wilcox, like that of Richard Nixon, was precipitated by some embarrassing tapes. Last year, investigators discovered a collection of reels locked in a storage room at Indianapolis Police Headquarters. On listening to the tapes, the investigators discovered that they were the product of the illegal wiretapping and bugging of the suspected police lieutenant carried out by Wilcox on behalf of Chief Churchill in 1971. Some of the reels bore labels indicating they were the property of International Investigators, Inc.

6

"You wouldn't
believe how political
philosophies change,"
a detective said, "when you
show someone
a photo of himself in
bed with the
wrong person."



The matter was turned over to a strike force from the Marion County prosecutor's office, which began questioning some former employees of International. At the same time, the Pulitzer Prize—winning investigative team from the Indianapolis Star got wind of the probe and began digging in parallel with the strike force. At first the reporters and investigator focused on the affair of the cop and the madam. But as the former detectives began to talk freely, in exchange for immunity from prosecution, the story of International's dirty-tricks program began to unfold.

As the investigation progressed, Wilcox launched a counterattack. While interviewing a former International employee at his apartment, two strike force investigators discovered a tape recorder concealed in a wastebasket. Outside the house, they found Wilcox slouched down behind the wheel of a parked automobile, carrying a

pair of high-powered binoculars and a variety of bugging equipment. The strike force also discovered that Wilcox had begun to compile dossiers on several of its members as well as on a reporter from the Indianapolis Star's investigative unit. Wilcox may have found some comfort in going through the motions of turning the tables on the investigators, but he was whistling in the dark. The grand jury indicted him on several counts of burglary, conspiracy, and illegal eavesdropping.

Also indicted was Wilcox's friend and political crony, Nick Longworth. Long gone from Indianapolis, he had been working in Washington, D.C. In 1973 his service to the campaign of Indiana Governor Bowen was rewarded when the governor appointed Longworth co-director of the state's Washington, D.C., liaison office. Later, when President Nixon appointed former Representative Roudebush as director of the Veteran's Administration, Roudebush hired his former campaign coordinator to serve as his administrative assistant. Informed by the Indianapolis Star that Longworth had been indicted for taking part in the break-ins and dirty tricks carried out during his 1970 campaign against Senator Hartke, Roudebush said, "It is appalling to me to hear these things, because I don't really believe they are true. I think the whole thing is somebody's imagination. It sounds like Watergate to me.'

Before long it began to sound very much like Watergate. The strike force investigators discovered that the fruits of the anti-Hartke operation—checkbooks and memoranda stolen during the break-ins and tape recordings of the bugged conversations—had been turned over to senior officials of the Department of Justice immediately after the burglaries. There were strong indications that the Justice Department had covered up the affair.

In October 1970 two International agents went to Washington and personally delivered the anti-Hartke materials to Gary Baise, a senior administrative official in the Department of Justice. Baise now recalls that the materials "appeared to be part of a political vendetta" and decided not to act on them. Apparently, he did not feel the materials were clear evidence that Hartke had been party to a felony, otherwise, he would have had no choice but to turn them over to others in the Justice Department as grounds for prosecution.

Nevertheless, the stolen documents and bugged conversations were clear evidence that the International detectives who had obtained them had committed a string of felonies, including breaking of federal laws against electronic eavesdropping. Today Baise feels that he didn't examine the materials closely enough at the time to realize how they had been obtained, and he claims he doesn't even remember who gave them to him. When Baise consulted his appointment calendar for 1970, he discovered a mysterious gap: a missing page which covered the two-

CONTINUED ON PAGE 152

WATERGATE

CONTINUED FROM PAGE 58

safe contained political blackmail material. Police Chief Hale, Churchill's successor, brought in a former Secret Service agent to investigate the incident, a decision which suggests that he may have felt the matter to be too explosive politically to be left to his department. Today, since disclosure of the contents of the safe and of the identities of those behind the break-in seems guaranteed to be politically embarrassing to both Democrats and Republicans, the case is probably doomed to oblivion.

Political investigations represented only a part of International Investigators' business, and, in terms of the company's income, it was only a small part. Conventional or non-political private sleuthing paid better, especially when the firm used the same "direct approach" it employed in political matters. In 1972, for example, International was hired by the chancellor of Indiana Northern University, which was then under investigation by the Indiana Private School Accrediting Commission on suspicion of being a so-called diploma mill. A former International detective says he and another employee of the firm broke into the commission's offices (without their client's knowledge) in the Indiana State House and removed, copied, and returned the commission's files on Indiana Northern. The university paid several thousand dollars to International to conduct the investigation.

