

# Ripping Open an Incredible Scandal

**T**HE denials, the evasions, the secretiveness and, yes, the lies—all had failed. The Watergate case was breaking wide open. A ten-month campaign by some of the highest past and present officials of the Nixon Administration to cover up their involvement was crumbling. Stripped of its protective shrouds, the scandal was rapidly emerging as probably the most pervasive instance of top-level misconduct in the nation's history.

Incredibly, a former Attorney General was cited repeatedly by White House and Justice Department sources as almost certain to be indicted by a federal grand jury. So, too, was Nixon's chief legal counsel, as well as the second-ranking official in his successful reelection campaign and several former White House aides. A second former Cabinet member and campaign fund raiser seemed only a shade less likely to be indicted. There was a very real possibility that some of these and other officials might be convicted of crimes and sent to jail. For several, at least, the charges may well include conspiracy to wiretap, perjury, obstructing justice and financial misconduct.

The nation's capital was thrown into an apprehensive mood of intrigue and suspense. The suspect officials hired attorneys to defend them, held furtive conferences with federal prosecutors and shuttled in and out of a Washington grand jury room, dodging newsmen. In the White House, handsome young presidential aides, selected for their team loyalty and their vaunted proficiency in public relations, turned bitterly on each other, contacting newsmen in order to leak their suspicions about their colleagues. No one could be certain that his office neighbor might not be in the headlines next morning.

At the epicenter stood a somber and shaken Richard Nixon, facing one of his gravest crises. Forced by events to concede that his earlier blanket denials of White House involvement had been wrong, he finally dropped the pretense of being untouched by it all. Either he had been inexcusably remiss in not pressing an earlier, deeper investigation of the matter, or he had been amazingly naive in trusting his aides' protestations of innocence—despite repeated evidence in news reports to the contrary—or he had been a willing party to their deception. Either way, he could not escape heavy responsibility. Despite his plans for returning "power to the people," a major thrust of his Administration has been to centralize the vast responsibilities of the Executive Branch to an unprecedented degree into the hands of a relatively small circle of these overly trusted White House aides.

The spreading scandal created for

the nation a crisis of confidence in its Government. An overwhelming majority of Americans re-elected Nixon in large part because he spoke so often of the need to regain respect for law, sternly administered and applied with equal severity to all. He assailed soft judges and Supreme Court decisions that enable criminals to go free on technicalities. Now his closest official associates are suspected of not only violating federal laws but also trying to subvert the judicial system to conceal their wrongdoing. One high Administration official was moved to an exaggerated lament: "I don't know why any citizen should ever again believe anything a Government official says."

The overall pattern of collusion and cover-up is ugly. The burglary and wiretapping of Democratic National Committee Headquarters in Washington's Watergate complex last June was a serious crime in itself. But now it has been revealed as clearly part of a far broader campaign of political espionage designed to give Nixon an unfair, illegal—and unnecessary—advantage in his re-election drive. It was financed with secret campaign funds, contributed in cash by anonymous donors and never fully accounted for, in violation of the law. Then, after the arrests of seven men in the Watergate break-in, the same funds were used to persuade most of them to plead guilty and keep quiet about any higher involvement.

**Hush.** Initially the Justice Department and the FBI were influenced by either White House officials or their own leaders, who had an extravagant sense of political loyalty to the President, to limit their investigations. They avoided any definitive findings on who had ordered the espionage, who had approved it, who had paid for it and who had conveyed or known about the hush money. That extraordinary attempt at concealment might have succeeded. But persistent newsmen kept probing on their own, asking questions and printing partial answers from lower-level Government officials who were indignant at the evasion above them.

A courageous Washington federal judge, John J. Sirica, applied intense pressure on the wiretappers after their conviction in January, urging them to break their silence. A determined federal grand jury in Washington, which had handled the original Watergate indictments last summer, then got firmer leadership from aroused prosecuting attorneys. And a select Senate committee headed by North Carolina's Sam J. Ervin Jr. moved rapidly to explore the whole sordid Watergate scandal in televised public hearings.

As the pressure built up, Nixon's adamant refusal to let any of his aides tes-

tify before Ervin's committee became untenable. Hardly a legal scholar could be found to support this unheard-of claim of unqualified Executive privilege. Republican Senators began protesting just as vigorously as Nixon's Democratic critics. The President's brief and bland denials of White House involvement no longer satisfied anyone.

Finally, last week, Nixon spoke up. He called a White House press conference, grimly read a prepared statement that took just three minutes, and refused to answer questions. While top politicians in both parties expressed relief that the President finally seemed aware of the ramifications of Watergate, Nixon



PRESIDENT RICHARD NIXON



on's statement reflected only the minimum that needed to be said—and it should have been expressed months ago.

Looking tense and haggard, Nixon announced that all members of his staff will, after all, appear voluntarily before Ervin's committee if they are asked to do so. They will testify under oath and in public, "and they will answer fully all proper questions." He said they will, however, retain the right to refuse to answer any question that infringes on Nixon's concept of Executive privilege.\*

\*Ervin said that his committee's hearing guidelines, accepted by White House officials, reserve to his committee the power to decide by majority vote whether the refusal of a witness to answer a specific question is proper. If the committee decides it is not, Ervin said, he will seek to have the witness arrested for contempt unless he answers.

