



Charles Del Vecchio—Washington Post

Haig (left) and Laird with the President: Mediagenic moments in the Rose Garden

The Seventh Crisis Heats Up

All last week, Richard Nixon labored to show America and the world that his scandal-plagued government remains alive and well in Washington. He continued rebuilding his shattered top command; he courted the favor and the forgiveness of Congress; he broke from his cocoon long enough to do an onward-and-upward commencement speech at an out-of-the-way college in Florida. But the President's ostentatious show of motion was all but lost in the deepening shadows of Watergate and the pervasive corruption it has revealed around him. His Seventh Crisis, far from ended, was nearing its most dangerous moment yet—the day this week or next when his disaffected ex-counsel, John W. Dean III, goes before the Senate's select committee of inquiry on Watergate to open a damaging and quite possibly ruinous book of revelations.

The peril was plain and yet quite beyond Mr. Nixon's control; he could only shore up his battered defenses and behave in public as though he fully expected to serve out what remains of his four more years. The President dragged former Defense Secretary Melvin Laird, 50, out of retirement to advise him on domestic affairs and mend his relations with Congress. He persuaded a reluctant Gen. Alexander Haig, 48, to give up his four stars and stay on permanently as White House chief of staff. Mr. Nixon upgraded his beleaguered press

secretary, Ron Ziegler, 34, to a new role in which he will advise on policy more—and meet the press less. He found a new and this time conspicuously professional FBI director in Clarence M. Kelley, 61, a bureau veteran and currently chief of the Kansas City police. He sought most of all to convey that this was a brand-new Nixon Presidency, open, honest, chastened—and still worth saving from those who would bring it down.

'At a Standstill'

But the crisis of confidence continued unabated. The President's own popularity sagged in the latest Gallup poll to 44 per cent—its lowest yet. Old Nixon hands mired in the scandals accused one another to save themselves; young Nixon functionaries trudged before the Ervin Committee (page 28) with tales of espionage, perjury and paper-shredding in the service of the President. The Administration seemed adrift: critical economic questions went undecided while senior advisers tried to catch Mr. Nixon's attention, and even good soldier Laird conceded that sectors of the government were "at a standstill." A few partisan Democrats demanded that the President resign. A good many more loyal-to-a-fault Republicans pressed him to submit his fraying case to questioning by the press. And a GOP maverick, Rep. Paul N. McCloskey Jr., proposed for the first time on the floor that the House begin

thinking about the unthinkable—the possibility of impeaching a President.

The proposal got nowhere—McCloskey might as well have been proposing regicide to the House of Lords—but the mere fact that he broke the silence was a fresh measure of the gravity of Mr. Nixon's situation. One Senate investigator called the President's position, so far as it is known, "indefensible." His defenses have indeed crumbled, one after another, before the flood of accusation; his people were reduced to blaming it all on some unspecified cabal out to "destroy the President." Mr. Nixon's survival, or at least his survival with honor, rested more plainly than ever on the loyalty of a very few men—departed comrades like H.R. Haldeman, John Ehrlichman, Charles W. Colson and John Mitchell—and on what they will say when they too come under the lights in the Ervin hearings. Several signaled their fealty last week, Haldeman and Ehrlichman in depositions in a civil suit, Colson in a network TV interview; each quarantined Dean as the central figure in the cover-up—and pictured Mr. Nixon in glowing contrast as an innocent and ill-served bystander.

The wagons were thus drawn in a circle; the next test of whether they can hold—and whether Mr. Nixon can last out the attack—will come with Dean's days in the witness chair. His accusations must be measured against his anger toward his old confreres and the despera-

tion of his own situation as well. He was indeed deeply entangled in the cover-up; he is trying now to stay out of prison, and his chances for leniency depend importantly on his persuading America that his incriminating tales will stand up. Still, those he has told already have generally been borne out. Most recently he said that he conferred with Mr. Nixon 35 or 40 times in the days earlier this year when the cover-up was coming undone; the White House first denounced, then sheepishly confirmed the report last week. And that tale was only the beginning of what Dean has told investigators and can now be expected to tell the committee. His associates believe his testimony will bring down immediate demands for impeachment; one Senate insider who would not go that far agreed nevertheless that Dean would "make everything that's happened up to now look like a wienie roast."