In addition to its sleuthing services, International Investigators also offered its clients a complete line of electronic surveillance equipment for do-it-yourself investigative work. The bugs and other devices were constructed by Melvin Freeman, a former television repairman who has been described as an "electronic genius." Freeman, a close friend of both Wilcox and Nick Longworth, is at least a very talented tinkerer who can fashion, in a matter of hours, a listening device from readily available electronic components. Why Wilcox chose these homemade bugs over the more professional products of Bell and Howell, Audio Intelligence Devices, or Martin L. Kaiser, Inc., seems obvious. The 1968 Omnibus Crime Control and Safe Streets Act outlaws even the possession of such equipment by anyone other than those official agencies permitted by court order to eavesdrop. In Indiana, where even the police are forbidden under any circumstances to bug or wiretap, it would be impossible for Wilcox to order the equipment from established

Freeman's tinkering ran him afoul of the law on several occasions. In 1972 he was convicted of conspiracy to steal equipment from the telephone company in order to build "blue boxes," those contraband devices that are used to cheat the phone

company on long-distance calls. Two years later he was convicted of using a "blue box" and received a three-year sentence. Freeman, whose bugs were planted in the offices of Senator Hartke and his aides during the 1970 campaign, invoked the Fifth Amendment when he was called before the grand jury investigating International's dirty-tricks operations.

The downfall of C. Timothy Wilcox, like that of Richard Nixon, was precipitated by some embarrassing tapes. Last year, investigators discovered a collection of reels locked in a storage room at Indianapolis Police Headquarters. On listening to the tapes, the investigators discovered that they were the product of the illegal wiretapping and bugging of the suspected police lieutenant carried out by Wilcox on behalf of Chief Churchill in 1971. Some of the reels bore labels indicating they were the property of International Investigators, Inc.

6

"You wouldn't
believe how political
philosophies change,"
a detective said, "when you
show someone
a photo of himself in
bed with the
wrong person."



The matter was turned over to a strike force from the Marion County prosecutor's office, which began questioning some former employees of International. At the same time, the Pulitzer Prize—winning investigative team from the Indianapolis Star got wind of the probe and began digging in parallel with the strike force. At first the reporters and investigator focused on the affair of the cop and the madam. But as the former detectives began to talk freely, in exchange for immunity from prosecution, the story of International's dirty-tricks program began to unfold.

As the investigation progressed, Wilcox launched a counterattack. While interviewing a former International employee at his apartment, two strike force investigators discovered a tape recorder concealed in a wastebasket. Outside the house, they found Wilcox slouched down behind the wheel of a parked automobile, carrying a

pair of high-powered binoculars and a variety of bugging equipment. The strike force also discovered that Wilcox had begun to compile dossiers on several of its members as well as on a reporter from the *Indianapolis Star*'s investigative unit. Wilcox may have found some comfort in going through the motions of turning the tables on the investigators, but he was whistling in the dark. The grand jury indicted him on several counts of burglary, conspiracy, and illegal eavesdropping.

Also indicted was Wilcox's friend and political crony, Nick Longworth. Long gone from Indianapolis, he had been working in Washington, D.C. In 1973 his service to the campaign of Indiana Governor Bowen was rewarded when the governor appointed Longworth co-director of the state's Washington, D.C., liaison office. Later, when President Nixon appointed former Representative Roudebush as director of the Veteran's Administration, Roudebush hired his former campaign coordinator to serve as his administrative assistant. Informed by the Indianapolis Star that Longworth had been indicted for taking part in the break-ins and dirty tricks carried out during his 1970 campaign against Senator Hartke, Roudebush said, "It is appalling to me to hear these things, because I don't really believe they are true. I think the whole thing is somebody's imagination. It sounds like Watergate to me.

Before long it began to sound very much like Watergate. The strike force investigators discovered that the fruits of the anti-Hartke operation—checkbooks and memoranda stolen during the break-ins and tape recordings of the bugged conversations—had been turned over to senior officials of the Department of Justice immediately after the burglaries. There were strong indications that the Justice Department had covered up the affair.

In October 1970 two International agents went to Washington and personally delivered the anti-Hartke materials to Gary Baise, a senior administrative official in the Department of Justice. Baise now recalls that the materials "appeared to be part of a political vendetta" and decided not to act on them. Apparently, he did not feel the materials were clear evidence that Hartke had been party to a felony; otherwise, he would have had no choice but to turn them over to others in the Justice Department as grounds for prosecution.

Nevertheless, the stolen documents and bugged conversations were clear evidence that the International detectives who had obtained them had committed a string of felonies, including breaking of federal laws against electronic eavesdropping. Today Baise feels that he didn't examine the materials closely enough at the time to realize how they had been obtained, and he claims he doesn't even remember who gave them to him. When Baise consulted his appointment calendar for 1970, he discovered a mysterious gap: a missing page which covered the two-

CONTINUED ON PAGE 152

The Tied-Together Look of Beautiful Penthouse Couples.