The complete reversal by Nixon amounted to almost total capitulation to Ervin's insistence that no presidential aide is entitled to blanket immunity from congressional inquiry into wrongdoing. But the matter could become academic, at least for a while. Ervin conceded that if key witnesses are indicted by the grand jury, he will respect their claim that testifying before his committee could prejudice their criminal cases. He may well delay his hearings until after his committee is certain that the judicial process has cleared up all of the questions about who was responsible for Watergate and its cover-up.

Nixon also declared in his statement that he would immediately suspend any member of the Executive Branch of

Government who is indicted, and would fire anyone who is convicted. Any action short of that, of course, would be outrageous. He said that no past or present member of his Administration should be granted any immunity from prosecution. That, too, was no great concession, and could even be regarded as protective of high officials. Immunity is a device normally used by courts only to help convict important figures in a crime by getting minor participants to turn state's evidence on the promise that they will not be prosecuted.

As his reason for speaking out now, Nixon said that "serious charges" had come to his attention on March 21 and that he then began "intensive new inquiries into this whole matter." This in-

## Who's Who in the Watergate Mess

**S**MOOTH, well-connected, brainy, successful in all that they had done, they reached enviable positions of power in American political life. By dint of hard work, some luck and fierce loyalty to Richard Nixon, they had earned the President's trust. Yet last week they were a forlorn group, implicated in willfully or naively subverting the political process. The men involved in the Watergate scandal include several who are household names and others who may soon yearn for the obscurity that they once had. Among them:

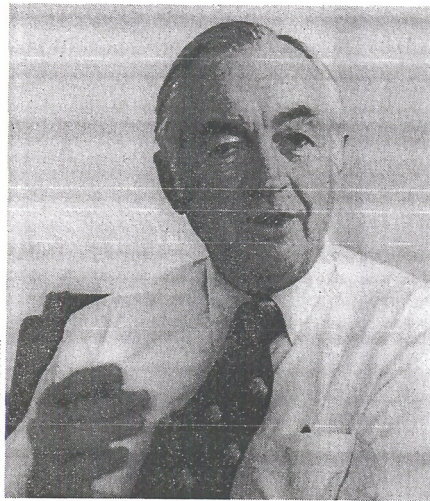
**JOHN MITCHELL**, 59, former director of the Committee for the Re-Election of the President (C.R.P.) and a onetime law partner of Richard Nixon's in the Manhattan firm of Nixon Mudge Rose Guthrie and Mitchell. A dour, pipe-puffing municipal-bond lawyer, Mitchell was also Nixon's closest political confidant. As Attorney General from 1969 until early 1972, he was the exemplar of the tough law-and-order man, who claimed the authority to tap the telephone of anyone whom he considered a security risk.

Mitchell left the Justice Department in March 1972, to direct Nixon's reelection campaign. His tenure at C.R.P. was brief. In a well-publicized yet ultimately unconvincing marital spat shortly after the Watergate break-in, Mitchell's loquacious wife Martha threatened to leave him unless he got out of what she called the "dirty" business of politics. Mitchell left C.R.P. but remained close to the President.

**JEB STUART MAGRUDER**, 38, formerly deputy campaign director of C.R.P. A Californian who looks as if he could pose for old Arrow-shirt ads, Magruder was president of a small cosmetics firm before he entered politics. He was coordinator of Nixon's 1968 campaign in Los Angeles, went to Washington in 1969 as a special assistant to the President. He was a favorite of White House Chief of Staff H.R. Haldeman.

Magruder joined C.R.P. early last year and hoped for a political career, aiming to run for Secretary of State of California next year and Governor or U.S. Senator in 1978. But he was forced to abandon his plans after his involvement in political espionage came out during the Watergate trial. His heart was set on a high Administration post after the election, but Haldeman told him that he would not be in line for a top position (which would require Senate confirmation) because he was too tainted by Watergate. Disappointed, he

FUND RAISER MAURICE STANS



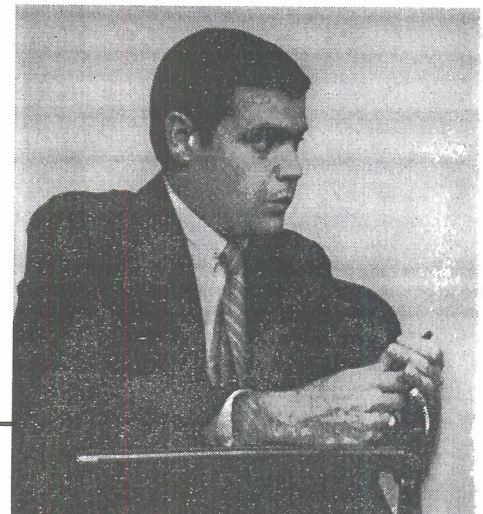
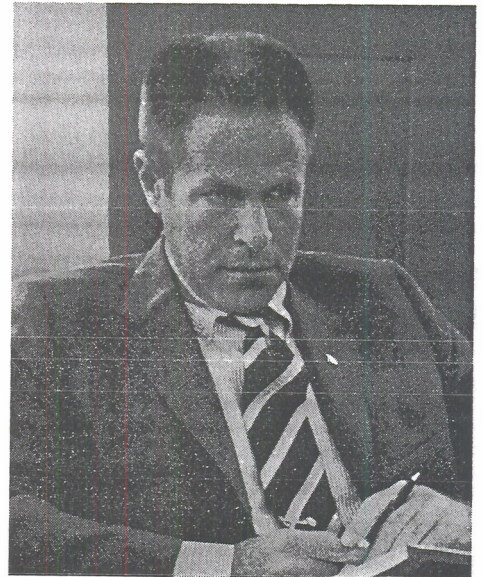
FRED WARD—BLACK STAR

settled for a specially created but vague job as director of planning and evaluation at the Commerce Department.