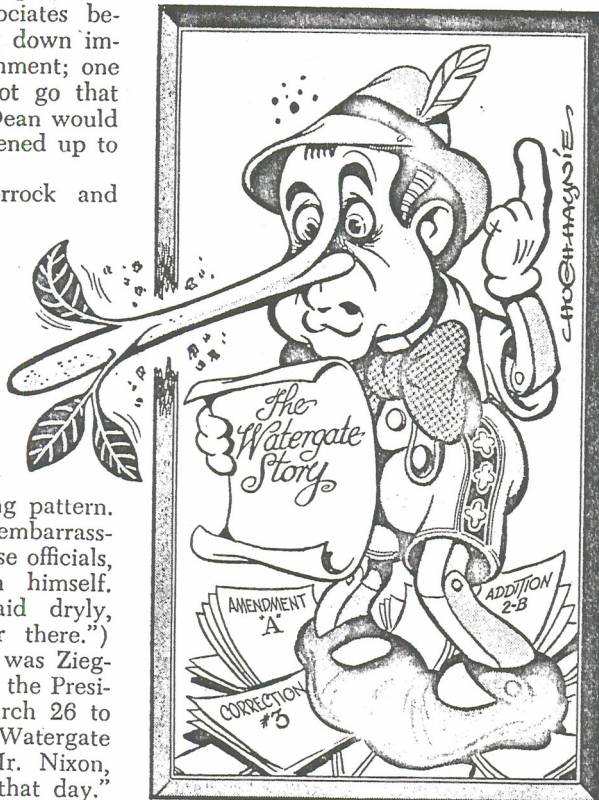
NEWSWEEK's Nicholas Horrock and John Lindsay learned that Dean has told investigators:

- That Mr. Nixon was personally aware of the cover-up and that he and his agents have lied frequently about it. Dean claims to have a whole sheaf of supporting papers and memorandums, no one of which "convicts" the President but which taken together suggest a damning pattern. He is said also to have some embarrassing tapes of senior White House officials, though none of Mr. Nixon himself. ("Taping," Dean himself said dryly, "was rather widespread over there.") One flat-out lie, he contends, was Ziegler's public announcement that the President telephoned Dean on March 26 to quiz him about a damaging Watergate story in the day's papers; Mr. Nixon, Dean says, "never called me that day." He also says he can show that Mr. Nixon's definitive May 22 statement on the case is "less than accurate" in places. "I suspect," he told Lindsay, "that most of it will become inoperative soon." The White House had no comment.

- That Mr. Nixon was personally aware that the dairy industry's secret contributions to his re-election war chest in 1971 were intended to influence the government to increase milk-price supports. That Mr. Nixon met with dairymen in 1971 was already a matter of record; so was the fact that the industry got the increase. What Dean added to the tale, in talks with investigators, were the allegations that the details of the gifts (which totaled \$322,000) were worked out in the Oval Office itself—and that the dairymen dropped off part of the money elsewhere in the White House. The White House declined to comment.
- That the White House covertly and improperly pressured the Federal judge sitting on the Watergate civil suit to get a favorable ruling. The judge, Dean told investigators, was Charles R. Richey, who was presiding in the \$6.4 million Demo-

cratic case against the Committee for the Re-election of the President and others for bugging their headquarters. Richey, Dean alleged, engaged in off-the-record conversations with Administration aides in violation of legal ethics. The judge thereafter delayed taking some potentially explosive depositions until after the election. Richey denies the charge.

