

U.S. seek peace at the cost of surrender, dishonor and the destruction of the ability of the U.S. to conduct foreign policy in a responsible way." Nixon also pledged that "as long as there is one P.O.W. in North Viet Nam, or one missing in action not accounted for, there will be an American volunteer force in South Viet Nam." Last weekend, on the occasion of North Viet Nam's National Day, Hanoi announced that three P.O.W.s—one Air Force and two Navy pilots—will be freed. Within the next few weeks, members of American antiwar groups will fly to Indochina to escort them home. They are the first P.O.W.s to be released since 1969.

The President ruled out any television debates with McGovern on the lofty grounds that "when a President speaks, he makes policy every time he opens his mouth," and he must not do so "in the heat of partisan debate" while there is a war on. Actually, of course, a debate would give the underdog challenger a priceless chance to catch up. Surprisingly, Nixon conceded that he himself has been radical at times, and that this is no basis on which to judge a candidate's programs. "We want change," he said, "but change that works. It is not a question of whether it is radical or not. My trip to China was bold, radical and different." Without mentioning McGovern's name, but presumably referring to the Democratic candidate's revised economic program, he assailed as unworkable "a half-baked scheme, where you have one today and one tomorrow and then you check the p.m.s to see whether or not there is a new one." A bit grandly, he predicted that if he is re-elected and is given a Congress that agrees with him, "we could have a legislative record in the

first six months which could equal in excitement, in reform, the 100 days of 1933." Nixon, it seems, would like to be remembered as a later—if different—Franklin Roosevelt.

INVESTIGATIONS

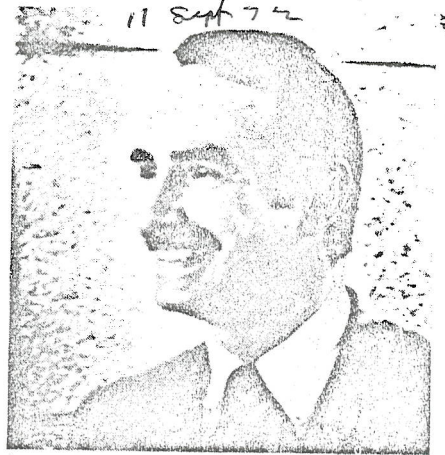
The Watergate Roils On

The Government's General Accounting Office recently filtered a gentle reminder down through the various federal bureaus: the final date was drawing near for nominations for the Maurice H. Stans Award for Distinguished Financial Management. The memorandum noted that the broadest reasonable interpretation of the phrase "financial management" could be used in putting forward candidates.

No definition would seem wide enough to qualify one top Republican for this year's award: Maurice H. Stans. As Nixon's chief fund raiser and the finance chairman for the Committee for the Re-Election of President Nixon, Stans is now under fire from the GAO, the very office that sent out the memo on the award. It has found eleven possible violations of law in the C.R.P.'s handling of campaign contributions. Although it is up to the Justice Department to act on the GAO charges, it is apparent that the intertwined scandals of the C.R.P. funds and the bugging of the Democratic National Headquarters at the Watergate last June may pose great embarrassment to the President's campaign for a second term. Among last week's developments:

► Rubbing salt in the Republican wounds, Democratic National Chairman Jean Westwood called the GAO report "the bare outlines of the largest and possibly most corrupt set of financial dealings in the history of American presidential politics." Taking the lead from the Republican National Committee, Westwood demanded that the GAO report be turned over to the Democratic funds as well. Hinting at "devious cover-ups," Dole pointed out to the GAO what he thought to be "serious" violations on the part of McGovern's fund raisers, and promised fresh accusations this week. The GAO had already decided to investigate Democratic campaign contributions, but McGovern seemed unfazed. "We're wide open," he said.

► Conducting his own inquiry, Florida State Attorney Richard Gerstein learned that three men, two of them identified as among those arrested in the Watergate incident, had taken two rolls of 35-mm. film to be developed at a camera store in Miami's Cuban section just seven days before the break-in at the Democratic headquarters. According to the store owner's son, Michael Richardson, many of the photographs were of documents bearing the letterhead of the Democratic National Committee. Some appeared to be personal correspondence between its former



G. GORDON LIDDY



E. HOWARD HUNT
Bugging and bagging.

chairman, Lawrence O'Brien, and other top Democratic leaders. In several of the photographs, the documents were being held for the camera by hands in ill-fitting surgical gloves. If Richardson's testimony is true (he passed a lie detector test with "flying colors"), it proves that the Democratic headquarters had been "bagged" (burglarized for the purpose of photographing documents) before the June 17 arrests.

► The C.R.P. will soon have a second suit on its hands. John Gardner, chairman of the nonpartisan Common Cause citizens' lobby, has charged the C.R.P. with violation of the Corrupt Practices Act, which requires disclosure of contributors' identities and amounts of contributions made for the purpose of "influencing" the election of presidential or vice-presidential electors. This was the law in force prior to April 7, when the present law took effect. Gardner hopes his suit will open the source of Nixon's secret \$10 million campaign fund to public scrutiny.

► President Nixon rejected a proposal by the Democrats that a special prosecutor be appointed to investigate the Watergate affair, arguing that there are five investigations now under way. Attorney General Richard Kleindienst



"Believe me, I can explain this...as soon as I think of something!"

LABOR

HAHA!

agreed, saying that the Justice Department investigation would be "the most extensive, thorough and comprehensive investigation since the assassination of President Kennedy." McGovern's political coordinator, Frank Mankiewicz, retorted that having Kleindienst, an Administration appointee and close friend of John Mitchell, conduct an investigation of the alleged improprieties of the C.R.P. was like asking "a fox to find out who got into the chicken coop."

Asked in his San Clemente press conference about the Watergate fiasco, President Nixon in careful lawyer's language said that he had determined that no one "in the White House staff, no one in this Administration, presently employed, was involved in this very bizarre incident." The operative phrase was "presently employed." Four former White House and Administration job holders have resigned, quit or been fired from their positions with the C.R.P. since the arrests in June: John Mitchell, Nixon's former campaign manager; G. Gordon Liddy, former White House aide; Hugh W. Sloan Jr., former C.R.P. finance committee treasurer; and E. Howard Hunt, sometime White House consultant. (Hunt disappeared after the arrests but showed up last week to make his deposition before the Democratic National Committee's lawyer, Edward Bennett Williams.) Of the four, G. Gordon Liddy looms as the Republicans' most likely scapegoat. He was fired from the C.R.P. because of the Watergate flub-up, ostensibly for refusing to answer the FBI's questions, and some unkind words have been leaking out of the Administration about the onetime FBI agent. Treasury officials let it be known that Liddy had been fired once before—from the Treasury Department. An ardent gun fancier, Liddy had delivered an unauthorized speech to the National Rifle Association praising N.R.A. policies. Hardly by coincidence, sources within the Justice Department told the press that Liddy, while still a White House coordinator investigating the leaking of the Pentagon papers, had proposed placing wiretaps on reporters' homes and newspaper offices, including those of the *New York Times*. So Liddy could be riding for the fall-guy role as the man who, "without authorization," bugged the Democratic headquarters.

Coy. Kleindienst hinted last week that someone might be indicted for the Watergate caper before the end of this month. Asked if he already knew who was responsible for the bugging, he replied coyly: "I think so."

But even if the Watergate controversy is stilled, the larger furor over Nixon's campaign funds may go on, particularly if George McGovern has anything to say about it. "I have no doubt but what this issue will catch fire," said the Democratic candidate, striking his own rhetorical match. "You cannot make a serious bid for the presidency of the United States any more and cover up a secret fund of \$10 million."