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Trial Told Of Nixon's Cover-Up Bid

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The jurors at the Watergate cover-up trial were told in detail yesterday how President Nixon and his top aides tried to cover up the scandal with the help of the Central Intelligence Agency.

L. Patrick Gray III, former acting director of the FBI, said he held up a crucial aspect of the Watergate investigation for nearly two weeks at the CIA's request, but the effort finally failed when he demanded that the request be put in writing.

Gray said that CIA Deputy Director Vernon W. Walters balked and declared that he would rather resign.

"He (Walters) said, 'I'm not going to let those kids at the White House kick me around,'" Gray testified.

Watergate prosecutors, however, played segments of three tape-recorded meetings on June 23, 1972, that showed Mr. Nixon himself personally directed the effort.

Chief trial prosecutor James F. Neal said the evidence showed a clear line of responsibility directly implicating the former President in an obstruction of justice.

The tapes, all involving conversations between Mr. Nixon and former White House chief

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of staff H. R. (Bob) Haldeman, showed the former President first approving the attempt to muzzle the FBI's Watergate investigation and then being assured later the same day that the arrangements had been made.

Played publicly for the first time, the recordings, which forced the President's resignation this summer, also showed Mr. Nixon was completely unruffled on hearing details behind the break-in. At times, he even anticipated what Haldeman was about to tell him.

"Play it tough," Mr. Nixon told Haldeman on the morning of June 23, shortly before CIA Director Richard Helms and Deputy Director Walters were due to arrive at the White House. Mr. Nixon said he wanted the FBI told in no uncertain terms: "Don't go any further into this case, period!"

According to former White House Counsel John W. Dean III, the FBI's Gray had just told him the previous evening that his agents were hot on the trail of five checks for the Nixon campaign—four from Mexican businessman Manuel Ogarrio and one from Nixon fund-raiser Kenneth Dahlberg of Minnesota—which had been cashed by Watergate burglar Bernard Barker in Miami. Gray also told Dean that the FBI was inclined to think the Watergate bugging had been "a CIA operation."

In his testimony last month, Dean said he quickly reported all this to former Attorney General John N. Mitchell and to Haldeman.

Haldeman met with Mr. Nixon the next day, from 10:04 a.m. to 11:39 a.m., in the Oval Office, telling the President that "we're back . . . in the problem area because the FBI is not under control."

The White House chief of staff went on to recommend

"that the way to handle this now is for us to have Walters call Pat Gray and just say, 'stay the hell out of this . . . this is the CIA.'"

Haldeman added that both he and Ehrlichman planned to call in the CIA officials and enlist their help. Haldeman also told Mr. Nixon that Mitchell apparently knew of the plans for the Watergate break-in and bugging, which had been discovered on June 17 at Democratic National Committee headquarters here. At one point, the White House aide made what seemed to be a reference to "Gemstone," the secret code word for the political espionage.

On the recording, the word sounded like "Dovestone." It was, in any event, a two-syllable word ending in "stone."

The prosecution transcript carried it as "Gemstone," but U.S. District Court Judge John J. Sirica acceded to the protests of Haldeman's lawyers and ordered the jurors' copies changed so that it simply read "unintelligible."

Told that the FBI was "now convinced it is a CIA thing," Mr. Nixon said that he himself was "not going to get that involved," but approved Haldeman's calling the CIA officials in.

"Good. Good deal," Mr. Nixon said in a phrase that a White House transcript published in August originally attributed to Haldeman. "Play it tough. That's the way they play it and that's the way we are going to play it."

Apparently alluding to an NBC-TV broadcast the night before on the Cubans involved in the burglary, the President said he had noticed this on his daily news summary and added: "I, of course, knew it was a bunch of crap . . ." But he said it would be good to have investigators going off "on this wild-hair thing" anyway.



Associated Press

Country and western singers Johnny Cash and his wife, June Carter, arrive at court to watch Watergate cover-up trial. Prosecutor James F. Neal invited them.

"... When you get these people in," Mr. Nixon told Haldeman of the upcoming meeting with the CIA officials, "say: Look, the problem is that this will open the whole, the whole Bay of Pigs thing"... Don't lie to them to the extent to say there is no involvement, but just say... The President believes that it is going to open the whole Bay of Pigs thing up again. And, ah... because these people are plugging for, for keeps and that they should call the FBI in and say that we wish for the country, don't go any

further into this case, period!"