**JOHN WESLEY DEAN III**, 34, counsel to the President and the man who conducted the investigation of the Watergate case that cleared all White House staffers. A lawyer who has hardly practiced privately, clean-cut Dean worked as minority counsel to the House Judiciary Committee. He gained such a reputation as a Nixon loyalist that in 1969 he was hired by the Justice Department as

its legislative liaison man. Highly recommended by almost every Administration official with whom he came into contact, Dean caught the eye of image-oriented people at the White House, and in 1970 moved over there to succeed John Ehrlichman as counsel. He has outlined the legal basis for Nixon's decisions to impound funds voted by Congress and to expand the doctrine of executive privilege.

WHITE HOUSE STAFF CHIEF H.R. HALDEMAN





vestigation and the renewed efforts of the Department of Justice, he said, had lately shown that "there have been major developments in the case concerning which it would be improper to be more specific now, except to say that real progress has been made in finding the truth."

Besieged by newsmen to explain the President's statement, White House Press Secretary Ronald Ziegler said that March 21 was about the time that convicted Wiretapper James McCord wrote a celebrated letter to Judge Sirica. In it, McCord charged that unnamed officials had brought pressure on the arrested burglars to plead guilty, and that persons not yet indicted had been involved in the conspiracy. But Ziegler could not

detail what kind of new investigation Nixon had made on his own. Justice Department sources also said that they were unaware of any new presidential inquiry. As late as March 26, in fact, Nixon had repeated, through Ziegler, his "absolute and total confidence" in White House Counsel John W. Dean III, who had conducted an earlier White House investigation.

The belief was widespread in Washington that what Nixon's "investigation" amounted to was merely the discovery that some of his political associates were likely to be indicted. Indeed, he was told just that by Attorney General Richard Kleindienst and Henry Petersen, chief of the Justice Department's Criminal Division, in a long con-

ference on Sunday, April 15. Precisely whom they cited as most apt to be named by the grand jury was not revealed. But TIME has learned that five men are priority targets of the jury. They are:

John Mitchell, former Attorney General, who headed the Nixon re-election committee at the time of the Watergate arrests and quit just two weeks later.

John Dean, the chief White House counsel.

Jeb Stuart Magruder, Mitchell's deputy on the Nixon re-election committee and now a Commerce Department official.

Fred LaRue, another assistant to Mitchell on the campaign committee

H.R. (for Harry Robbins) HALDEMAN, 46, White House chief of staff. A crew-cut Southern Californian who neither smokes nor drinks, "Bob" Haldeman was once a vice president of the J. Walter Thompson ad agency in Los Angeles. He is a longtime Nixon loyalist, who advised the former Vice President against running for Governor of California, then bravely managed his disastrous 1962 campaign. One of the most formidable members of Nixon's palace guard, Haldeman wields enormous power, passing along presidential orders and ideas to the rest of the staff. His humorlessness and determination to protect the President from outsiders have made him unpopular with Congress.

MAURICE STANS, 65, director of C.R.P.'s finance committee. A self-made millionaire accountant, Stans joined the Nixon Administration as Secretary of Commerce in 1969. By urging import quotas, easier pollution controls and less stringent consumer-protection standards, he accumulated a sheaf of political IOUs from businessmen. When he left Commerce last year, he began calling them in, advising businessmen to make large cash or stock contributions to the campaign. They could do that secretly, he noted, by making their gifts before a tough campaign-fund disclosure law took effect in April 1972. Stans' efforts got C.R.P. into trouble with the federal courts, which fined the commit-

nessmen were hesitant about bankrolling the Republican National Convention planned for their city, Kalmbach's firm got a letter from the Justice Department assuring them that their contributions would be tax deductible. By doing good for Nixon, Kalmbach has done well for himself. In 1968, he had only three other attorneys in his office and few major clients. Now he has 24 attorneys and a list of some 200 clients.

FRED LARUE, 44, special assistant to the C.R.P. director. Short and spectacled, LaRue is a Mississippi oil and real estate millionaire, who joined C.R.P. as a chief aide to Mitchell in 1972. Respected by Nixon intimates for his political savvy, secretiveness and loyalty, and valued for his connections to Southern Democrats, he was considered Mitchell's right-hand man at C.R.P. He is reported by sources close to the Watergate case to have helped destroy records linking C.R.P. with the bugging.

