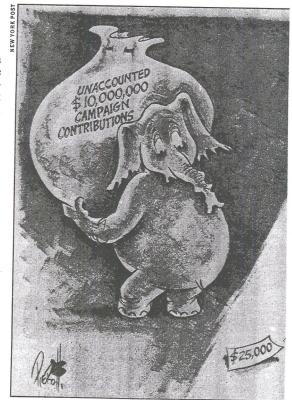
Watergate, Contd.

The case had begun to resemble a dinner party at which the silverware starts disappearing. A certain taut silence has descended, but one cannot help noticing an embarrassing bulge in one of the guests' dinner jackets. No one was making any official accusations yet, but in the midst of a curious non-cooperation from the White House and the Committee for the Re-Election of the President, the suspicion grew that someone not far from the center of Republican power in Washington had engineered the Watergate Caper.

It began on the night of June 17 when police arrested five men as they tried to install or remove electronic bugging devices in the Democratic National Committee headquarters in Washington's Watergate complex. One of the men, James W. McCord Jr., was the former security coordinator for the Committee for the Re-Election of the President. Two of the intruders carried papers linking them to E. Howard Hunt Jr., a former White House consultant who worked closely with the C.R.P. security men. Since then, the case has been quietly burgeoning into the most intriguing and potentially volatile mystery of the election year. At least two former White House aides seem to be involved in the plot, and federal investigators have learned that a total of \$114,000 in money from the Committee for the Re-Election of the President found its way into the Miami bank account of Bernard Barker, the leader of the Watergate Five and an ex-CIA

Plumber. The Justice Department has discovered that \$25,000 of the money was gathered by Kenneth H. Dahlberg, the Republican finance chairman in the Midwest, who told the FBI he had collected the cash from G.O.P. contributors early in April. He converted it into a \$25,000 cashier's check on April 10, and the next day gave the check to Maurice Stans, the former Commerce Secretary who is now Nixon's national finance chairman. Stans, who is expected to be called soon to testify before the grand jury investigating the case, has reportedly explained that he dropped the \$25,000 into the C.R.P.'s campaign chest and does not know what happened to it after that.

On April 20, according to the Justice Department, Barker deposited the \$25,000 check in his bank account, along with \$89,000 he apparently also received from the C.R.P. by way of a Mexican intermediary. On April 25, Barker withdrew \$25,000 from the account. During this period, the FBI has learned, Barker also made several phone calls to the C.R.P. The calls were placed to telephones used by G. Gordon Liddy, who was then the attorney for the C.R.P.'s finance committee. Liddy was fired by the C.R.P. after he re-



"Oops!"

fused to answer the questions of FBI agents investigating the Watergate bugging. The man who dismissed him, former Nixon Campaign Manager John Mitchell, left the campaign a few days later because, he said, his wife Martha wanted him out of politics. Liddy had worked in the White House with Hunt, a former CIA agent who has also refused to respond to FBI questions. Hunt left the White House last spring. Before they apparently moved into political surveillance, Liddy and Hunt were part of a White House team known as "the plumbers," because they were assigned to investigate the source of leaks to the press like that of the Pentagon papers. Îndeed, an office that Liddy worked out of for a time was whimsically adorned with a sign saying PLUMBER. Another former White House aide, Hugh W. Sloan Jr., became treasurer of the C.R.P.'s finance committee last spring, then quit abruptly on July 14 as the FBI pushed its investigation.

In the C.R.P. campaign-contribution reports, the Justice Department has been unable to find any record of the \$25,000 cashier's check, nor is there any trace of the \$89,000. The records, if they ever existed, vanished by the time the agents came to examine them. Among other things, the investigation now raises additional questions about the tactics of the committee in preventing disclosure of the identity of wealthy donors during the campaign. A congressional act requiring such disclosure became effective April 7. But the C.R.P. received the \$25,000 check on April 11. According to the Justice Department, the C.R.P. now takes the position that the \$25,000 did not come under the law

First mountain?

THE NATION

because, it claims, the actual donations were made before April 7.

Some investigators believe that the Watergate plot may have been hatched by the C.R.P.'s security unit—a thesis perhaps supported by the fact that Mc-Cord, one of the arrested raiders, was the C.R.P. security coordinator. For the moment, Justice Department investigators say that they have been having trouble getting many answers out of either the C.R.P. or the White House. Complained one official: "When we want to talk to a C.R.P. man, one of the committee's attorneys sits in on the interview. With the lawyer there, we seldom get complete answers. And things aren't much better at the White House.

POLITICS

The Headless Horseman

"I would like to look you in the eye and tell you that he wants to run," American Party Chairman T. Coleman Andrews Jr. told the 1,900 delegates to the party's first national convention in Louisville last week. "But he looked me in the eye and told me he was not physically able." Andrews then read a telegram from George Wallace in which the stricken Alabama Governor reaffirmed that he would not accept the nomination or a draft as the party's presidential candidate.

Wallace loyalists were having none of it, and vigorously mounted a "draft-Wallace" movement. Some of the zeal-ots even suggested a conspiracy, charging that someone on Wallace's staff had forged the Sherman statement. "Wallace didn't tell me personally he wouldn't run," said one West Virginia delegate. "Anybody could have sent that telegram."

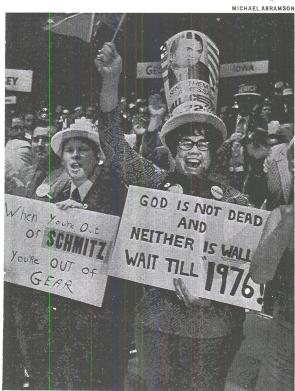
Chairman Andrews, fearing a pos-

sible outbreak of violence, arrange midway through the three-day convertion for Wallace to again declare hono-candidacy via a telephone hooku to his bedside in the Spain Rehabilitation Center in Birmingham. The delegates, many of them with tears in the eyes, sat in somber silence as Wallachis weak voice amplified through two loudspeakers, explained that "I have two open places still draining" and "ar other big pocket of infection." The convinced enough disbelievers to mak the convention seem an exercise i futility.

The delegates nonetheless wer through the motions. All but swallowe up in the cavernous Freedom Hall, the dressed in red, white and blue ensembles, sang along when the organis played Yankee Doodle Boy and Go Bless America, and dutifully wave their placards (read one: This is out Country and we aim to get it backets).

The party platform called for law and-order, stronger antidrug legislation more restrictive immigration laws, vo untary school prayer and restoration of tull trade with the governments of Rhodesia and South Africa. Other plandopposed public housing, Women's Lil eration, busing to achieve school int gration, the "no win" tactics of limits wars and U.S. financing of "belligerenge in the Middle East."

No amount of speechifying, however, could dim the fact that the Ameican Party, founded three years ago at made up of various state parties the had backed Wallace in the 1968 preidential election, was what one dispited conventioneer called a "headle horseman." The delegates nominated lame-duck Republican Congressma from California named John Schmi for President and Thomas Anderso 61, conservative publisher of Floria





AMERICAN PARTY NOMINEE JOHN SCHMITZ

DELEGATES IN LOUISVILLE