Walters, who also testified yesterday, said he was told sometime on the morning of June 23 that he and Helms were to meet with Haldeman and Ehrlichman at the White House. He said the meeting was originally set for noon but was then postponed until shortly after 1 p.m.

Haldeman was meeting with the President again when the CIA officials arrived. According to a tape of that meeting, Mr. Nixon told his chief of staff once again to invoke "the whole, uh, Bay of Pigs thing."

"I don't want them to get any ideas we're doing it because our concern is political," Mr. Nixon emphasized.

Walters said the meeting took place in Ehrlichman's office, but Haldeman did the talking, saying that the Watergate incident was "making a lot of noise" and "it might get worse" in light of Democratic attempts to exploit it.

According to Walters, Helms replied that the CIA had nothing to do with the Watergate incident and that he had already told Gray this. But Haldeman, the witness said, told the CIA men: "It is the President's wish that Mr. Walters go to the FBI" and tell Gray that pursuit of the Dahlberg-Ogarrio checks might "uncover some assets or covert operations of the CIA."

Walters, who had been at the secret agency only two

months himself, said, "It seemed conceivable to me that Mr. Haldeman had information which I did not have."

The CIA deputy director said Ehrlichman offered the use of his phone to call Gray, but Walters said he couldn't recall just how he contacted the FBI director. In any case, Walters said he made an appointment to see Gray at 2:30 that same afternoon.

Haldeman, meanwhile, reported back to the President at 2:20 p.m.

"Well, it's no problem," the White House aide assured Mr. Nixon. "Had the... two of them in... I just said that... we're gonna create some very major potential problems because they were exploring leads that led back, no, to, uh, areas (where) it will be harmful to the CIA, harmful to the government... Helms kind of got the picture."

Mr. Nixon suggested that the money might still pose a problem, but told Haldeman "we'll cross that bridge" later, "... What the hell," the President observed at one point. "Who knows, maybe Dahlberg contributed to the CIA..."

By now, Walters was in Gray's office at the FBI. The CIA official said he told Gray he "had just come from the White House" with instructions to inform him "that further pursuit of the FBI investigation could expose or touch upon CIA cover operations" in Mexico.

Walters said he also observed that five men had already been arrested at the Watergate and "it would be best if the investigation were tapered off there."

The CIA deputy director said John Dean later called him at Ehrlichman's suggestion and in conversations on June 27 and June 28 made a pitch for CIA funds to pay for the burglars' bail and living expenses. Walters said, however, that he had checked out the White House claims by then and found the CIA had not been involved in any way in the Watergate incident.

"He (Dean) said some of the people in the Watergate case were beginning to wobble and might talk," Walters recalled. "I said, 'That's all right. It doesn't bother me.'"

Walters acknowledged suggesting to Dean at one point that "maybe the Cubans did it... They're conspiratorial." He said Dean picked up the idea but mused that it could "cost us a half a million dollars" to sell that story.

The CIA official said he should have stopped Dean short at that point, but did not because "I was so relieved at turning him away" from pressing the CIA angle.

Finally, on July 5, Gray called Walters and said he would not hold up the investigation any longer without a formal request in writing from the CIA official.

The two men met in Gray's office the next morning, July 6, where Walters finally told the FBI director there was no CIA connection.

Gray said Walters gave him a two and one-half-page memo to that effect and then sat down in a red chair, put his hands behind his head and began talking about "the importance of the integrity of our institutions."

"He (Walters) said, 'I'm not

going to let those kids at the White House kick me around'," Gray recalled. The former FBI director said they both agreed that "the President should be informed" but then did some buck-passing over who should make the call.

"I said, 'Dick, you know the President better than I. You telephone him'," Gray testified. "He said, 'No, it's your investigation. You make the call.'"

Gray had previously testified that he told Mr. Nixon "people on your staff are trying to mortally wound you by using the CIA and the FBI." The former FBI head said the President simply told him to go ahead vigorously with his investigation.

Although Mr. Nixon has been named as unindicted co-conspirator in the cover-up, defense protests at a bench conference kept prosecutors from questioning Gray about the call. Judge Sirica decided, at least for the moment, not to permit the testimony.

Under further questioning, Gray admitted destroying documents from Watergate spy E. Howard Hunt Jr.'s safe that John Dean gave him on June 28, 1972. The former FBI director said Dean handed him the materials at a White House meeting with Ehrlichman present.

Dean told Gray that the papers, in two white manila folders, had nothing to do with the Watergate investigation but they were still "political dynamite" that should never "see the light of day."