

Ehrlichman Says President Acted On CIA-FBI Role

Set Meeting On Probe of Contribution

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President Nixon personally ordered a White House meeting at which his chief aides instructed the Central Intelligence Agency to intervene in an FBI investigation of the "laundering" of Watergate money through a Mexican bank.

This was the testimony of John D. Ehrlichman, formerly Mr. Nixon's chief adviser on domestic affairs, during a closed hearing yesterday of the Senate Appropriations Subcommittee on Intelligence Operations.

At the time the President was specifically aware that the FBI investigation centered on the channeling through Mexico of \$100,000 in Republican political funds which were ultimately used to finance operations of his re-election committee, including the Watergate break-in.

So said Appropriations Committee Chairman John L. McClellan and two fellow senators in recapitulating Ehrlichman's 2½ hours of closed-door testimony.

Ehrlichman, who emerged from a long period of virtual seclusion from newsmen to discuss his testimony, said afterwards, how-



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Ehrlichman meets reporters after testifying on Hill.

ever, that he did not know whether the President was aware of the nature of the \$100,000 fund transaction.

Yesterday's session also produced the disclosure by McClellan that the then-director of the CIA, Richard Helms, had told former Acting FBI Director L. Patrick Gray III on June 22, 1972, that the CIA was not implicated in the Watergate scandal and that the FBI investigation in Mexico would not imperil any of its operations.

This is of major significance since top CIA officials have testified that the President's former chief of staff,

See EHRlichman, A4, Col. 1

Excerpts from John D. Ehrlichman's testimony. E1.

EHRlichman, From A1

H. R. (Bob) Haldeman, instructed them at a White House meeting the following day to advise the FBI that agency operations in Mexico would be endangered by the inquiry.

The new testimony also produced a series of contradictions between Ehrlichman and top CIA officials on the role of the White House in dealing with the agency on Watergate-related matters.

Ehrlichman said he had no recollection of making the phone call in July, 1971, that resulted in the CIA's giving technical assistance to Watergate conspirators E. Howard Hunt Jr. and G. Gordon Liddy. That assistance was used in the burglary of Daniel Ellsberg's psychiatrist in early September, 1971.

Former CIA Deputy Director Gen. Robert E. Cushman had previously sworn that it was Ehrlichman who ordered the assistance to Hunt. And it was Helms' testimony that the assistance was grudgingly provided by the agency because of White House insistence.

In his prepared testimony to the committee, Ehrlichman said that it was Cushman who called him in August, 1971, to request that the aid to Hunt be ended. Ehrlichman said he readily agreed to the request when he learned that Hunt

claimed to be working for the White House.

Cushman, who is now the Marine Corps commandant, made a sworn statement last May 11 that Ehrlichman "called me and stated that Howard Hunt was a bona fide employee, a consultant on security matters, and that Hunt would come to see me and request assistance which Mr. Ehrlichman requested that I give."

Ehrlichman said yesterday: "I can say flatly that I do not have even the faintest recollection of having done so. I can say with assurance that any call to the CIA is the kind of call that I usually have little or no difficulty remembering."

The former White House aide said that in the past the CIA had no hesitation in turning down White House requests that the agency felt would exceed its charter. And he raised the question of "why Hunt would be extended carte blanche at the agency for nearly a month without [the agency's] asking what he was doing."

Helms and Cushman testified that they decided to cut off the aid to Hunt because

his requests for CIA services—such as the transfer of a secretary from Paris and a New York mailing address—had become excessive.

The second controversial dealing between the White House and CIA—the June 23, 1972, meeting in Ehrlichman's office—was prompted by the President's concern over the FBI investigation in Mexico upon the agency's operations in that country.

Ehrlichman said the White House was apprehensive about the "extensive hemorrhages" of news leaks in the FBI. "Everybody understood that anything that was the subject of FBI investigation at that time was subject to appearing in Time magazine as an automatic proposition."

Even after a series of meetings between Gray and



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John D. Ehrlichman makes point to newsmen following his appearance on Capitol Hill.

the CIA's new deputy director, Gen. Vernon Walters, resulting in the CIA's assurance that no operations were imperiled, the President was still concerned about security, Ehrlichman said.

"During the first week of July, 1972, the President told me Pat Gray told him on the telephone that Gen. Walters had told Gray there was no CIA objection to a full FBI investigation of the Mexican aspects of the Watergate case. The President said he then instructed Gray to conduct a full investigation," Ehrlichman testified.

"The President told me then that he still personally believed and feared that the FBI investigation might harm the agency.

"He said he believed the CIA would be making a mistake if it pretended an investigation would not disclose some of its current operations. He said he hoped the general and other CIA management were not covering up for their subordinates.

"The President said substantially: a man makes a grave mistake in covering up for subordinates. That was President Truman's er-

ror in the Hiss case when he instructed the FBI not to cooperate."

Ehrlichman failed to explain, however, the basis for the President's initial or continuing concern over the impact of the FBI Watergate investigation on the CIA.

Rep. Lucien Nedzi (D-Mich.), who also conducted closed hearings at which the principal witnesses appeared, said Helms told Gray "in categorical fashion" the day before the White House meeting, that the CIA had no concern about the Mexican inquiry.

Helms conveyed the same assessment to Haldeman and Ehrlichman during the White House meeting on June 23, according to Nedzi. The former CIA director told the two White House aides that he had so informed Gray, the congressman added.

Nonetheless, the White House insisted that Walters visit Gray that day and, according to the general's testimony, advise the acting FBI director of the dangers of the Mexican investigation to ongoing CIA operations.

In his testimony yesterday Ehrlichman said that

Walters could not provide a "flat assurance" that there could be no danger of an inadvertent disclosure of national security secrets or CIA operations. He suggested this was the reason for the White House insistence that Walters confer with Gray.

Walters on May 12 testified that the White House sent him to see Gray immediately after the meeting. "I went over and told him that I had been directed by top White House officials to tell him that further investigation into the Mexican aspects of the Watergate episode might jeopardize some of the agency's covert actions in the area."

On returning to the CIA, Walters testified, he ascertained that no one there believed the thrust of the message he had been instructed to convey to Gray: that the investigation would impair agency operations.

On June 26, said Walter, he told former White House counsel John W. Dean of the conclusion. In a subsequent conversation with Dean Walters warned that he would resign if the White House insisted that the CIA be asked to assist in stifling the Watergate investigation.

Ehrlichman described his role in these events as a minor one. Speaking of the June 23 meeting, he said, "I was almost a visitor in that meeting which was held in my office." The arrangements, he said, were made by Haldeman in consultation with President Nixon.

In the course of the episode it was his understanding, Ehrlichman said, that "improper" suggestions were made by Dean to Walters.

In an implicit criticism of Walters, Ehrlichman said, "The President's questions about the possible threat to the CIA had to be asked and answered, in the national interest." In retrospect, he said, the problems occurred not from the questions being asked but rather "from the equivocal answer to that question."

The testimony of Walters suggests that his answer was not equivocal.

McClellan said Ehrlichman will be recalled to try to resolve the inconsistencies in the testimony of the various witnesses. Today the subcommittee's witness will be Haldeman.