DWIGHT CHAPIN, 32, a former White House aide who, among other things, helped to coordinate the President's daily schedule. Chapin worked as assistant to Haldeman at the J. Walter Thompson office in Los Angeles. He joined the White House staff in 1969 and left after the public disclosure of his involvement with C.R.P.'s "dirty tricks department" but denies that he was forced to resign. He is now director of market planning for United Air Lines.

GORDON STRACHAN, 29, former staff aide to Haldeman. A member of the Southern California group—which includes Haldeman, Magruder, Chapin and Ziegler—Strachan (pronounced Strawn) worked for Nixon's Manhattan law firm, then followed the President and Mitchell to Washington in 1970. Known around the White House as "one of Haldeman's guys," he served as liaison between Haldeman's office and C.R.P. during 1972, and was in constant touch with Mitchell and Magruder. He left the White House last December and is now general counsel to the U.S. Information Agency.

C.R.P.'s MAGRUDER



LAWYER KALMBACH



C.R.P.'s LARUE



FRED J. MAROON—LOUIS MERCIER



tee \$8,000 for violating the disclosure law by making campaign expenditures without accounting for them.

HERBERT KALMBACH, 51, the President's personal lawyer. He was in charge of disbursing large amounts of Republican Party secret funds for political intelligence work. Kalmbach, a Californian and a close friend of Haldeman's, handled the legal work and financial arrangements when Nixon bought his seaside home in San Clemente and has been an active Nixon fundraiser. When skittish San Diego busi-

DWIGHT CHAPIN & JOHN DEAN III



and a former White House aide.

Gordon Strachan, a former assistant to H.R. Haldeman, the White House chief of staff.

Indictments are somewhat less likely but nevertheless possible, according to congressional and White House sources, against: Robert Reisner, who was Magruder's top assistant on the reelection committee; Dwight Chapin, a former White House aide; and Donald Segretti, a California lawyer who has admitted some attempts to disrupt the campaigns of Democratic presidential candidates. Since so much of the secret and unreported money used to finance the espionage came from a safe in the office of Maurice Stans, the former Commerce Secretary who headed the Nixon campaign's fund-raising efforts, he is also considered a possible grand jury target. One Senate investigator insists, however, that "Stans was a tool. He is not morally culpable."

As he has so often in the recent developments in the fast expanding scandal, Counsel Dean emerged as a key and mysterious figure. TIME has learned that it was Dean, surprisingly, who was most instrumental in getting the grand jury off what seemed like a dead-end course. Washington Correspondent Sandy Smith reconstructed the following chronology:

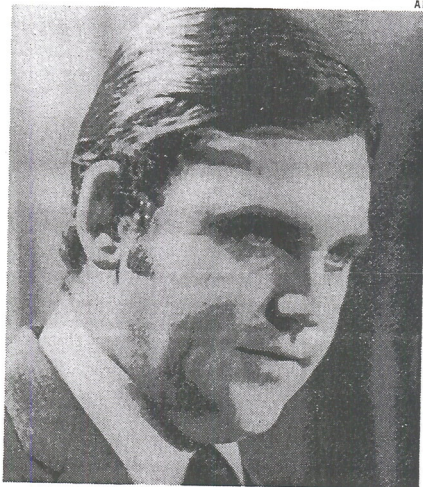
**Charges.** The big break came after Judge Sirica, on March 23, tentatively imposed heavy sentences on most of the seven convicted Watergate conspirators but offered to review the jail terms later, implying that the sentences might be reduced if the convicted men told everything that they knew about the break-in and bugging. On April 5, McCord, who alone had not yet been sentenced, began making sensational charges before the grand jury. He claimed that Mitchell, Dean and Magruder knew about the Watergate bugging plans in advance and had discussed them at a meeting in Mitchell's office in February 1972, when Mitchell was still Attorney General. Further, according to McCord, plans were approved then to bug the Washington headquarters of Democratic Candidate George McGovern and the Miami Beach hotel suites of top party officials during the Democratic National Convention.

McCord also contended that after the men were arrested inside the Watergate on June 17, they received regular payoffs to keep quiet. These amounted to at least \$1,000 per man each month and were, he said, delivered in cash by Mrs. E. Howard Hunt, wife of one of the arrested men. Hunt, a former White House consultant, later pleaded guilty to burglary and wiretapping. His wife was killed in a Chicago airplane crash on Dec. 8; she was carrying \$10,000 in cash at the time. McCord also contended that the payoff money was coming from the Nixon reelection committee.

Trouble was, nearly all of the McCord testimony was based on hearsay.

McCord had cited as his sources G. Gordon Liddy, another former White House aide convicted in the wiretapping, and Hunt. But Liddy was refusing to speak to the grand jury at all. Rather than talk, he accepted an additional sentence for contempt of court. Hunt did testify further before the jury, but apparently was not supporting McCord's charges about the Watergate planning and the payoffs—or did not have personal knowledge of them.

Thus the grand jury seemed frustrated in trying to confirm McCord's reports. But on April 6, for reasons that



PRESS SECRETARY RONALD ZIEGLER



ATTORNEY GENERAL RICHARD KLEINDIENST

are still not clear, Counsel Dean gave information to the Watergate prosecutors in the Justice Department that corroborated for the first time much of what McCord was claiming. His motive could have been connected with the fact that only two weeks earlier he had been publicly accused of "probably" lying to the FBI. The accusation had been made by L. Patrick Gray, acting FBI director, at his unsuccessful confirmation hearings.

