

Ervin Finds 'Honest Man...'

By William Greider
Washington Post Staff Writer

Hugh W. Sloan Jr., a proper Princetonian in a pin stripe suit, is the guy who filled up those Republican satchels with \$100 bills.

He dished out hard cash with awesome regularity, \$350,000 to a man from the White House, \$200,000 to the GOP's head spy, fifty grand here, a hundred grand there.

In all, as he told it yesterday to the Senate Watergate committee, Hugh Sloan distributed something like \$1 million undisclosed campaign cash. That is a lot of counting, even in \$100 bills.

Yet, in the context of events, Hugh Sloan is emerging as about the closest thing to a "good guy" in the whole bunch. He would not trim his story to suit the cover-up intended by his superiors in President Nixon's campaign organization.

Last summer, when the awful story began unfolding around him, Sloan turned to his superiors for advice. They suggested perjury or the Fifth Amendment or a long vacation. Former Attorney General John Mitchell offered him an ambiguous bromide:

"When the going gets tough, the tough get going."

That's what Mitchell himself did shortly afterwards, resigning as the Nixon campaign manager. Sloan took a slightly different route. He resigned and went to the prosecutor's office where he told all.

Sen. Sam Ervin, who appreciates a good bromide himself, blessed the young man yesterday with these words:

"Your testimony has renewed my faith in the old expression—an honest man is the noblest work of God."

Sloan mumbled his thanks. His wife, Deborah, seated behind him for moral support, beamed. Sloan is out of politics now and not likely to dabble again soon in the high-powered world where men come and go with suitcases stuffed with money.

He plans to move to Troy, Mich., for a career in business.

"I'm disillusioned, of course," the young man with doe eyes and an expression of grim innocence told a reporter. "But my wife is more bitter than I am."

At 32, Sloan is probably the nation's expert right now on how to handle secret campaign money, an unwelcome distinction, as Sen. Howard Baker put it. Sloan's college classmates from Princeton, class of '63, are gathering for their tenth reunion this weekend and he was invited to appear on a panel discussion on campaign financing. He declined. "I figured it would turn into an harangue over Watergate," he said.

Sloan's disclosures of the secret campaign money did not lead the Watergate prosecutors to higher levels immediately. But it did sow suspicions among others around town and made it impossible for GOP officials to minimize the dimensions of their espionage team, as they apparently wanted to do.

With earnest manner, boyish face with a forelock of dark hair, Sloan sounded out of place among the other leading figures in the Nixon campaign—like a teetotaler who attended a drunken brawl. One could admire his abstinence, but still wonder why he went to the party in the first place.

As he testified yesterday, Sloan recounted all of the money he handed out in cash, distributed before April 7 when the new campaign-spending law would require disclosure. Once, when G. Gordon Liddy tried to touch him for \$83,000 from the safe, Sloan asked his boss, former Commerce Secretary Maurice Stans, what for.

"I do not want to know and you don't want to know," Stans replied. Sloan admits that he just stopped asking.

"My curiosity had really run out by that point in time," he said. "So much money had been distributed in a similar way without my knowing why. I was beyond the point of really asking."

On the Saturday morning when the Watergate buggers were arrested, Hugh Sloan figured some of it out. Gordon Liddy passed him in the hall at campaign headquarters and blurted something about "my boys got caught."

Four or five days later, Jeb Magruder, the deputy campaign manager, asked Sloan how much green he had given to Liddy. Magruder suggested a figure of \$75,000 or \$80,000 but Sloan told him that was too low.

"He must have been insistent," Sloan recalled, "because I remember making to him on that occasion a statement, 'I have no intention of perjuring myself.'"

"What did he say to you when you said that?"

"He said 'you may have to.'"

What followed for Sloan was a bruising two weeks of innuendo and suggestions, which awakened him to the notion that a lot of his colleagues did not want the truth to come out.

"I was essentially asking for guidance," he explained yesterday. "The campaign literally at this point was falling apart before your eyes, nobody was coming up with any answers as to what was really going on. I had some very strong concerns about where all of this money had gone."

So John Mitchell told him "the tough get going." The Senate Caucus Room had a good laugh over that, but Sloan didn't find it funny. His head was cast forward and his hand worked nervously on a paperclip.

The next day, he remembers going to the White House to repeat his concern to both Dwight Chapin, former presidential appointments secretary, and John Ehrlichman, top domestic adviser.

"Mr. Chapin evaluated my condition at that point as being somewhat overwrought and suggested a vacation," Sloan said.

Ehrlichman, he recalled, didn't want to hear any details and, in any case, indicated he would himself claim "executive privilege"

on the whole business, at least until after the election.

"I believe he interpreted my being there as personal fear," said Sloan, which apparently was not so far wrong. He and his wife left for a long-planned week in Bermuda.

When he returned, the problem was still there. Magruder took him out for a drink and suggested again that they had better get together on a figure. "This time the figure was even less than the time before—if was \$40,000 or \$45,000," Sloan said.

He was flabbergasted and the next day he again declined to play perjurer. As he was leaving Magruder's office, Frederick LaRue, another top campaign aide, grabbed him by the arm and pulled him into a conference room.

