

WATERGATE JURY BELIEVED SEEKING A HALDEMAN LINK

Trying to Learn if Office
Used Campaign Fund to
Pay Off Defendants

TRANSCRIPTS HUNTED

2 White House Aides Hire
a Lawyer to Represent
Them in Controversy

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WASHINGTON, April 21 — A Federal grand jury is investigating H. R. Haldeman, the White House chief of staff, to determine whether his office had a role in the initial Watergate bugging operation and any subsequent attempt to obstruct the inquiry into the case, sources close to the case said today.

The sources said that Earl J. Silbert and Seymour Glanzer, the two main Government prosecutors in the case, were trying to find out whether a \$350,000 secret fund had been used by Mr. Haldeman's office to pay off the seven convicted Watergate defendants and their lawyers.

At the same time, the sources said the grand jury was seeking to determine whether Mr. Haldeman personally received copies of the transcripts of the bugging of the Democratic National Committee offices made by members of the Watergate break-in team last June.

Denied Old Charge

Mr. Haldeman, one of President Nixon's top advisers, was previously accused by The Washington Post of a link to a campaign fund and denied it.

Last Tuesday, he and another key Presidential aide, John D. Ehrlichman, hired a Washington lawyer, John J. Wilson, to represent them in

the continuing Watergate controversy.

Mr. Haldeman could not be reached for comment on the reports of the grand jury activity. Mr. Wilson, who acknowledged today that he had been retained by the two men, said he had "no comment" on the reports of the grand jury activity.

Fund Transfer Reported

In a telephone interview, a former member of the Committee for the Re-election of the President confirmed that the committee had handed over \$350,000 in \$20, \$50, and \$100 bills to a key Haldeman assistant in April, 1972, one day before the new campaign finance reporting act went into effect. The cash was stored in a White House safe, the source said.

Earlier this week, Jack Anderson, the syndicated columnist, published what were subsequently determined to be excerpts from the transcript of grand jury proceedings describing the transfer of funds from Hugh W. Sloan Jr., the former treasurer of the re-election committee, to Gordon C. Stra-

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chan, then working for Mr. Haldeman.

The re-election committee source for The New York Times confirmed that the transfer of funds between Mr. Sloan and Mr. Strachan had taken place, and said that it was clear at the time that the money had been requested by Mr. Haldeman.

"He asked for it," the source said, "and since he's the chief of staff—obviously he got it."

The Times reported today that John W. Dean 3d, the White House counsel, had supervised cash payments of more than \$175,000 in Republican campaign funds to the seven Watergate defendants and their lawyers after the arrests in the June bugging.

Two sources said that the Government was now trying to determine whether campaign funds were used in part to buy the silence of the Watergate defendants.

Reported Cash Delivery

According to the grand jury testimony, Mr. Strachan testified that he returned all the cash after the November election to the private apartment of Frederick C. LaRue, a former White House aide working in the re-election campaign. Mr. Strachan was quoted as testifying that he had told Mr. Haldeman about the surreptitious delivery afterward and quoted the White House aide as saying "fine."

In another column distributed today by Mr. Anderson, which he said also was based on secret grand jury testimony, Mr. Strachan and Dwight L. Chapin, a former Haldeman aide who left the White House two months ago, were quoted as testifying that Mr. Haldeman had approved the hiring of Donald H. Segretti, the leader of a separate political intelligence and espionage operation that allegedly was run from the White House.

Mr. Strachan and Mr. Chapin both testified, however, according to the testimony, that they had initiated the idea of hiring Mr. Segretti to be an agent provocateur.

A number of key past and present White House officials have been accusing each other of both ordering the bugging and the subsequent payoff to witnesses.

Former Attorney General John N. Mitchell reportedly told the grand jury yesterday that he had approved disbursements of campaign funds to the Watergate defendants after the break-in, but depicted such payments as having nothing to do with buying their silence.

Mr. Mitchell also reportedly told the grand jury that he had attended three meetings in early 1972 in which a bugging operation had been discussed, but rejected the proposal each time.

The Washington Post today quoted an unnamed Mitchell associate as saying that the former Attorney General told the grand jury that he believed that Jeb Stuart Magruder, a former White House and re-election committee aide, went over his head to unnamed officials in the White House to get approval of the bugging operation.

Reports Mitchell Approval

Mr. Magruder, in turn, is known to have told the Government prosecutors earlier that Mr. Mitchell and Mr. Dean approved the bugging operations at those meetings, which

were attended by the three men and G. Gordon Liddy, who was convicted by a Federal jury early this year for his role in the break-in.

Mr. Mitchell was also reported to have told the grand jury that both Mr. Dean and Mr. LaRue were involved in making the subsequent payments for attorneys to the Watergate team.

Mr. Dean's associates have been describing him to newsmen as being furious with both Mr. Haldeman and Mr. Ehrlichman. In a statement he issued Thursday without official White House authorization, Mr. Dean pointedly said:

"Some may hope or think that I will become a scapegoat in the Watergate case. Anyone who believes this does not know me, the true facts, nor understand our system of justice."

Mr. Dean's associates were quoted as saying that the White House counsel was ready to tell a Federal grand jury all he knows about the Watergate affair, including an allegation that Mr. Haldeman, his superior at the White House, tried to cover up the incident.

Met Prosecutors

Mr. Dean has not yet testified before the grand jury, sources said, but did meet privately with the Government prosecutors last Saturday.

It was apparently after that session, the sources said, that the grand jury began to investigate the possibility that Mr. Haldeman had been receiving summaries of the overheard conversations at the Democratic National Committee.

Three weeks ago there was a flurry of allegations about Mr. Haldeman's possible involvement in or knowledge of the bugging operations, stemming from a secret appearance



Associated Press

H. R. Haldeman



The New York Times

John D. Ehrlichman

before the Senate Watergate investigating committee by James W. McCord Jr., one of the convicted bugging defendants, who decided to turn state's evidence last month.

On April 1, Senator Lowell P. Weicker, Republican of Connecticut, said on a television interview show that he believed Mr. Haldeman "knew what was going on" in connection with the Watergate wiretapping operation.