SFChronicle JUN 9 ere Warned

Washington

Six weeks before the first Watergate break-in, then Democratic national chairman Lawrence O'Brien was warned that the Nixon campaign was forming a political espionage unit that would probably try to bug the Democratic national committee

The Democrats checked out the warning, from a private New York investigator. in mid - April, 1972, but took no action because it was not substantiated and because they had no money for countermeasures.

The first break-in of their national party headquarters and the placing of wiretaps there occurred on May 28, 1972. A second break-in on June 17, resulted in the arrest of the Watergate burglars.

O'Brien confirmed yesterday that he had received the John Stewart, then the Democrats' director of communications, had gone to New York and talked to the private investigator.

Stewart also confirmed that the investigator had told him that the "information in his business, the intelligence community, was that there was going to be a fairly concerted effort to bug the Democrats in the campaign."

"In retrospect we should have paid more attention to it," O'Brien said, "but my recollection was that there lines. I don't recall I got any warning through an inter-were no specifics or clear mediary, and that an aide, recommendation about what to do about it and, if there was one, the question was, how did we pay for it?"

The committee was so short of funds at the time, he said, that the possibility of hiring a single security guard was dismissed.

Washington Post Service