- That Colson once proposed that White House secret-police operatives "blow up" the Brookings Institution to get at some papers in its safe. The operation, as Dean and other sources told investigators, floated briefly in the fevered days in the

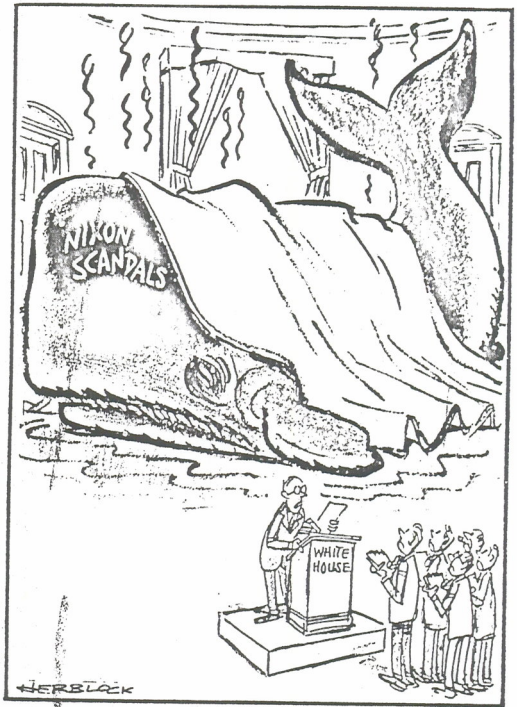


Haynie—Louisville Courier-Journal

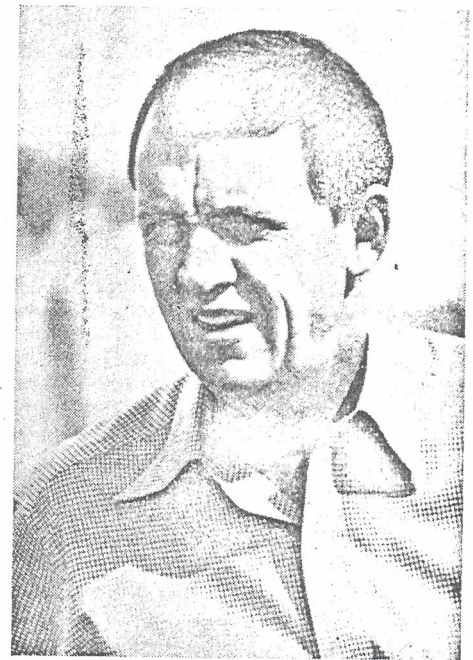
'... The whole truth and nothing but the ...'

summer of 1971 when the White House was trying to plug the Pentagon papers leak and had got interested in a Brookings staffer, Morton Halperin, who had done some consulting for Henry Kissinger. According to this story, Colson, then still special counsel to the President, sent for staff gumshoe John J. Caulfield and told him: "Jack, I've been talking to Ehrlichman. We've got a job that has to be done. We've got to blow up the Brookings Institution."

Caulfield, in this account, went goggle-eyed and demanded, "How are we going to manage that?" Colson is said to have answered that the Administration was vitally concerned about some papers he thought were in a safe at Brookings, a well-regarded liberal think-tank in Washington; he thought that either the papers would be destroyed in an explosion or else Caulfield's operatives could run inside in the confusion and filch them from the strongbox. Caulfield, in this version, fled to Dean's office denouncing