"Did you decide on a figure?" LaRue asked.

In distress, Sloan called on the campaign committee's two lawyers for advice. They suggested that he get out of town for a while—until they could straighten out the facts. A few hours later, LaRue called him with plane reservations for a West Coast flight.

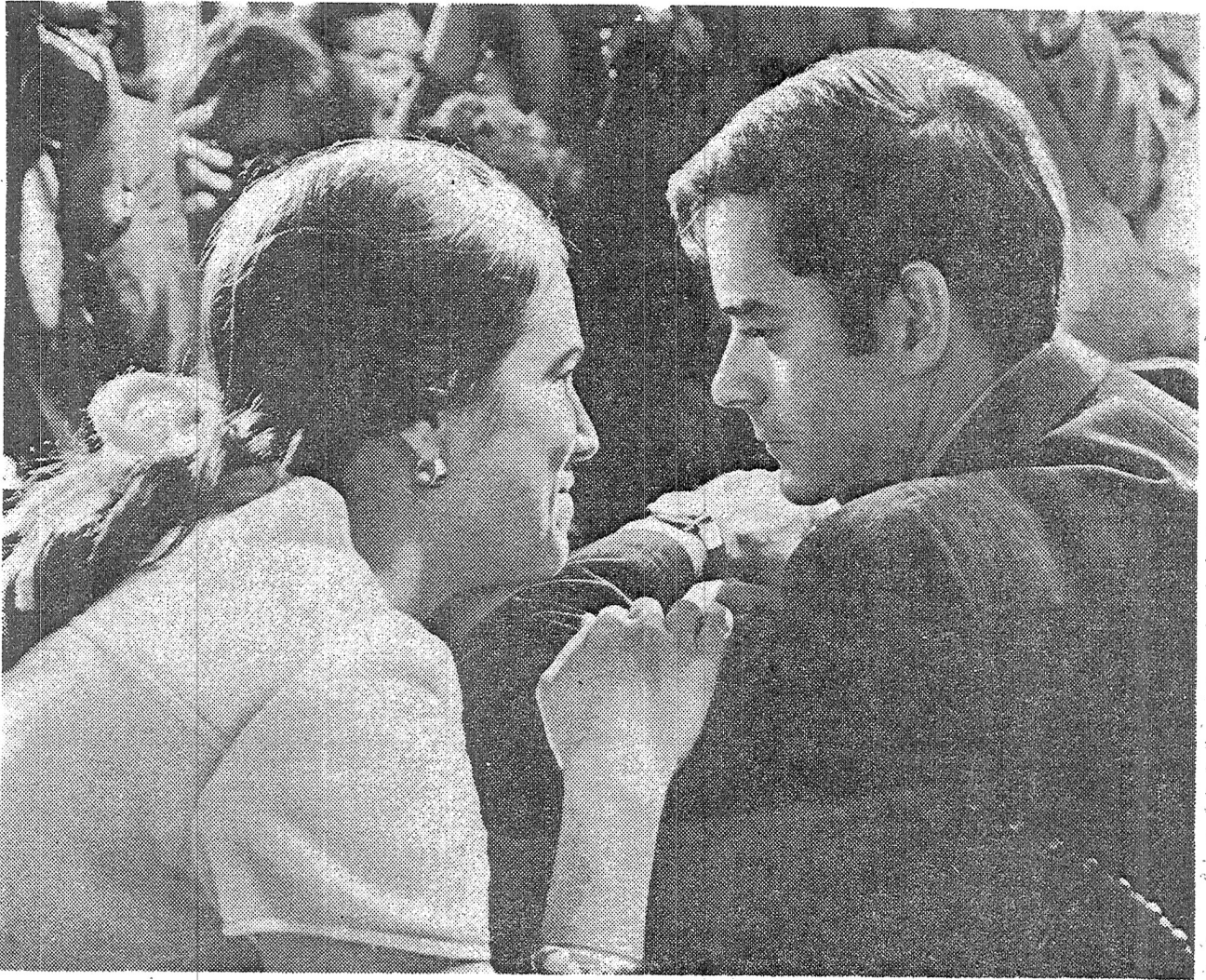
When Sloan returned to town, however, LaRue was after him again. They lunched at the Watergate restaurant. "I thought it was somewhat black humor," Sloan said stiffly.

"What he was doing was reviewing the options that might be open to me," Sloan explained. One option which LaRue suggested was "taking the Fifth," refusing to testify on grounds of self-incrimination.

Sloan announced that he could see only three choices—perjury, the Fifth Amendment or his resignation. LaRue leaped at the last one. The next day on July 14 Hugh Sloan resigned as treasurer.

Sloan said he may someday participate in politics again, but one thing is sure.

"I don't think I'll ever be a campaign treasurer again," he said. Then he grinned at the thought. "I don't think anyone will ever ask me."



By James K. W. Atherton—The Washington Post

Hugh W. Sloan Jr., former Nixon campaign treasurer, talks with his wife, Deborah, before start of hearing.