

# Prosecutors Knew It, Sloan Says

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Former Nixon campaign treasurer Hugh W. Sloan Jr. testified yesterday that he told federal prosecutors last July the top Nixon re-election committee officials attempted to persuade him to commit perjury and cover up cash payments made to the Watergate bugging team.

Sloan's testimony before the Senate Watergate committee is the first sworn public statement indicating that the prosecutors investigating Watergate disregarded early warnings that high re-election committee officials were trying to cover up their involvement in the affair.

In particular, Sloan testified yesterday, he warned the Watergate prosecutors in July that deputy Nixon campaign manager Jeb Stuart Magruder had asked him to lie to the prosecutors and the federal grand jury about how much cash had been paid to G. Gordon Liddy, who commanded the Watergate burglary team.

The Washington Post also learned from Senate sources yesterday that another re-election committee official, Powell Moore, has told Senate committee investigators that he also informed the prosecutors before the Watergate burglary trial that Magruder tried to convince him to commit perjury.

## PROSECUTION

Despite these warnings, Magruder testified as a prosecution witness at the Watergate trial in January, and his version of events was heavily relied upon by prosecutor Earl J. Silbert in his opening statement to the jury.

A source close to the prosecution said yesterday that

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"the fact that Magruder told Sloan to perjure himself, refuted by Magruder, doesn't indicate anything . . . because there is never, never a case without conflicts."

Sloan's Senate testimony yesterday provided a richly detailed account of the early stages of the Watergate cover-up. He told the Senate committee that he had turned to both John D. Ehrlichman, then chief domestic assistant to the President, and Dwight Chapin, then the President's appointments secretary, to warn them of the cover-up.

But neither man, Sloan testified yesterday, would talk to him about it.

## KNOW

Sloan said he told Chapin there was a "tremendous problem" at the re-election committee, but Chapin's response was that Sloan was "somewhat overwrought and (he) suggested a vacation." And Ehrlichman told Sloan he didn't want to know "any details," Sloan testified.

Later, in January, 1973, Sloan testified, he requested a meeting with H. R. Halde- man, then the White House chief of staff and told him "how strongly I felt about certain individuals in terms of what they had done that I thought was wrong" and "that I thought positive

action should have been taken a way back when."

Halde- man replied, according to Sloan, that he had no personal knowledge about the Watergate bugging but conceded "that some mistakes had been made in the handling of the Watergate matter."

## CASH

Besides detailing the cover-up, Sloan's testimony described the "nightmare" of millions of dollars in campaign contributions cascading upon the re-election committee in a last-minute rush of contributors to avoid the new campaign finance reporting law.

Just prior to the effective

date of the new law on April 7, 1972. Sloan said the committee received \$5 million to \$6 million in a two-day period.

According to Sloan's testimony, the committee had so much money — including about \$2 million of it in cash salted away in safes and safe deposit boxes — that finance director Maurice H. Stans lost control over how the money was spent.

## LIDDY

Sloan said he was instructed by Magruder at various times to give convicted Watergate conspirator G. Gor-

don Liddy a total of \$199,000 in cash from the campaign funds. Although Sloan said he did not then know the purpose of the expenditures, it was some of this money that paid for the Watergate bugging.

When he asked Stans about the money, Sloan testified, Stans replied, "I do not want to know and you do not want to know" how it is being spent.

Sloan's testimony about his warnings to the prosecution about a coverup came the day after the committee heard Robert Reisner, former aide to Magruder at the re-election committee testify that he was not contacted by the federal prosecution team until after the Watergate trial when news accounts announced that the Senate committee had subpoenaed Reisner.

## ACCOUNT

During his Senate testimony yesterday Sloan gave the following account of re-election committee in the days after June 17, the day that five men were arrested inside the Democratic National Committee's Watergate headquarters. Sloan said he had given essentially the same account to the prosecutors and to the Grand Jury last summer.

About last June 21 or 22, Sloan testified he spoke with Magruder about the disbursements of funds he had authorized Sloan to give Liddy. "He (Magruder) indicated to me . . . or suggested to me a figure of what I had given to Mr. Liddy of . . . \$75,000 to \$80,000," Sloan said.

"I do not believe at that point in time I had prepared a summary of the figures so I did not know the precise

amount of money that I had given to Mr. Liddy at that point. However, I did know that the sum was considerably larger than that because Mr. Magruder himself had authorized a payment of \$83,000 in one single installment.

"I must have indicated to him, well, that just is not the right figure, I did not have the right figure, but that is too low . . . He must have been insistent because I remember making to him on that occasion a statement I have no intention of perjuring myself," Sloan said.

Magruder replied, according to Sloan: "You may have to."

## LARUE

Later that same day, Sloan said, he was approached by Frederick C. LaRue, then an assistant to Nixon campaign manager John Mitchell. LaRue was conducting an investigation of the Watergate incident for Mitchell, Sloan said.