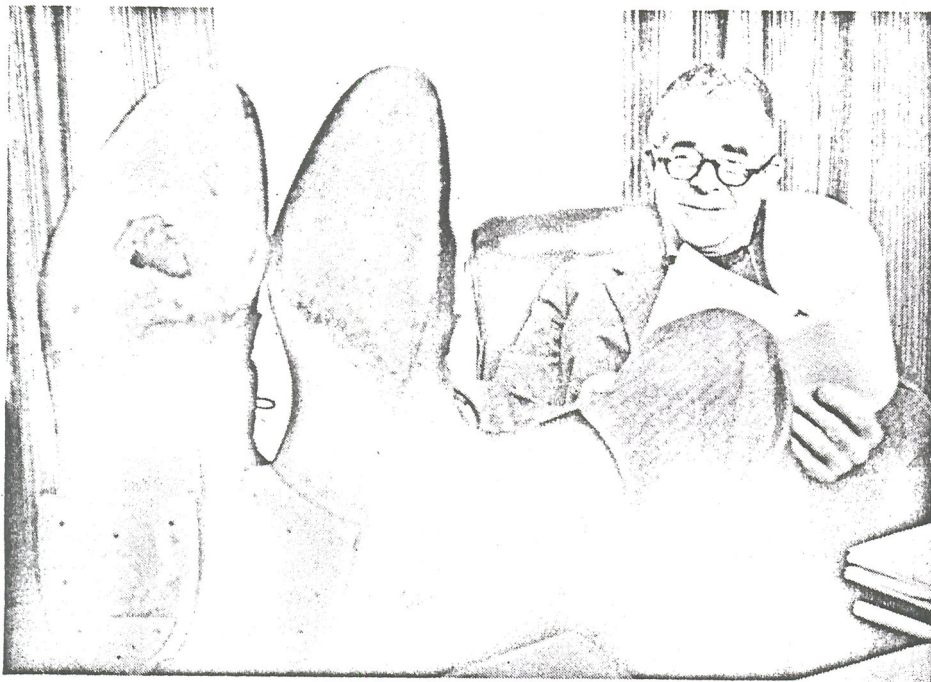
Herblock in The Washington Post
'I am authorized to say, "What whale?"'



Kalmbach: Turning state's evidence

the project ("We are not going to do that!") and insisting he didn't want to do anything else for Colson either.

Colson denies the story, and Brookings in any case still stands. Caulfield's man Anthony Ulasewicz subsequently did case the place anyway, posing as a crippled vagrant, and came away with a more modest proposal. Brookings's neighbors in the building, he had noticed, included some business firms; maybe somebody friendly with a key wouldn't mind slipping across the hall, letting himself into the institution and filching the documents. Tony U. was unavailable for comment, but his scheme was stillborn, too, NEWSWEEK's sources



Special prosecutor Cox: Dueling with Senator Sam

said, and the papers were never stolen.

- That the White House, trying to justify its own misuse of the FBI in the Watergate case, ordered up a secret report on the abuses perpetrated by past Presidents. The job went to the bureau's sometime assistant director, William Sullivan, who has since been promoted by his friends in the Administration to a high Justice Department job. Sullivan considered the report so sensitive, Dean has told investigators, that he typed it himself rather than let even his secretary see it. The report, *NEWSWEEK* sources said, told in anecdotal detail about how Franklin D. Roosevelt, Harry Truman, John F. Kennedy and Lyndon Johnson had used or abused the bureau for political purposes—but curiously omitted Mr. Nixon's old patron, Dwight Eisenhower.

- That some low-level White House officials at one point considered assassinating Panama's head of Government. Dean's story is that the Administration suspected high Panamanian Government officials of being involved in the flow of heroin from Latin America into the U.S., and were also concerned about strongman Omar Torrijos's uncooperative attitude toward renegotiating the Panama Canal treaty. Thus, in Dean's telling, some officials found a Torrijos hit doubly attractive. The contract, he said, went to E. Howard Hunt, later a ringleader in the Watergate break-in; Hunt, according to Dean, had his team in Mexico before the mission was aborted. Hunt's lawyer could not be reached for comment.