The next break came on April 11, when Jeb Magruder's chief assistant, Robert Reisner, appeared before the grand jury. With knowledge of his boss's activities, he apparently backed most of McCord's testimony, including the claim that Magruder had attended a

## It's Inoperative: They

THE Nixon Administration has developed a new language—a kind of Nix-speak. Government officials are entitled to make flat statements one day, and the next day reverse field with the simple phrase, "I misspoke myself." White House Press Secretary Ronald Ziegler enlarged the vocabulary last week, declaring that all of Nixon's previous statements on Watergate were "inoperative." Not incorrect, not misinformed, not untrue—simply inoperative, like batteries gone dead. Euphemisms notwithstanding, the Nixon Administration's verbal record on Watergate is enough to turn ardent believers into skeptics. Some examples of "inoperative" statements from Administration officials who misspoke themselves:

► On June 19, 1972, only two days after the break-in, Ziegler refused to comment on the incident and called it a "third-rate burglary attempt," adding, "This is something that should not fall into the political process."

► On Aug. 28, Attorney General Richard Kleindienst pledged that the Justice Department's investigation of the Watergate case would be "the most extensive, thorough and comprehensive investigation since the assassination of President Kennedy . . . No credible, fair-minded person is going to be able to say that we whitewashed or dragged our feet on it." In fact, five months later only seven men had been brought to trial as a result of that investigation—the five directly involved in the break-in on June 17, plus a low-level White House consultant and a former White House staffer. Until recently, top officials in the Justice Department made little attempt to find out who had planned and approved the operation.

► On Aug. 29, President Nixon remarked of a Watergate investigation

February meeting with Mitchell about the bugging plans. But a greater revelation came three days later, on April 14, when Magruder went to Justice Department officials and told of the February meeting with Mitchell and Dean. This was the first confirmation by any participant in the meeting that the Watergate bugging had been discussed at this high level. Magruder said that Liddy displayed poster-sized operational charts of the wiretapping operation. But at that time, Magruder added, John Mitchell did not give clear approval to go ahead with the operation.

Magruder further revealed that there was another meeting a few weeks later with Mitchell in Key Biscayne, Fla., at which the wiretapping was discussed again. The meeting was attended, he said, by Liddy and Fred LaRue—and it was then, according to Magruder, that Mitchell did give his ap-



## Misspoke Themselves

being conducted by his counsel, John W. Dean III: "I can say categorically that his investigation indicates that no one in the White House staff, no one in this Administration, presently employed, was involved in this very bizarre incident."

► On Oct. 16, Clark MacGregor, then chief of the Committee for the Re-Election of the President, said: "Using innuendo, third-person hearsay, unsubstantiated charges, anonymous sources and huge scare headlines, the [Washington] *Post* has maliciously sought to give the appearance of a direct connection between the White House and the Watergate, a charge which the *Post* knows—and a half a dozen investigations have found—to be false."

► On Oct. 19, Jeb Stuart Magruder, former deputy director of C.R.P., told *TIME* Correspondent Hays Gorey: "Listen, when this is all over, you'll know that there were only seven people who knew about the Watergate, and they are the seven who were indicted by the grand jury."

► On March 24, 1973, Senate Minority Leader Hugh Scott quoted Nixon as saying: "I have nothing to hide. The White House has nothing to hide. I repeat, we have nothing to hide, and you are authorized to make that statement in my name."

► On March 26, Ziegler "flatly" denied "any prior knowledge on the part of Mr. Dean regarding Watergate."

► On March 29, former Attorney General John Mitchell said: "I deeply resent the slanderous and false statements about me concerning the Watergate matter reported as being based on hearsay and leaked out. I have previously denied any prior knowledge of or involvement in the Watergate affair and again reaffirm such denials."

proval to proceed with the plans. LaRue, however, has denied that Mitchell did so. Magruder also told investigators that both Mitchell and Dean had approved the payments to the wiretappers to keep them quiet.

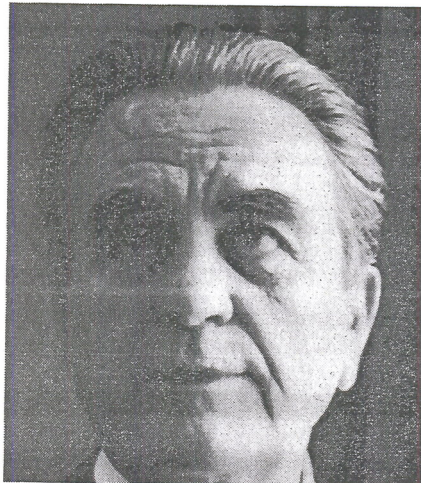
After these charges and revelations by Magruder, the three Justice Department attorneys prosecuting the case—Earl J. Silbert, Seymour Glanzer and Donald E. Campbell—set up a meeting on Sunday, April 15, with their Justice Department superiors, Kleindienst and Petersen. The latter two, in turn, immediately asked to see Nixon. Explained one Justice official: "These findings had to be brought to the attention of Nixon to give him the opportunity to salvage the presidency from the shambles of the Watergate evidence."

