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Prosecution Tested In Watergate Trial

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By WALTER RUGABER JAN 2 9 1973

WASHINGTON, Jan. 28-Demands for the appointment of a special prosecutor in the Watergate case began a week after five men were caught in Democratic headquarters on June 17.

Some of the demands were overtly political; others ap-peared nonpartisan. But al-ways there was the question of how vigorously the Department of Justice would pursue a case in which several Presidential aides were involved and in which others-perhaps of higher rank-might be implicated.

That question has come up again, implicitly but forcefully, as the trial of two remaining defendants charged with condropping moves toward a eliment in the United States District Court here.

Doubts Intensified.

Whatever doubts may remain In the public mind seem to have been intensified particu-larly by the actions of Judge John J. Sirics, who has pre-sided over the three weeks of the trial.

Judge Sirica has said on a number of occasions-most recently on Friday-that he does not mean to "imply anything" or to rebuke either the Govproment or the defense for its handling of the case.

But he has also shown dissatisfaction with the questions asked by the prosecution and, to a lesser extent, the defense, and he has examined witnessis himself. His tone with them has often been incredulous.

The lawyers are most interested in a precisely drawn, eight-count indictment, which seven men were accused of committing specific violations of the law during a limited period of time.

There Are Limits

"This isn't the Warren Com-mission," said an attorney who is familiar with the Watergate case but not directly inevolved in it. "When you get to the trial, there are limits to where you can go."

The scope was to a large extent settled, the attorney and other sources said, by the Fed-eral Bureau of Investigation and the United States Attorney during the grand jury inquiry that produced the current in-dictments on Sept. 18

The difficulty in assessing the secret grand jury decision on how far the conspiracy wen and who should be indicted was demonstrated vividly on Friday when Judge Sirica raised as an issue the credibility of a major Government witness, Hugh W. Sloan Jr.

Mr. Sloan had resigned as treasurer of the Finance Committee to Re-elect the President after handing G. Gordon Liddy, a former committee of-ficial who is now a defendant, \$199,000 in campaign funds.

Judge Sirica questioned Mr. Sloan with the jury not presabout some of the answers, which included a statement that he had "no idea" what had been done with the \$199,-000

The Government asserted that Mr. Sloan had had nothing to do with the Watergate affair, and Seymour Glanzer, one of the prosecutors, invited the judge to examine the F.B.I. the judge to examine the F.B.I. reports and the grand jury transcripts. Q. What was the procedure you followed in giving Mr. Liddy this amount of cash

But Judge Sirica said he would concern himself only would concern himself only with "the testimony in this courtroom." The testimony he has been hearing deals almost would indicate to me and come to my office to re-quest it, and I would provide it exclusively with the narrow in- to him. dictment and not with the wider part of a wider espionage effort and whether anyone beyond those indicted knew about or Q. Did profited from the spying.

Magruder Questioned

Jeb Stuart Magnuder, who tion of the President, was ques- transactions. tioned by the Government Liddy.

Magruder said, involved learn-ing the plans of potentially Stans. troublesome demonstrators both O. Did you retain any copies? troublesome demonstrators both at campaign appearances around the country and at the Repub-lican National Convention. Mr. Magnuder under examples and de-troublesome demonstrators both the country and at the Repub-lican National Convention.

Mr. Magruder, under exam-ination by Earl J. Silbert, the principal assistant United principal assistant United States Attorney, said that some \$250,000 had been budgeted for Mr. Liddy's work. The tea-timony included the following exchange:

Q. Did you give him any other investigative assignments?

A. Yes, as I recall, I gave him a number of others.

there was a candidate for the Democratic nomination who was known for his antipollution stand, and there were also news reports about some of his supporters, financial supporters particularly, one in particular being a major pol-luter, and I asked Mr. Liddy as in example to see if there was any more to it than we read in the newspapers.

Q. Mr. Margruder, on these cluded the following: assignments that you gave Mr. Q. Did anybody indicate to Liddy, did he ever make reports to you?

A. Yes.

Q. What was the form?

A. Primarily verbal reports. Mr. Silbert then broke off this line of questioning. There was no testimony about the candidate's identity (presumably the reference was to Senator Edmund S. Muskie), or about exactly what Mr. Magruder had wanted and received, or about what he had done with the information.

Ties Not Developed

When Mr. Sloan came under direct examination by Mr. Silbert, the cash transactions between the Nixon cmmittee and Mr. Liddy undeveloped, for example:

(\$199,000)?

The prosecutor then turned questions in the case, such as whether the break-in at the Watergate office building was Later, however, there was this

Q. Ekd you maintain any records of disbursements that you gave to Mr. Liddy? A. Yes, I did.

O. What kind of record did served as deputy director of you maintain? A. It was a cash the Committee for the Re-elec-book reflecting in and out

Q. Now did you ever make a about various intelligence as final summary of your cash signments he had given to Mr. disbursements? A. Yes, I did.

ddy. The "major" assignments, Mr. deliver it? A. [Former] Secre-

livered the final summary? A. Since the summary before essentially contained the necessary information that was reflected in this book, I destroyed the back-up book.

Mr. Stans, who served as Mr. Nixon's chief fund-raiser during the campaign, has not been subpoenaed as a witness at the trial. It is understood that he was permitted to give grand jury testimony in the form of a written statement.

Q. Can you give an example? Judge Sirica, who was ap-A. An example would be pointed to the bench by President Dwight D. Eisenhower, extracted from Mr. Sloan the information that the payments to Mr. Liddy had been approved by Mr. Stans and through Mr. Stans by John N. Mitchell, the former Attorney General who for a time was Mr. Nixon's campaign manager.

A Case of Needling

The judge's examination in-

you by their action or by words or deed what this money was to be used for? A. No, sir.

Q. You are a college graduate, aren't you?

The Government did not needle its own witnesses this way, and sometimes the tactical reasons for its failure to pursue a potentially useful point seemed to be apparent.

For example, Alfred C. Baldwin 3d, a key witness who said he had monitored a wiretap on a Democratic telephone, testified that he had delivered oneoccasion to the re-election committee.