- That the White House called off a promising tax prosecution involving Gov. George Wallace's brother Gerald after Wallace agreed to run as a Democrat—not a third-party candidate—in Presidential 1972. Federal agents spent two years investigating Gerald Wallace, among others, in connection with some illegal

campaign contributions to the governor by companies doing business with the state. "We could have gotten dozens of indictments," said one investigator. But the case was shut down after a chat between the President and the governor aboard Air Force One on a flight from Birmingham to Mobile in May 1971. Dean alleged that Wallace's part of the bargain was to take his candidacy into the Democratic primaries—a move that would bedevil the Democrats and sew up the Wallace vote for Mr. Nixon. Wallace had all but settled on running in some Democratic primaries anyway; he flatly denied that he did so as part of a deal with anybody—or that he had spoken to Mr. Nixon at all on the 20-minute flight.

'A Bombshell Every Five Minutes'

The potential for damage to the President and the Presidency if Dean makes even a fraction of his stories stick is enormous. His problem is that he is thus far alone, pitting his word against the President's. His gamble is that, by telling his story in painstaking detail and buttressing it with documents where he can, he will ultimately drag corroboration piecemeal out of the other principals—the Haldemans, Ehrlichmans, Colsons and lesser fry—until their common defense comes apart. "Suddenly," says a friend, "you're going to look up and find that his whole story has been matched by some or all the other witnesses." Dean has accordingly spent weeks underground preparing himself with chronologies, memos and notes to himself—an assemblage his friends now believe may be the doomsday book of the Nixon Presidency. "It's going to be a bombshell every five minutes for maybe three days," one intimate says matter-of-factly. "It isn't going to be pleasant."

The answering strategy among Nixon loyalists was to paint Dean as a palpably guilty man willing to say anything to save himself—even if it means bringing down the Presidency. The Nixonians have run into trouble keeping their own troops together. The Ervin hearings had by last week turned into a confessional for campaign middle managers owning up to sins—and naming names. CRP's deputy director, Jeb Stuart Magruder, had bargained his testimony for leniency; he was said to be prepared to take the blame for the bugging himself, but nobody could be sure. Herbert W. Kalmbach, the President's longtime personal lawyer, likewise agreed to turn state's evidence against Haldeman and Ehrlichman, among others. Former Attorney General John Mitchell was said to believe that somebody up there—he suspects Ehrlichman—had elected him and Dean to be fall guys; friends say he is brooding and intermittently depressed, and his allegiance to his old comrades was no longer considered certain. Even Haldeman and Ehrlichman, the twin praetors of the old palace guard, were having a hard time—perhaps dangerously so—making their stories jibe with one another on matters of time, place and who said what to whom.

Yet a basic scenario did emerge from the long, rambling depositions of Haldeman and Ehrlichman in the Democratic civil case, given last month and made public last week. Both men denied any foreknowledge of Watergate, though Haldeman—plainly anticipating Dean's testimony—said he was "willing to accept the possibility" that Dean had mentioned the preliminary planning sessions to him early in 1972. Ehrlichman, who claims he took over the in-house inquiry from Dean last March, said he learned that Watergate spymaster G. Gordon Liddy proposed one political espionage plan bud-



Colson: Shadowy presence

eted at \$1 million and a second at \$500,000—both “so grandiose and so extreme” that Mitchell, Dean and Magruder rejected them out of hand.

Liddy and Magruder, the accounts continued, went back to the drawing boards; after some interecine static (Magruder tried to fire Liddy, Liddy threatened to murder Magruder) and some prodding phone calls from various White House staffers, they came up with Operation Gemstone at a bargain \$200,000 to \$250,000. Mitchell was shown the target list; this time, Ehrlichman quoted his informants as saying, the former A.G. circled or checked off three choices: McGovern headquarters, the Democratic convention—and Watergate. Mitchell, in Ehrlichman’s hearsay account, was furious when the bug that the raiders put on Democratic chairman Lawrence O’Brien’s phone failed to work. He “chewed out” Liddy so savagely that Liddy ordered the ill-starred second Watergate raid on his own authority. “He was,” said Ehrlichman wryly, “a self-starter.”