Two's more fun than one, when you wear Penthouse

Scarves. One for you—one for her. Oblong and squares do

interesting things together; soft, sensually silky polyester does whatever you like . . . folds into an ascot, twists into a bra, turns into a pocketchief. Chocolate print on Beige goes with everything. Hand machine-rolled edges. Every scarf comes with its own Penthouse Booklet, "Ways To Tie It All Together." Square scarf is 27" x 27" Oblong 13"x41" \$10 each.(1.00) From the Penthouse Collection

Please s	is check or end me	money or	York, N.Y. 100 der in the amound oblong e America	unt of s	5.			ouse Product	
Expiration date	8	Ignature		(required)	n using Cre	advi Cardi	el. (to	expedite order)	
Account No.						Ш	Interbank Number	(Master Charg	Ι
or in ocan	nHouse≋ipen	TUCY ISE 118		Code No.	Oty.	Price	Postage and Handling	Total Charge	NO CAR
	SE III PENTHOL	- 0	Square	605			1.00		
		图景	Oblang	806			1.00		
E	a a	enhouse apenhouse ape E penhouse a penhouse E	Name						_
		T I					te	222	

week period during which the International agents visited him in Washington. However, the strike force has been able to establish that Wilcox and another detective flew to Washington on the day Baise received the materials. In any event, Baise does recall discussing the anti-Hartke materials with his boss in the Justice Department, William D. Ruckelshaus.

Ruckelshaus, a former Indianapolis attorney, was deputy attorney general in charge of the Justice Department's Civil Division at the time. He held a series of positions in the Nixon administration, serving variously as director of the Environmental Protection Agency, acting director of the FBI, and special assistant to Attorney General Elliot Richardson. He resigned during the so-called Saturday night massacre of October 1973, when Nixon fired Richardson and Special Prosecutor Archibald Cox.

Ruckelshaus says he doesn't recall Baise's telling him about the anti-Hartke materials. He told an Indianapolis press conference: "It is possible that Mr. Baise had mentioned it to me, but I will say that if I was told this information was illegally obtained or damaging to Hartke, I would have remembered that. I cannot rule out the possibility that Mr. Baise had mentioned some information to me, but I don't think that he would have even mentioned Senator Hartke because he knew how I would feel about using the Justice Department to get involved in a political campaign.'

Ruckelshaus, a Republican, had considered the possibility of running for Hartke's Senate seat in 1970 but deferred to Roudebush several months before the

bugging incidents.

Both Baise and Ruckelshaus were called to testify before the grand jury investigating International's political dirtytricks programs. In a report that it released after hearing all witnesses to the Hartke affair, the grand jury expressed numerous reservations regarding the account presented by the two former Justice Department officials:

... we are convinced that when the documents which had been stolen out of Edward Lewis's office with the tape recording of the electronic eavesdropping device placed in Mr. Lewis's office were delivered to Gary Baise in Washington, he was told said documents and tape recordings were illegally obtained.

We further believe that, as a member of the United States Department of Justice, he then had an obligation to take some action to determine what illegal acts had been committed and who was involved.

"It is unclear if this material was brought to the attention of Mr. William Ruckelshaus; but it is clear that Gary Baise kept the materials and did nothing to determine if any laws had been broken or crimes committed.

"If persons occupying high positions in our system of justice in our country have such a casual disregard for the law, how then are our children to learn proper respect for the law, and how is our society to maintain order?"

The grand jury also noted that it had no jurisdiction in the matter of Baise and Ruckleshaus. Nevertheless, it urged that the Justice Department should make "a complete and thorough investigation for any possible crimes including, but not limited to, obstruction of justice and receiving stolen goods."

The grand jury may have expected that the Justice Department was going to explore possible wrongdoing by a former deputy attorney general and his aide. Such faith was not warranted, however, by past performance in the case. At a critical point in the strike force's investigation, the department had "pulled off a stunt" which almost kept Ruckelshaus and Baise out of the matter entirely.

The Indianapolis strike force had been cooperating with the FBI in the case, since the bugging and wiretapping carried out against Hartke was a violation of federal law. The Indianapolis investigators learned, in fact, that the bureau had known about International's involvement in the Hartke break-ins, for more than a year, but inexplicably had failed to prosecute the case. In any event, the bureau was aware of Gary Baise's involvement in the case and knew that subpoenas had been issued for him and the tapes and materials turned over to him by International Investigators in 1970. Shortly before Baise was due to appear before the grand jury, agents from the FBI visited him and, on orders from the Justice Department, seized the tapes and materials.