The meeting with Kleindienst and Petersen in the Executive Office Building apparently moved Nixon to make

his announcement of "major developments" two days later. The meeting also resulted in Kleindienst's decision to remove himself from further supervision of the case. He tried to keep this secret, but the word got out, and Kleindienst conceded that he had withdrawn because "persons with whom I have had personal and professional relationships" were being implicated. Newsmen took that to refer to 1) Mitchell, for whom Kleindienst had served as a deputy at the Justice Department and to whom he was greatly indebted for his promotion; and 2) Dean, who had been



SENATOR SAM ERVIN



JUDGE JOHN J. SIRICA

Kleindienst's own deputy from February 1969 to July 1970. Full control of the Justice Department probe was turned over to Henry Petersen, who had handled it all along—but with no great distinction in its limited early phase.

Dean and Mitchell were now on center stage in the developing drama. Both were called to testify by the grand jury. On April 14, Mitchell had been spotted by newsmen as he arrived quietly at the White House. Press Secretary Ziegler confirmed that the former Attorney General had been summoned to talk to John Ehrlichman, the President's chief adviser on domestic affairs. Ziegler would not disclose the nature of the talks. Yet it was soon learned

that Nixon had asked Ehrlichman to take over as his own top aide in investigating Watergate, replacing Dean, in whom the President had obviously lost confidence. Martha Mitchell insisted to newsmen that her husband had been called in by the President and had talked to him. She called Ziegler's report that her husband had not seen Nixon "a god-blessed lie." Said Mrs. Mitchell in a telephone call to the Associated Press: "The President wanted Mr. Mitchell down there. They're trying to get him and me as the two culprits." If Mitchell did not see Nixon, the snub seemed a demeaning way for the President to deal with an intimate on such a grave matter as implication in the scandal.

As speculation rose about Mitchell's involvement, the nation's onetime law-enforcement chief remained remarkably calm. Publicly, he scoffed at it all. "The stories are getting sillier all the time, aren't they?" he commented to a reporter. But *TIME* has learned that Mitchell's grand jury testimony at week's end was both self-incriminating and sensational.

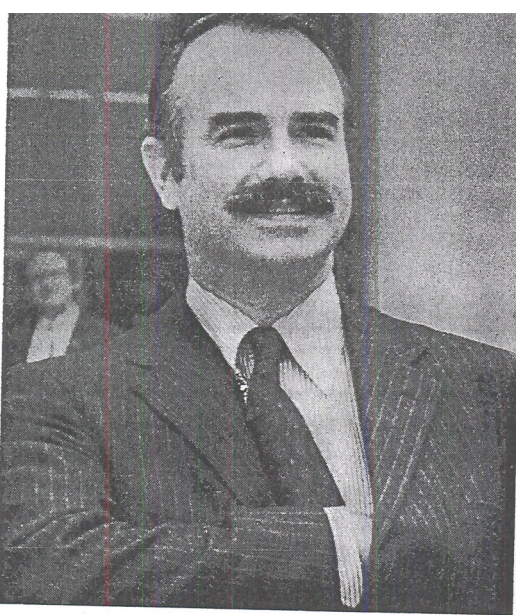
Mitchell told the jurors that he had indeed discussed plans to bug Democratic headquarters on three, rather than just two, occasions. He did so in his office as Attorney General on Jan. 24 and Feb. 4, as well as in Key Biscayne about a month later, after he shifted to head the Nixon campaign committee. But on each occasion, Mitchell testified, he opposed the plans. This statement directly contradicted Magruder's story. Mitchell said that he thought that his objections had caused the plans to be abandoned.

**Lowly.** He did not learn that they were proceeding, Mitchell testified, until the wiretappers were arrested at the Watergate in June. Then, he told the jury, he became certain that someone in the White House had gone over his head and approved the plans. Without White House approval, Mitchell insisted, such lowly figures as Hunt and Liddy would not have dared to go ahead. Mitchell thus passed the buck back to Nixon's White House.

The former Attorney General also told the jury that he had known in advance that his Nixon committee deputy, Magruder, was going to give a false story to the grand jury last summer by denying any advance knowledge of the Watergate plans. Magruder has since conceded to Justice Department officials that he did testify untruthfully, but claims that he did so at the urging of Mitchell. Mitchell denies that he told Magruder to lie. Magruder is thus wide open to a perjury charge and is in turn accusing Mitchell of suborning that perjury.

As for the payments to the wiretappers, Mitchell told the jury that he did approve such payments, beginning before the 1972 election and continuing even after he was no longer technically the head of the re-election committee. He claimed, however, that the payments





CONSPIRATOR G. GORDON LIDDY



CONSPIRATOR E. HOWARD HUNT

were not hush money, but funds needed by the arrested men for living expenses and legal fees. Mitchell said he was not sure precisely where this money had been kept, but that it was from campaign contributions.

Mitchell's testimony last week destroyed his previous public claims that he had never been aware in advance of any plans to bug Democratic headquarters. It is not yet clear whether Mitchell made the same assertions in his previous testimony to the grand jury last summer. If he explicitly did so, he too faces a potential perjury charge.

