

FBI Probes Its Former No. 2 Man

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For several months, the FBI has been investigating W. Mark Felt, the 31-year veteran and former No. 2 man in the agency, who had been considered a leading candidate to succeed J. Edgar Hoover as FBI director.

The investigation, shrouded in more than the standard secrecy covering an FBI operation, centers on whether Felt provided Watergate-related information and documents to a New York Times reporter, John M. Crewdson.

An investigation by the FBI of one of its former leaders is highly unusual in itself.

But the investigation of Felt, who now lectures on college campuses and does criminal justice consulting, illustrates the tremendous upheaval in parts of the federal bureaucracy caused by the Watergate scandal and its reverberating aftermath.

The outcome of the probe could affect the Watergate special prosecutor's decision on whether to seek perjury charges against L. Patrick Gray III, former acting FBI director, who resigned in disgrace when it was disclosed he had burned potential evidence removed from the White House office of Watergate conspirator E. Howard Hunt Jr.

In addition, the investigation sheds some light in the intense power struggle that ensued in the FBI in the months following Hoover's death.

Felt, 61, is the only principal in the investigation willing to speak for quotation. Others involved in the case provided information on the condition they were not identified.

FBI Director Clarence M. Kelley declined to discuss the

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inquiry, saying: "There's no possible way we can comment regarding any investigation we may or may not be involved in."

Felt, denouncing the investigation as "ridiculous" and "astounding," denied giving documents to Crewdson and contended he never met the reporter face-to-face.

But Felt admitted having a long-distance telephone conversation with Crewdson in May, 1973, which he conceded may have confirmed information Crewdson has on the FBI's wiretapping of government officials and newsmen. But Felt claimed Crewdson already had this from another source.

Felt said his only purpose in talking to Crewdson was to "straighten him out on one point he had that made J. Edgar Hoover look bad."

Crewdson, who has declined to talk to the FBI about the matter also refused to discuss it with the Los Angeles Times.

Felt, whose ambitions to head the FBI won him several enemies among the bureau's hierarchy, is a man whose name pops up throughout the unfolding Watergate scandal. As No. 2 man in the bureau, he was discussed on the White House tapes by then-President Nixon and then-presidential counsel John W. Dean III.

Felt's name figured in the Watergate witness, was asked if he was aware that Felt was suspected of leaking Watergate material in June, 1972. The month of the break-in at Democratic national headquarters.

"Not at that time," Gray replied. "But at a later point, the Attorney General (Richard G. Kleindienst) told me point-blank to fire him because he was the source of the leaks."

Gray, according to several sources, never attempted to fire Felt, whom he regarded as a trusted aide and referred to him — in the Navy parlance Gray often uses — as "my No. 2."

The FBI's interest in Felt does not appear to result primarily from any attempt to uncover government employees

who disclosed Watergate information.

Instead, it reflects an inquiry initiated by the Watergate special prosecutor's office in the summer of 1973 to establish how political saboteur Donald Segretti has seen copies of D-302 forms—reports of agent's interviews of various Watergate figures, including his own.

The FBI learned that Segretti had seen the sensitive files in Crewdson's Los Angeles hotel room, and that Segretti's "impression" was that a high FBI official had given the material to Crewdson.

In addition to the stories on the wiretapping of government officials and reporters, Crewdson also wrote pieces on Segretti and Gray that appeared to be based on FBI documents.

The FBI investigation has turned up a report that Crewdson was seen entering Felt's office with an empty brief case and leaving it with a bulging brief case before the articles, based on bureau documents, began appearing.

In denying any face-to-face contact with Crewdson, Felt offered his own theory on how he became a leading suspect.

He attributed it to reports, the most prominent published in the June issue of Washingtonian magazine, that he could have been "Deep Throat," the key source for Watergate information described by Washington Post Reporters Bob Woodward and Carl Bernstein in their book; "All the President's Men."

Felt said he thought FBI agents came to interview him two or three months ago in his suburban Fairfax home "because of all this Deep Throat business, I think they believe that."

"Because of the Deep Throat allegation, they said, 'Well, it must have been Felt who gave Crewdson all the papers.'"

"But I did not leak any information to Woodward or Bernstein," Felt said, "I'm not Deep Throat. I did not leak any information to Crewdson. I did not give him any documents. And I think the whole thing is ridiculous and insulting."



W. Mark Felt: calls investigation "ridiculous."

Felt discounts as a reason for the suspicion about him his May, 1973, telephone conversation with Crewdson.

"That incident has never been investigated by the bureau," Felt maintained.

Sources familiar with the investigation said otherwise.

These sources said a confrontation between Felt and then FBI Acting Director William D. Ruckelshaus over Felt's contact with Crewdson led to his decision to retire from the bureau and made him the ranking suspect in the documents investigation.

Felt's letter of retirement, submitted soon after the meeting with Ruckelshaus on the Crewdson stories, made no mention of that difficulty.

Ruckelshaus declined to discuss Felt's departure. He did, however, give his version of the event to FBI agents, who were sent to interview him at Kelley.

Ruckelshaus had other reasons to be unhappy with Felt, who was an instigator of an extraordinary telegram sent to Mr. Nixon after Gray resigned, urging the then-President to pick an FBI man for the top spot.

But Ruckelshaus is said by associates to regard the question of information being provided to Crewdson as a matter closed by Felt's resignation.

Felt insisted his departure had nothing to do with the Crewdson conversation.

"I made up my mind to retire because of a lot of circumstances," he said. "And it had absolutely nothing to do with Crewdson or with Ruckelshaus."

The investigation of Felt could figure in the pending decision on whether to charge Gray with perjury for his Senate confirmation hearing testimony that he found nothing in FBI files showing the FBI had wiretapped Newsmen and White House officials.

Crewdson subsequently wrote of "a confidential FBI report" that apparently contradicted Gray's testimony.

But Gray, in appearances before one of the Watergate grand juries and in statements to prosecutors, has continued to insist he had no knowledge of the wiretaps at the time of his Senate testimony.

Gray's denials have raised the question of whether he was lied to by senior FBI officials when he inquired about the existence of such taps.