The maneuver had the effect of a delaying tactic, since there was little point in taking Baise's testimony if the materials were not available to be entered as evidence before the grand jury. But a delay at this point would have been fatal-the five-year statute of limitation on the 1970 campaign offenses was within days of running out. Confiscating the tapes and stolen documents served not only to keep Ruckelshaus and Baise out of the case but also to deny the strike force essential evidence that any crime had been committed at all. Without the materials, there was a good possibility that no indictments whatsoever would be handed down in the 1970 anti-Hartke break-ins.

Prosecutors James F. Kelley and James Davis were outraged and worked behind the scenes to pressure the Department of Justice for release of the documents. Investigative reporters for the *Indianapolis Star* duly learned of the development and published the story of the Justice Department's delaying maneuver. The affair was beginning to take on the odor of a Wash-

ington cover-up, and the national press was showing signs of interest in the case. Apparently someone in Washington used his better judgment: for the day after the story appeared in the Star, the Justice Department released the materials and had them flown to Indianapolis. They arrived in the prosecutor's office only several minutes before Gary Baise walked into the grand jury room.

Despite the grand jury's belief that any possible wrongdoing by Ruckelshaus and Baise was beyond its jurisdiction, it handed down indictments in the Hartke affair against Roudebush campaign coordinator Longworth; Redding, the attorney for Public Service Indiana; Buena Chaney, a former GOP state chairman; Eston Perry, a former aide to Chaney; and Wilcox. Named as unindicted co-conspirators were the former air force lock man and the International detective, both of whom had admitted their part in the break-ins.

The statute-of-limitations question was

6

The Indiana grand jury expected that the Justice Department would explore possible wrongdoing by top officials. But its faith was not warranted.



raised again when the five defendants moved for dismissal of the charges on grounds that more than five years had elapsed since the break-ins. The burglaries had, in fact, occurred between August and October 1970, and the indictments were handed down October 31, 1975, just barely beyond the five-year limit. The defendants also charged that the Indianapolis prosecutor had no jurisdiction to prosecute the bugging and wiretap charges, since electronic surveillance is prohibited solely by federal law and isn't covered by any Indiana statute.

The prosecutor maintained that the break-ins and eavesdropping had been part of a criminal conspiracy that lasted at least until the evening of November 3—election day—when Wilcox reportedly visited Roudebush headquarters and flashed copies of Senator Hartke's personal income-tax returns to the workers there. The state also argued that Indiana conspiracy law provides for prosecution of

violations of federal law.

In the end the judge found that the statute of limitations had expired and decided that the local prosecutor had no jurisdiction over the federal wiretap charges. The indictments against the five defendants were dismissed, thus killing any chance that some of the larger questions in the case will ever be answered.

If Roudebush's campaign coordinator, Nick Longworth, helped plan the Hartke break-ins, as the prosecution charged. what did his boss-now director of the Veteran's Administration-know about it, and when did he know it? Why did the FBI. which learned from several sources about International Investigators' role in the Hartke break-ins more than a year before the investigation by the Indianapolis strike force, fail to follow up at the time? Was the Justice Department's confiscation of the fruits of the Hartke break-ins and buggings a deliberate attempt to protect former Deputy Attorney General Ruckelshaus from having to answer some embarrassing questions before the grand jury?

And then there is the most perplexing question of all: were the striking parallels between Watergate and the five-year program of dirty tricks in Indiana mere coincidence—or was there an actual connection between the White House Plumbers and their Indianapolis counterparts? Senator Hartke seems to suspect there was. Commenting on the 1970 break-ins, he observed, "In one sense, my campaign was a training ground for the masterminds of the Watergate burglaries, buggings, and dirty tricks. There was a conscious effort on the part of the Nixon-dominated Republican National Committee to sabotage the reelection of me and a number of other senators opposing the Nixon administration."

But while there are striking similarities between Watergate and the Indianapolis affair, the probability is that they are the product of coincidence. If the break-ins, the buggings, the attempted blackmailings, and the other dirty tricks are linked at all, it is in the same way that two or more cases of smallpox are related; the conditions are right, so the disease spreads.

Like C. Timothy Wilcox, most of the International employees who took part in the Indianapolis operations are in their midthirties-bright young men, articulate and well-tailored. They are of the same generation and were shaped by the same social mold as the young men of Watergate. They could be the fraternity brothers of John Dean, Jeb Magruder, Donald Segretti, or Gordon Strachan. They believe in law and order, but they define those concepts in the same terms used by G. Gordon Liddy or E. Howard Hunt. They are furtive, yet proud, for while they must practice their trade in the political back alleys of America, they are unswerving in their belief that God is on their side. Intelligent, courageous, and resourceful, they serve what they see as a higher good.

They are rather dangerous men. O + B