Certainly he contradicted his own sworn testimony in a deposition taken last fall in a civil suit filed by the Democratic National Committee against the Nixon committee. Mitchell was asked then: "Was there any discussion at which you were present or about which you heard when you were campaign director concerning having any form of surveillance of the Democratic National Committee headquarters?" Mitchell's reply: "No, I can't imagine a less productive activity than that." And if the Nixon committee, as Mitchell also claimed last June, had played no part in the wiretapping operation, then why did he approve payments to support the arrested men? Why not abandon them?

**Scapegoat.** Even as Mitchell was trying to pin responsibility on the White House, Counsel Dean was similarly threatening to take other Nixon aides down with him. He has passed word through friends that he intends to hold nothing back before the grand jury and that he will testify that there was, indeed, a cover-up by White House aides. That threat was made directly by Dean in a statement issued through a secretary, who telephoned it in a trembling voice to newsmen. The key passage: "Some may hope or think that I will become a scapegoat in the Watergate case. Anyone who believes this does not know me, know the true facts nor understand our system of justice."

That statement, released without

going through the usual channels of approval by the President or Ziegler's press office, drew a rebuke from Ziegler. He protested that Nixon's statement last week had "made it quite clear that the process now under way is not one to find scapegoats but one to get at the truth." But, newsmen asked, was Dean still on the job as counsel if he is in such disfavor? Replied Ziegler sarcastically: "He's in his office. I don't know what he's doing. Attending to business, I assume—business of some sort."

As White House aides began telephoning and meeting secretly with newsmen to leak their own self-serving versions of who was at fault, Dean's friends implied that his original report to the President on his investigation of the Watergate break-in had not been nearly as sweeping in its denial of White House involvement as the Nixon statement had claimed at that time (see box page 14). It thus seemed likely that Dean would tell the grand jury that somebody in the White House had overruled or altered his findings before they reached Nixon. The man most often cited as in a position to do that is Haldeman, who supervises Dean's office. Whether Nixon himself was aware of such an alteration in Dean's report is a question with grave implications.

The grand jury, meanwhile, was also probing another line of inquiry: the alleged use of campaign funds to promote a general attempt to disrupt the campaigns of the Democratic presidential candidates and use spying techniques to gather intelligence on their plans. Thus the jury was hearing from Herbert Kalmbach, Nixon's longtime personal attorney, who has admitted to FBI agents that he paid California Lawyer Donald Segretti some \$40,000 in cash, although Kalmbach apparently has denied knowing that the money was for the purpose of disrupting and subverting the campaigns of Democratic candidates. The money came from that well-stuffed Stans safe, which at one time was

reported to hold some \$1,000,000 in cash. This line of inquiry by the grand jury could also implicate Dwight Chapin, who has admitted arranging the hiring of Segretti, and Gordon Strachan, who also helped recruit the *agent provocateur*.

While there was no evidence that employees of the Nixon committee or operatives in the White House were responsible, some strange things did occur in the campaigns of Senators Edmund Muskie, George McGovern and Hubert Humphrey. For example, someone representing himself as being from McGovern's headquarters invited AFL-CIO President George Meany to meet with McGovern at a time when neither wanted such a confrontation; the misunderstanding further alienated

Meany from the McGovern campaign. Someone posing as McGovern's top television-time buyer called CBS to say that he wanted to cancel a major speech; the network rechecked, found that the real buyer had not called. Before the Florida primary, a flyer printed on Muskie stationery wildly asserted that two of Muskie's opponents, Humphrey and Washington Senator Henry Jackson, had participated in "illicit sexual activities." In the New Hampshire primary, telephone callers identifying themselves as Muskie supporters repeatedly called voters after midnight to ask them how they were going to vote. In California, a phony Muskie letter told wealthy donors that they did not need to contribute to his campaign, since he wanted to rely on numerous small contributions from less affluent givers.

**Guilt.** Lately the collapse of the Watergate cover-up has caused the Nixon re-election committee to push hard for the settlement of two peripheral civil suits. Although Mitchell was no longer a committee official, he approached Democratic National Chairman Robert S. Strauss three weeks ago with an offer of \$525,000 to settle a \$6.4 million suit filed by the Democratic National Committee. The committee has charged that the Watergate wiretapping violated the civil rights of the then-National Chairman Lawrence O'Brien and other top Democrats, some of whose phones had been successfully tapped in a previous break-in. Strauss at first was inclined to accept the offer, considering it to be "a lot of money and an admission of guilt." But the Republicans did not want it viewed as an admission, and Strauss finally rejected any offer, preferring to hold the suit as a weapon to get the full truth in case it does not come out in the judicial proceedings.

The Nixon Committee's finance chairman, Maurice Stans, similarly set up a meeting with John Gardner, head of Common Cause, the citizens' group that is trying to force the Republican Committee into making some disclo-



tures. Specifically, Common Cause wants to know the names of secret donors who rushed to contribute before a new campaign law requiring disclosure went into effect last April. Some \$15 million is estimated to have been collected in the month before that. Gardner's suit claims that public reports on the names and on receipts and expenditures were required even before the deadline. Stans wanted Gardner to soften his suit; Gardner refused, and a trial is expected.

