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Break-In Review Bjt 420 Three Takes Total 1,180

An AP News Special

By DICK BARNES

Associated Press Writer

WASHINGTON AP - In two months an attempt to bug Democratic national headquarters has blossomed from a wee-hours police bust of five obscure men to an increasingly mysterious election-year embarrassment for the Republicans.

Within hours after the caper, it was disclosed that one of five men arrested during the break-in was security coordinator for President Nixon's re-election campaign.

Within days, material was released indicating money meant for the Nixon campaign had come into the hands of another of the suspects.

Now, as Democrats mull over how best to take advantage of the curious affair and Republicans deny high officials had any part in it, defense attorneys have been told indictments will be handed up shortly by a federal grand jury.

Unanswered are whether anyone beyond the five arrested men will be indicted and whether any offenses other than second-degree burglary will be listed by the grand jury considering criminal aspects of the case.

1 AUG A federal judge Friday refused a GOP request to postpone until after the presidential election a \$1 million civil invasion of privacy suit brought against the suspects by former Democratic party chairman Lawrence F. O'Brien. The judge dropped O'Brien's action against the Nixon re-election committee.

The suspects were caught in the sixth-floor Democratic headquarters at the posh Watergate office building on June 17 after a private security guard noticed several door locks had been taped open, police said. Electronic eavesdropping equipment and a number of \$100 bills were found on the suspects and at the scene.

The cast of characters and depth of intrigue both have grown steadily since the day following the break-in when The Associated Press found that James W. McCord Jr., one of the arrested men, was listed on public records as the salaried security coordinator for the Committee for the Re-election of the President.

In a series of subsequent disclosures stretching over the ensuing two months:

-McCord, from Rockville, Md., and the others, all from the Miami area and involved in Cuban refugee affairs, were found to have past links with the Central Intelligence Agency.

-Bernard Barker, one of the Miamians, was found to have Republican ties in Florida.

-The name of E. Howard Hunt, a part-time White House consultant working under Charles Colson, a top aide to President Nixon, was found in address books of two of the suspects. Hunt first refused to cooperate with the FBI, then dropped out of sight for a time and finally went before the grand jury July 19.

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-G. Gordon Liddy, counsel to the finance arm of the Committee for the Re-election of the President, did not cooperate in the investigation of the matter. He was fired by the committee June 28, although this did not become public until nearly a month later.

-Hugh Sloan Jr. quit as treasurer of the finance arm soon after for what he said were personal reasons. But his name shortly was involved in new disclosures.

-Sources close to the investigation released material July 30 showing that a \$25,000 cashier's check intended for the Nixon committee campaign fund had been deposited in April to the bank account of Barker, one of the suspects.

The money had been collected in Florida by Kenneth H. Dahlberg of Minneapolis, a Nixon regional finance chairman who had converted cash to a cashier's check and handed it over to campaign money chairman Maurice Stans, former secretary of commerce.

Stans told federal investigators he turned the check over to Sloan, who in turn gave it to Liddy. Stans told probers that Liddy then exchanged the check with someone else for cash that wound up in the committee fund while the check went on to Barker's account.

Clark MacGregor, Nixon's campaign director, also says he is certain the \$25,000 eventually ended up in the campaign treasury.

The General Accounting Office, monitor of the new federal campaign finance reporting law, opened an investigation of why the \$25,000 didn't show on records filed by the committee.

A dispute has since ensued over whether the money was taken in before or after the federal law went into effect April 7. The committee had gone to great lengths to collect money before that date so it wouldn't have to name contributors.

After these disclosures, other sources close to the investigation said four more deposits totaling \$89,000 had been tracked from the Committee for the Re-election of the President to Barker's bank account in Florida.

At the same time the criminal investigation was getting started, O'Brien, then chairman of the Democratic National Committee, filed the \$1 million civil suit. He called the attempted bugging a "blatant act of political espionage," and has repeated the phrase often since then in pushing the affair as a campaign issue.

While the affair boiled on, former Atty. Gen. John W. Mitchell quit his job as Nixon campaign manager when his wife threatened to leave him. But Democrats are questioning whether the Watergate caper may not also have played a role in Mitchell's departure.

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Nixon and Republican spokesmen from the White House to the
campaign committee have denied, at times with obvious irritation,
that higher-ups had anything to do with the break-in.

MacGregor, Mitchell's successor as campaign manager, said last
week that the incident is "being extended by the news media without
the regard for the rights of the individuals involved."

He said it also is obscuring what he called the major issues of
the campaign.

One of the most puzzling aspects of the case is what anyone might
have hoped to learn or obtain by bugging or raiding the
Democratic offices.

Eavesdropping experts labeled as obsolete the bugging equipment
found at the scene.

Investigation sources have said that four Democratic documents
found on McCord when he was arrested included a memo on how party
workers could collect expense money at the Democratic National
Convention and three items dealing with college press coverage of
the convention. None of the information is exactly highly classified
material.

The parade of lawyers in the case has grown steadily, though the
first one involved, Douglas Caddy, dropped out after he had been
briefly confined for refusing to answer grand jury questions.

Caddy, a founder of Young Americans for Freedom, had appeared on
behalf of the suspects shortly following their arrest after getting an
urgent call from Barker's wife.

Lawyers now entered for various of the suspects included Gerald
Alch, an associate of F. L. Bailey; Henry B. Rothblatt, who represented
My Lai defendant Col. Oran Henderson; and Joseph Rafferty Jr.,
whom Caddy asked to join the case the first day.

Edward Bennett Williams, a prominent Washington lawyer, is
pursuing the civil case for the Democrats.

Colson of the White House staff sought to have the Department of
Justice represent him in the civil matter but a federal court told
him to get a private lawyer since the department was also
investigating the case.

The matter seems certain to plunge on for months. Unless there is
some unusual speedup, any criminal trials would not occur until
after the Nov. 7 presidential election.

Meanwhile, the four Miami suspects are back in Florida, freed on
bail of \$40,000 to \$50,000 following jailing of several weeks for some of
them.

McCord is free on \$30,000 bail and apparently working out of his
private security consulting service office in nearby Rockville.

Hunt appeared on a recent Saturday to clean out his desk at the
Washington public relations firm which dismissed him in the wake
of his involvement.

Liddy, Sloan and Stans aren't talking to newsmen these days.

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