‘Try to Get the Facts’

Both Haldeman and Ehrlichman pictured themselves—and the President—as having been kept in the dark through the months that followed, mainly because Dean kept assuring them that nobody important was involved. As charges kept coming up in the press, said Haldeman, “there was a concern expressed on the President’s part, usually to me, that we try to get the facts in this matter determined and made known.” His concern up to the election was that the case would be damaging politically if it wasn’t settled; thereafter, the President fretted that it would hang over into his second term. Haldeman in turn kept pressing Dean. He confirmed what Dean had already disclosed—that Dean never prepared a written report. But, said Haldeman, Dean told him repeatedly in July and August “that none of the people in the White House had been involved in any way.”

In the Haldeman-Ehrlichman version, neither they nor the President suspected till early this year that, as Ehrlichman put it, “we were not getting the facts.” They pressed for a written report; when Dean temporized, Ehrlichman recounted, “the President said, ‘We will send him to Camp David and have him hole up there until he can produce it.’” Dean disappeared for six days in March, came back empty-handed on the 28th and was taken off the case by Mr. Nixon. Just two days earlier, Ziegler had said the President had “absolute, total confidence” in Dean. But on the 30th, Ehrlichman said, Mr. Nixon “called me in and said, ‘My suspicions are crystallized and I want you to get into this.’” He said it was evident . . . that Dean was in the thing up to his eyebrows . . . His sending him to Camp David apparently was a device to smoke him out.”

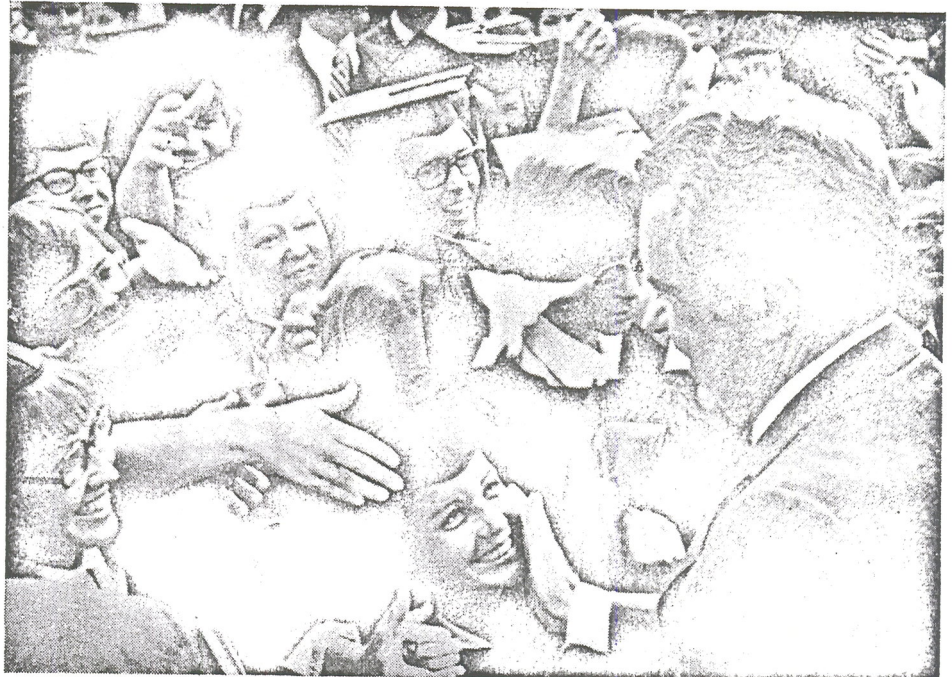
Colson, himself a shadowy presence in

the case from the beginning, told roughly the same tale in a friendly half-hour chat with ABC-TV’s Howard K. Smith—a recitation that cast Mr. Nixon—and, not incidentally, Colson himself—as the heroes and Dean as a sort of buttoned-down Iago. The President, in his version, was “furious” at the break-in and complained for weeks afterward that that was what happens when a campaign gets overfinanced and overstaffed.