**Bombs.** Conspirator McCord last week further complicated Stans' life by filing a \$1.5 million damage suit of his own against the Nixon committee, charging that Stans, Magruder and the former Nixon committee treasurer, Hugh W. Sloan Jr., had approved his wiretapping activities and led him to believe that they were legal.

As the multiple controversies exploded in Washington, the city turned jittery. Declared a high Administration official about the staff in the White House: "It's like the last days in a Berlin bunker in 1945. They're all sitting there waiting for the bombs to drop."

Some White House careers were effectively ended. Dean was isolated and certainly would have to quit, if he is not fired. Haldeman seemed hopelessly compromised, if only because many of the men in the deepest trouble at one time or other reported to him: Dean, Chapin, Strachan, Magruder. It is Haldeman's duty as chief of staff to protect the President from such disasters; instead his shop played a big hand in creating the debacle.

One man moving most frantically to clear himself was John Ehrlichman, who has long worked intimately with Haldeman and thus could be tainted. Justice Department officials say he was the source of some news leaks about others in the affair through intermediaries, and his friends were saying that he had long opposed the secretive handling of the whole scandal. Haldeman and Ehrlichman last week both retained a lawyer, who said he would "consult with them and advise them on phases of what has become known as the Watergate case."

Certainly the credibility of Press Secretary Ziegler has been shattered, although it was compromised long ago. Last week Clark Mollenhoff, the Des Moines *Register's* Washington bureau chief (and a former Nixon adviser), dramatized the growing feeling of many newsmen about Ziegler. At a White House press briefing, Mollenhoff contended that Ziegler had twice privately given him information about Watergate that was now shown to be untrue. "I think I have some rights to have you apologize at the present time for being inaccurate," Mollenhoff said. Replied Ziegler: "Sir, I responded to your question at that time, and my remarks stand on the record." Trembling with rage, Mollenhoff persisted: "Were you inaccurate? This is a matter of personal priv-

ilege." Ziegler said he had nothing further to say. "But you gave me misinformation, and I wrote a story, and that has to do with my credibility," protested Mollenhoff. Ziegler: "Well, sir, I will stand on the comment."

Two wings of Nixon's White House remain unclipped by Watergate. There was never any indication that Henry Kissinger's national security advisers or George Shultz's economic planners were in any way tainted. Yet for the most part the President has been ill-served by the type of men he has chosen to work with him. Throughout his presidency one of his greatest weaknesses has been his inability to attract, or his unwillingness to select, men of depth and vision. He has surrounded himself in the White House with practical men whose priority qualification is loyalty. With some exceptions, they tend to be manipulators, managers and protectors rather than independent-minded advisers. They get things done—and the means do not seem to matter.

One of the great remaining mysteries about Watergate is just what these pragmatic men hoped to gain by eavesdropping on Democratic conversations and copying Democratic Party documents. The only logical explanation would seem to be that they did not really know what they would find—but that they somehow felt that learning everything about the opponent's strategy, weaknesses and day-by-day problems was worth the high risk. They perhaps hoped for some startling revelation that could be used against the Democrats. Given Nixon's past campaign performances—the narrow loss to John Kennedy, the last-minute slippage to Hubert Humphrey—a sense of insecurity may have lured his aides into wanting to seize every advantage, even if illegal, this time.

The overriding question, of course, is how the whole Watergate scandal will affect Richard Nixon's ability to govern. Even before the latest disclosures, a Gallup poll showed that 84% of Americans had heard about Watergate and that 41% believed that Nixon knew about plans for the bugging operation before it was carried out. Future rev-

elations—and any indictments—will further unsettle the public and, in turn, upset Republican Congressmen. The impact of Watergate may well make it harder for Nixon to keep fellow Republicans in Congress behind him on critical votes over the budget. The federal bureaucracy, which Nixon has been trying to manage through second-level officials dispatched from the White House, may now prove restless and untameable. These White House agents have lost much of their clout. Many Republican politicians throughout the nation may move to dissociate themselves further from the dark and billowing cloud.

The Nixon Administration has lost a more intangible element of national leadership: the ability to mediate, persuade and inspire. Without such fragile qualities as trust, credibility and integrity, that ability is seriously impaired. The ramifications of Watergate have badly diminished the Administration's capacity to exert moral authority.

**Despair.** In this new crisis Nixon seemed to be turning inward. He asked an old and trusted friend, Secretary of State William Rogers, to join him on a moonlight cruise on the Potomac last Monday night. On Thursday he cruised almost alone, except for his *Sequoia* crew. Over the weekend he flew to Key Biscayne and left Haldeman and Ehrlichman, who almost always travel with him, in Washington.

Before he departed, Nixon held one of his rare meetings with the full Cabinet. Perhaps he felt that its members deserved a report or some reassurance from him. The mood, said one participant, was one of "concern bordering on despair." Watergate was clearly the dominant subject of conversation. "We're going to clear it up," Nixon told the Cabinet. Later, almost with an air of "this too shall pass," he said that "things go on."

It would be tragic if Richard Nixon's considerable achievements as President were coupled in history with the sordid business of Watergate—as now seems likely. Yet for a while, at least, one of his most cherished words, "honor," will have a hollow ring.

CONSPIRATOR JAMES McCORD



ANTI-NIXON CAMPAIGN DEMONSTRATION