While talking to LaRue, Sloan said, he was informed that two FBI agents were waiting to talk to him. LaRue told him to see Mitchell before talking to the FBI agents, Sloan said.

Hoping to get some "guidance" or reassurance before talking to the agents, Sloan said he went to Mitchell's office, where he ofund Mitchell and Robert Mardian, then political coordinator of the committee.

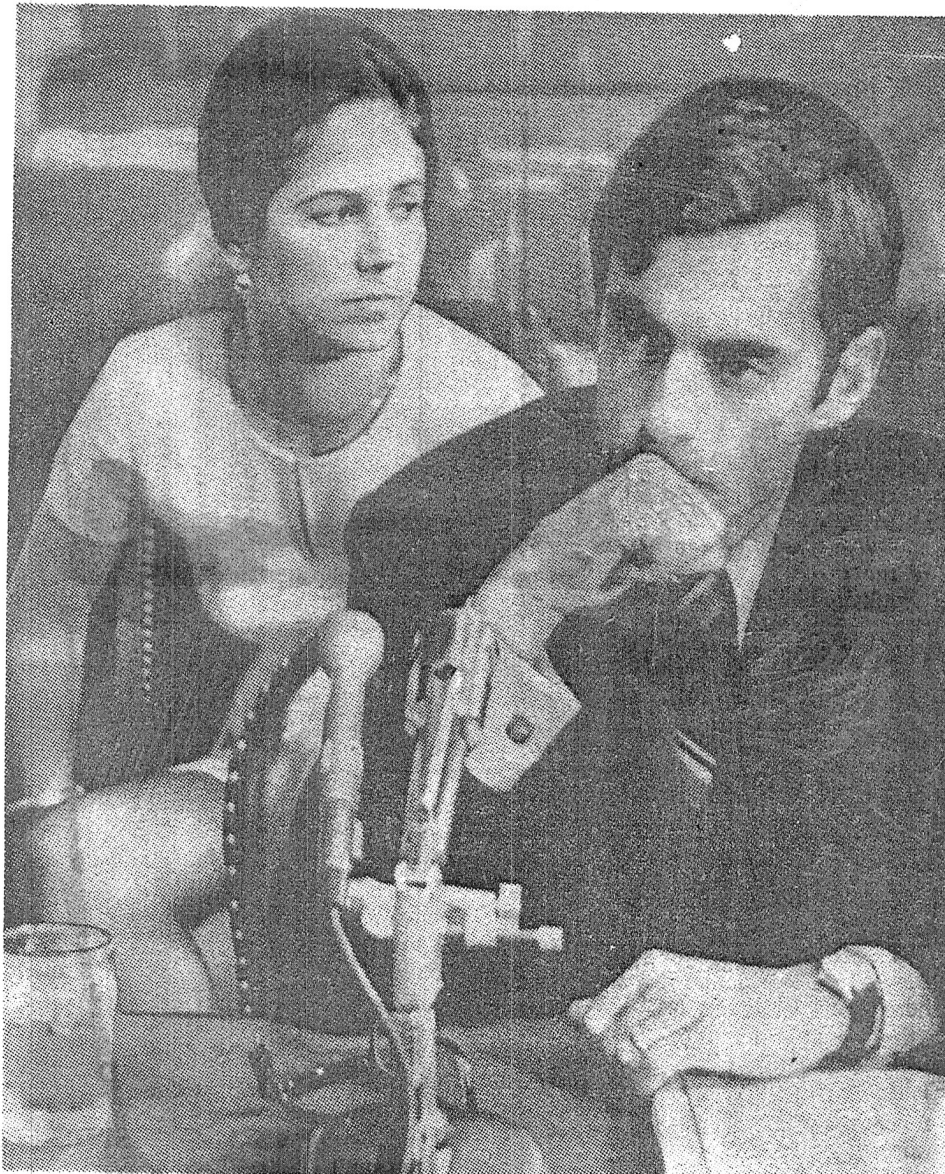
"I was essentially asking for guidance," Sloan said. "The campaign literally at this point was falling apart before your eyes, nobody was coming up with any answers as to what was really going on. I had some very strong concerns about where all of this money had gone."

Sloan testified that he went to see former Attorney General John N. Mitchell, then Mr. Nixon's campaign director, for guidance on the payments to Liddy. There was this exchange between Senator Sam J. Ervin Jr., the committee chairman, and Sloan.

ERVIN—And the only advice you got on the subject was the philosophical observation that when the going gets tough, the tough get going?

Sloan — Yes, sir.

Q — Well, that is the sort of enigmatic expression that



AP Wirephoto

HUGH W. SLOAN JR. WAS THE DAY'S ONLY WITNESS  
His wife sat behind him at the Senate's Watergate hearing

is worthy of the sphynx, I guess. I don't quite understand it all.

A — I didn't really understand either, sir.

Q — How long after that was it before Mr. Mitchell

left the (Nixon) committee?

Mitchell resigned as campaign director on July 1, two weeks after the Watergate arrests.