Colson said the President’s doubts began only in January and jelled in March, when he suddenly announced, “I have got to get into this myself . . . I am not being told the truth.” It was at Colson’s recommendation, or so he said, that Mr. Nixon removed Dean from the case and set him scuttling off to the prosecution seeking immunity. “And of course,” he said tartly, “when one seeks immunity,

logs would be surrendered after all.

Yet another leaked story dealt a damaging blow to the President’s latest apology for himself—that he had hemmed in the Watergate investigation early on out of a legitimate concern that it might blunder into covert CIA operations. The Times surfaced a packet of memos by the agency’s deputy director, Gen. Vernon Walters, detailing the now thrice-told round of talks in which first Haldeman and Ehrlichman and later Dean tried to involve the CIA and the FBI in the cover-up. The papers flattered nobody, Walters included; they suggested powerfully that the concern all around had very little to do with national security and quite a lot to do with Presidential politics. Haldeman was quoted as complaining at one session that the FBI investigation “was leading to a lot of im-



Wally McNamee—Newsweek

Graduation at Florida Tech: Turn right and wave

it is in his interest to offer the most sensational charges possible.”

Still, the President’s remaining defenses took a fearful pounding during the week. Dean himself was not without resources in the high-stakes game between them. Some of his purloined papers mysteriously surfaced in The New York Times last week—among them a précis of the 1970 domestic-intelligence plan in which Mr. Nixon endorsed burglary and other felonies in national-security investigations (page 32). And Dean’s leaked recollection of his dozens of meetings with the President earlier this year put White House press secretary Gerald Warren through a humiliating series of gyrations over whether the office logs recording the encounters would be made available to investigators. He said no at first, but had to back down when both the Ervin committee and special prosecutor Archibald Cox squawked; Warren, in “a speech of contrition,” said that the

portant people . . . and that it was not advantageous to have the inquiry pushed.” Walters at another point had to talk Dean out of a scheme to pin the break-in on the CIA; the clinching argument was not that it was wrong to lie but that it would be “electorally mortal” to picture Watergate as a CIA operation.

‘Rigor Mortis’

The corrosive impact of the scandals on the processes of government and politics in America grew daily more visible. The President himself told a Cabinet meeting that breakaway inflation was the No. 1 problem before him, but he seemed unable to focus on it; aides complained that he tended to turn down their proposals without indicating what he would approve. Watergate haunted even the national Governors Conference at South Lake Tahoe, Nev. The governors talked of little but the scandals and their stagnating effect on domestic programs; Wis-

consin's Patrick Lucey, a Kennedy-McGovern Democrat, called it "a paralysis that may soon approach rigor mortis," and called on Mr. Nixon to resign.

The President showed no such inclination. He seemed eager to get across that he means not to abandon his Presidency but to remodel it—to break at last out of the hermetic isolation imposed during his first term by his now scattered and discredited staff. Mr. Nixon laid on one fence-mending session with the Republican leaders of Congress, dispensing with some of the trappings—the dictated agenda, the numbing minutiae, the lean young men with flip charts—that had crabbled their meetings in the past. The leaders found him in surprisingly good spirits ("Betty," House GOP Whip Les Arends told his wife that evening, "he was great! He's charging!") and anxious to resolve their complaints about the way his men had treated them in the past. "We have three and a half more years," he said at the end. "... The fortitude we show, the strength of our programs, what we do from now on for the country—that will be the biggest story in town."

