

Petersen Faces an Inquiry On His Watergate Actions

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WASHINGTON, June 4—The Watergate special prosecution team has decided to investigate the conduct of Henry E. Petersen, the Assistant Attorney General who supervised the Watergate inquiry for nearly a year and was placed in sole charge by President Nixon in mid-April.

Sources close to Archibald Cox, the special prosecutor, said that the team's review of the Watergate record thus far had left "no question" that Mr. Petersen was, at best, totally misled by his superiors in the White House. At issue, these sources said, is whether Mr. Petersen was involved in the cover-up.

Other investigators, citing Mr. Petersen's record for integrity during 25 years of Government service and the fact that he was one of the highest-ranking Democrats in the Nixon Administration, said they believed he was a "victim" who was—as one official put it—"gulled" by the White House.

On April 17, the White House announced that President Nixon had taken personal command of what was depicted as a "new investigation" into the Watergate case. It was subsequently disclosed that the President had decided to work directly with Mr. Petersen. Over the next few weeks the two men often discussed the case by telephone.

In a telephone interview today, Mr. Petersen vigorously denied any involvement in a cover-up and said, "I did not compromise this investigation with anybody at all."

But he also acknowledged that he was furious with the Nixon Administration for its handling of the case. He would immediately retire from Government service, Mr. Petersen said angrily, except that "everybody would report that 'an-

Continued on Page 28, Column 1

Continued From Page 1, Col. 7

other Watergate figure left the Government today."

One Government investigator said that the evidence collected thus far showed that John W. Dean 3d, the former White House counsel, was the official who had dealt most directly with Mr. Petersen, and the official who — either of his own volition or at the direction of others — had most misled him.

It was Mr. Dean, Justice Department sources said, who requested and received from Mr. Petersen last year information about the theory and scope of the department's criminal investigation and then utilized that information to help steer the White House cover-up through potential trouble areas.

Praise by Nixon Reported

Mr. Dean's associates told newsmen three weeks ago that he was summoned into Mr. Nixon's office shortly after the indictment of the seven Watergate conspirators was announced last September and was congratulated by the President.

"Good job, John," Mr. Dean was quoted as saying the President had told him. "Bob [H. R. Haldeman, the former White House chief of staff] tells me what a great job you've been doing."

Mr. Dean was also quoted as believing that his superiors had been pleased at his ability to "keep the lid on." Only the five men seized inside the Democratic National Committee offices in the Watergate complex and their two immediate superiors, E. Howard Hunt Jr. and G. Gordon Liddy, were accused in the indictment of involvement.

Asked about this, Mr. Petersen said: "If you're asking me whether I discussed this investigation with Dean, the answer is yes. But I didn't give him any details. Hell, I hardly had to. He had the (Federal Bureau of Investigation) investigative reports himself."

"Dean never tried to pressure me," Mr. Petersen added. "But did I feel the pressure in

this case? The answer is yes."

He said that he realized higher-ups were involved in the Watergate bugging within days of the break-in and arrests last June 17. At one point, he related, he went to Richard G. Kleindienst, then the Attorney General and his immediate superior in the Justice Department, and warned:

"Brother Dick, keep one thing in mind. I ain't going to jail for this, and if you're smart, you'll stay out of this one yourself."

It is the fact that Mr. Petersen and other high-level Justice Department officials suspected that high political figures were behind the burglary that has prompted suspicion among Mr. Cox and his investigators about Mr. Petersen's role.

It could not be learned whether Mr. Petersen would be requested to make a formal statement either to Mr. Cox's new prosecuting team or to the grand jury now hearing testimony in connection with the cover-up.

A Friendly Discussion

Mr. Petersen said he has held only one meeting with Mr. Cox and his associates thus far, and described it a "just a friendly discussion." He said he had no knowledge of renewed official concern over his role in the original investigation.

"What happened?" Mr. Petersen asked rhetorically at one point in a reference to the prosecutors' initial inability during the earlier investigation to get any of the seven Watergate defendants to talk.

"We didn't use the rack and screw."

"We in the Justice Department," he added, "think people who commit white collar crimes should be given the same rights as members of the Cosa Nostra."

The official concern over any role by Mr. Peterson in the Watergate cover-up marks a sharp decline in his fortunes. Two months ago, he was being rumored as a possible candidate for the post of F.B.I. director after the Senate Judi-

ciary Committee balked at approving L. Patrick Gray 3d.

Since then, however, he has been sharply criticized by some Senators and Representatives for his failure to order a full investigation into the sabotage and espionage operations against the Democrats reportedly conducted by Donald H. Segretti at the direction of top White House officials. Mr. Segretti was indicted in early May for his role in preparing and distributing a bogus campaign flyer during the Florida Democratic primary election a year earlier.

Mr. Petersen, who was relieved of all Watergate responsibility after the appointment of Mr. Cox last month, has also been criticized for a statement during the Presidential campaign last fall in which he defended the Justice Department's Watergate investigation as "the most exhausting and far-reaching that I have seen."

Mr. Petersen made the remark in response to a charge by Senator George McGovern of South Dakota, President Nixon's opponent, that the Administration was engineering a "whitewash" in connection with the case.