

A Key Watergate Witness Is Quitting as CIA's No. 2 Man

Washington

Lieutenant General Vernon Walters, the Central Intelligence Agency's deputy director and a key witness in the Senate Watergate hearings, is quitting, the White House announced yesterday.

CIA Associate Deputy Director E. Henry Knoche, a civilian, will be nominated to replace Walters, the White House said.

Walters' move came as a surprise, and details surrounding the resignation unfolded piecemeal. The first word came in a single sentence at the bottom of a White House announcement that President Ford planned to nominate Knoche to the CIA's No. 2 position.

The White House did not immediately elaborate. Efforts to reach Walters proved futile. A CIA spokesman said the deputy director was out of town and unavailable for comment.

An hour and a half later White House press secretary Ron Nessen said Walters was quitting because he believed himself "overdue to get out of the Army." The deputy director also recognized that Bush would want to pick his own top



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LT. GEN. VERNON WALTERS
A surprise resignation

assistant, Nessen said.

Walters, 59, was appointed deputy director by President Nixon in 1972 and will stay on as deputy director also recognized that CIA Director George Bush would want to pick his own top assistant, Nessen said.

The spokesman refused to comment on whether Walters' resigna-

tion stemmed from investigations of the agency during the past year or Mr. Ford's reorganization of the nation's intelligence agencies.

Nessen said that Walters submitted his resignation last January after Mr. Ford named George Bush to head the agency. Bush did not accept Walters' resignation immediately, Nessen said, adding that the deputy director's retirement date from the Army has been set for June 30.

Knoche was chosen because Bush "wants to build his own team," Nessen said.

Knoche, 51, went to work for the CIA in 1953 as an intelligence analyst specializing in political and military affairs. He has been executive director of the agency's national photographic interpretation center, deputy director of planning and budget activities and deputy director of the office of current intelligence.

He also served in the intelligence directorate's office of strategic research. He was named associate deputy director last year.

Mr. Ford said he "has a very high regard" for Walters, Nessen said, adding that Walters volunteered to serve the administration in any additional capacity and Mr. Ford is considering the offer.

Walters gained national prominence as a witness at the televised Senate Watergate hearings in 1973, where he disclosed the White House had instructed him to quash the June, 1972, FBI Watergate probe on national security grounds.

Mr. Nixon's precise role in that effort, however, remained unclear until the later disclosure of the White House tape recording that forced his resignation.

It showed that, on June 23, 1972, White House chief of staff H.R. Haldeman told Mr. Nixon the FBI probe was touching politically dangerous areas and recommended:

"The way to handle this is for us now to have Walters call (FBI Director) Pat Gray and just say, 'Stay to hell out of this . . . this is the CIA.'"

The tapes show that Mr. Nixon approved that suggestion. Testifying at the Watergate coverup trial in November, 1974, Walters confirmed he told Gray the FBI investi-