Prosecution Tested In Watergate Trial

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By WALTER RUGABER JAN 2 9 1973 Special to The New York Times

WASHINGTON, Jan. 28-Demands for the appointment of a special prosecutor in the Watergate case began a week after five men were caught in Democratic headquarters on June 17.

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Some of the demands were overtly political; others appeared nonpartisan. But always there was the question of how vigorously the Department of Justice would pursue a case in which several Presidential aides were involved and in which others—perhaps of higher rank—might be imblicated.

That question has come up again, implicitly but forcefully, as the trial of two remaining as the trial of two femaning defendants charged with conspiracy, burglary and eavesdropping moves toward a climax in the United States District Court here.

Doubts Intensified.

Whatever doubts may remain in the public mind seem to have been intensified particuhave been intensified particularly by the actions of Judge John J. Sirica, who has presided over the three weeks of the trial.

Judge Sirica has said on a number of occasions—most re-

number of occasions—most recently on Friday—that he does not mean to "imply anything" or to rebuke either the Government or the defense for its handling of the case.

But he has also shown dissatisfaction with the questions asked by the prosecution and, to a lesser extent, the defense, and he has examined witnesses himself. His tone with them es himself. His tone with them has often been incredulous.

The lawyers are most interested in a precisely drawn, eight-count indictment, which seven men were accused of committing specific violations of the law during a limited period of time.

'There Are Limits'

"This isn't the Warren Commission," said an attorney who is familiar with the Watergate case but not directly inovolved in it. "When you get to the trial, there are limits to where you can go."

The score was to a large

you can go."

The scope was to a large extent settled, the attorney and other sources said, by the Federal Bureau of Investigation and the United States Attorney during the grand jury inquiry that produced the current indictments on Sept. 15.

The difficulty in assessing the secret grand jury decision on how far the conspiracy wen and who should be indicted was demonstrated vividly on Friday when Judge Sirica wised as an issue the credi-

dicted was demonstrated vividly on Friday when Judge Sirica
raised as an issue the credibility of a major Government
witness, Hugh W. Sloan Jr.

Mr. Sloan had resigned as
treasurer of the Finance Committee to Re-elect the President after handing G. Gordon
Liddy, a former committee official who is now a defendant,
\$199,000 in campaign funds.
Judge Sirica questioned Mr.
Sloan with the jury not present and appeared skeptical
about some of the answers,
which included a statement
that he had "no idea" what
had been done with the \$199,000.

The Government asserted that Mr. Sloan had had nothing to do with the Watergate affair, and Seymour Glanzer, one of the prosecutors, invited the judge to examine the F.B.I. reports and the grand jury

reports and the grand jury transcripts.

But Judge Sirica said he would concern himself only with "the testimony in this courtroom." The testimony he has been hearing deals almost exclusively with the narrow indictment and not with the wider apportions in the case such as questions in the case, such as whether the break-in at the Watergate office building was part of a wider espionage effort and whether anyone beyond those indicted knew about or restited from the caving profited from the spying.

Magruder Questioned

Jeb Stuart Magruder, who served as deputy director of the Committee for the Re-election of the President, was questioned by the Government about various intelligence as-signments he had given to Mr.

Liddy.
The "major" assignments, Mr.

The "major" assignments, Mr. Magruder said, involved learning the plans of potentially troublesome demonstrators both at campaign appearances around the country and at the Republican National Convention.

Mr. Magruder, under examination by Earl J. Silbert, the principal assistant United States Attorney, said that some \$250,000 had been budgeted for Mr. Liddy's work. The testimony included the following exchange:

Q. Can you give an example?

A. An example would be there was a candidate for the Democratic nomination who was known for his antipollution stand, and there were also news reports about some of his supporters, financial supporters particularly, one in particular being a major polluter, and I asked Mr. Liddy as an example to see if there was any more to it than we read in the newspapers.

O. Mr. Marguider, on these

Q. Can you give an example?

Q. Mr. Margruder, on these assignments that you gave Mr. Liddy, did he ever make reports to you?

A. Yes.
Q. What was the form?

A. Primarily verbal reports. Mr. Silbert then broke off

Mr. Silbert then broke off this line of questioning. There was no testimony about the candidate's identity (presumably the reference was to Senator Edmund S. Muskie), or about exactly what Mr. Magruder had wanted and received, or about what he had done with the information.

Ties Not Developed

When Mr. Sloan came under direct examination by Mr. Silbert, the cash transactions between the Nixon emmittee and Mr. Liddy undeveloped, for example:

Q. What was the procedure you followed in giving Mr. Liddy this amount of cash (\$199,000)?

A. He would indicate to me he needed X number of dollars and come to my office to re-quest it, and I would provide it

to him.

The prosecutor then turned to the question of how the money had been packaged. Later, however, there was this exchange:

Q. Did you maintain any records of disbursements that you gave to Mr. Liddy? A. Yes, I did.

Q. What kind of record did you maintain? A. It was a cash book reflecting in and out transactions.

Q. Now did you ever make a final summary of your cash disbursements? A. Yes, I did.
Q. And to whom did you deliver it? A. [Former] Secretary [of Commerce Maurice H.]

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Q. Did you give him any other investigative assignments?

A. Yes, as I recall, I gave him a number of others.

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Judge Sirica, who was appointed to the bench by President Dwight D. Eisenhower, extracted from Mr. Sloan the information that the payments to Mr. Liddy had been approved by Mr. Stans and through Mr. Stans by John N. Mitchell, the former Attorney General who for a time was Mr. Nixon's campaign manager.

A Case of Needling

The judge's examination included the following:

Q. Did anybody indicate to you by their action or by words or deed what this money was to be used for? A. No, sir.
Q. You are a college graduate, aren't you?

The Government did not recomment.

The Government did not needle its own witnesses this way, and sometimes the tactical rea-sons for its failure to pursue a potentially useful point seemed

to be apparent.
For example, Alfred C. Baldwin 3d, a key witness who said he had monitored a wiretap on a Democratic telephone, testi-fied that he had delivered eavesdropping information on oneoccasion to the re-election committee.