'Confess With Honor'

The Open President carried the Open Presidency at the weekend to Florida Technological College in Orlando, his first live speaking date in six weeks. His speech there was an unabashed star-spangled rouser, a summons to "talk about what is right about this country" and not what is wrong with it. The reception was mostly cordial, despite a few unkind banners and placards—one that said WE DON'T BELIEVE YOU and another, CONFESS WITH HONOR. But Mr. Nixon seemed haggard and grayer than when his four more years began. He moved afterward into the crowd, a walk that seemed spontaneous but was guided by staff and Secret Service men with radioed stage directions. "Turn him right there and have him go to the faculty," an agent told his walkie-talkie, and Mr. Nixon turned and went to the faculty. "Have him wave." Mr. Nixon waved.

But solitude still suited the President, and after his brief outing he sought it at the getaway White House in Key Biscayne. His defenses by then lay in tatters. He had long since been driven back from his position that the whole nasty business had been transacted behind his back. His subsequent argument that he did whatever he had done out of concern for national security was coming unraveled. His own Attorney General, Elliot Richardson, refused last week to vouch for the President's innocence; he would say only that the evidence is "inconclusive." Mr. Nixon plainly stood at the last line of defense, alone with a handful of men who may someday have to choose between him and prison. There is another kind of solitude in his situation: it is the loneliness of the foxhole, and with John Dean preparing to talk, the feeling was inescapable that the worst of the shelling is still to come.

The Recycling of the Guard

Richard Nixon finally made some top-level staff appointments last week. He named a new top aide, and turned a temporary hand into a permanent one. Then, in a mediagenic flourish, he walked both recruits through the Rose Garden in a cheery promenade for the cameramen. But in the end, the faces were oddly familiar—retreads from the first Nixon Administration who seemed to signify that the President was unable or unwilling to find new blood.

Still, it was a creditable move to fill the power vacuum in the scandal-shaken White House. Mr. Nixon announced that he had cajoled former Defense Secretary Melvin Laird into rejoining the team as the replacement for his departed principal domestic counselor, John Ehrlichman; he shuttled trig Gen. Alexander Haig back into civilian life to fill

that Laird wanted no part of the administration. But in the end, he succumbed to energetic arm twisting applied by GOP stalwarts Ronald Reagan, Nelson Rockefeller, Scott and Rep. Gerald Ford—and probably to a Presidential appeal to Laird's patriotism in a time of crisis. "Government in some quarters is at a standstill," Laird explained in a low-key press conference. "This cannot be allowed to continue."

Laird's own policies are unusually chancy to predict. A pragmatic Midwest conservative in most matters, he has shown a surprising dovish streak on Vietnam and a liberal generosity in funding some social programs—notably medical research and hospital facilities. But GOP regulars are counting on him to restore peace between the President and the balky Republicans in Congress, and to



Ziegler with Henry Kissinger in Paris: Growing up? UPI

H.R. Haldeman's old job as White House chief of staff; and he elevated his faithful lip servant, Ronald Ziegler, from press secretary to Assistant to the President. "The President's mood," said the pleased Senate Minority Leader, Hugh Scott, after meeting with the Chief Executive, "is to go on with the work of the country."

Snaring Laird was perhaps the President's most notable coup. When the baldish ex-congressman resigned as Secretary of Defense last January, he vowed that he would stay out of government for at least a year; to sign up with the White House staff, he had to forgo a \$30,000 yearly Congressional pension. To make matters worse, relations between Laird and the President were strained after Laird privately opposed last December's resumption of bombing in North Vietnam. GOP top-siders have been whispering ever since

re-establish communications between Mr. Nixon's White House staff and the regular GOP party machinery. "I'm overjoyed," said Rep. John Rhodes of Arizona, chairman of the House GOP Policy Committee. "Laird's appointment will improve Congressional relations immeasurably. His stock is very high up here." Laird moved quickly last week to demonstrate that he is aware of the difficulties he faces, promising that his old friends in Congress would find a newly congenial reception around the White House. "I trust them," he said simply. "And I think they trust me."

Hail to the Chief

If Laird is the President's new peacemaker, Haig would be the White House trail boss—and even Mr. Nixon's strongest critics concede that he made a wise choice. When the President called on the energetic general to replace Halde-