

Still Secret: Who Hired Spies and Why

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The Watergate bugging trial was marked by questions not asked of witnesses, answers not given, witnesses not called to testify and some lapses of memory by those testifying under oath.

Five of the seven original defendants in the case pleaded guilty in the opening days of the trial, narrowing its scope from the start.

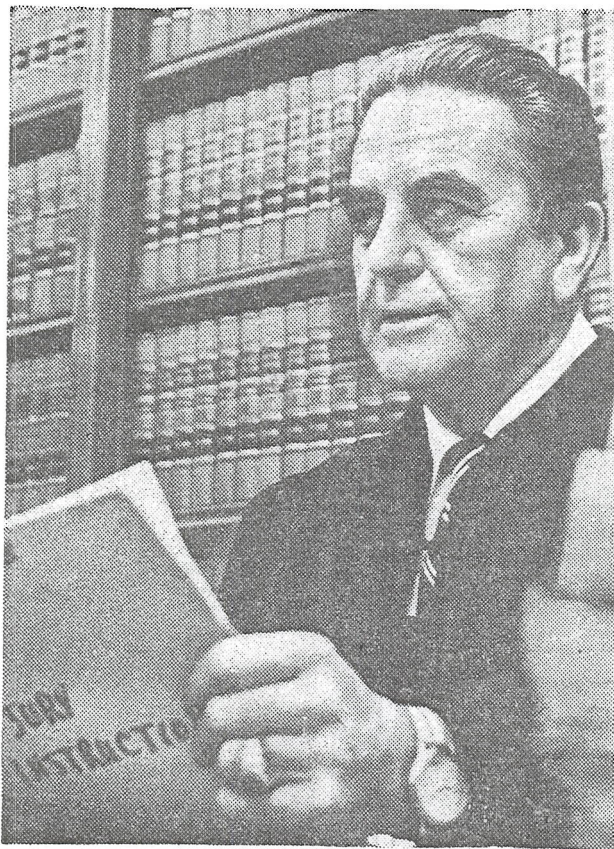
All seven men were indicted by a federal grand jury on charges of conspiring to obtain information from the Democrats by breaking into their headquarters at the Wa-

News Analysis

tergate, stealing their documents, photographing their correspondence, wire tapping their telephones and planting electronic eavesdropping devices in their offices.

The presiding judge said repeatedly that he wanted the trial to probe deeply into the bugging of the Democrats' Watergate headquarters—its sponsorship, funding, purpose and possible relationship to allegations of a wider campaign of political espionage and sabotage.

But "all the facts have not been developed by either side," U.S. District Court Chief Judge John J. Sirica said last week to lawyers for the prosecution and the defense.



Associated Press

Judge John J. Sirica studies instructions to jury.

Twice Sirica ordered the jury from the courtroom after the prosecution's examination of key witnesses and then questioned them himself about matters not probed by the prosecution.

On Jan. 15, during the trial's second week, Sirica addressed

four of the defendants after they had pleaded guilty and outlined some of the issues he said he expected to be developed in the courtroom. Sirica said that the jury is "going to wonder who, if anyone, hired you to go in there, if you were hired."

"I am just assuming that they (the jury) will be asking themselves these questions," Sirica continued as the four men stood before him. "They are going to want to know if there are other people, that is higher-ups in the Republican Party or the Democratic Party or any party who are mentioned or who are involved in this case and should be in this case, you understand that?"

"The question will arise, undoubtedly, what was the motive for doing what you people say you did," Sirica said. "They will want to know where this money came from, who was the money man, who did the paying off . . . They are going to want to know a lot of things before this case is over."

Those questions could have been posed to witnesses from three sources—government attorneys representing the prosecution, lawyers for the defense and the judge himself.

The two defendants left on trial are former White House aide G. Gordon Liddy and James W. McCord Jr., the former security coordinator of President Nixon's re-election committee. During cross-examination of government witnesses, their attorneys quite expectedly have not pursued the lines of inquiry suggested by Judge Sirica.

The government, for its part, acknowledged that it knows the answers to many of the judge's questions but contends they are more suggest-

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WATERGATE, From A1

five than legally conclusive—and therefore should not have been raised by the prosecution during the trial.

Last Friday, Sirica rejected the prosecution's suggestion that he read the secret grand jury minutes of the case to find the answers to some of his questions, and said he would continue personally to interrogate witnesses when he felt it necessary.

He then ordered that testimony obtained by his own questioning of a key witness outside the presence of the jury, be read to the 12 members of the jury.

That testimony revealed that former Secretary of Commerce Maurice H. Stans, finance chairman of the Nixon campaign, and former Attorney General John N. Mitchell, the President's campaign manager, both had verified that deputy campaign director Jeb Stuart Magruder had authority to approve cash payments to Liddy for an intelligence gathering operation.

The grand jury's indictment, which was drafted by the three prosecutors and approved by their superiors in the Justice Department, dealt only with the activities of the seven original defendants and was limited to allegations the government believes can be conclusively proven in court.

It mentioned none of the undercover activities that the prosecutors previously characterized as "improper" and "despicable," but which, they said carefully skirted the edges of the law on most occasions.

Former White House aide E. Howard Hunt Jr. pleaded guilty in the trial's fourth day, and the four Miami men arrested inside the Watergate on June 17 followed his lead two days later.

When the five defendants were dropped from the case, it was no longer legally permissible to admit as testimony the details of any conversations they might have had outside the general period of the conspiracy alleged in the grand jury's indictment—May 1 to June 17.

That applies to statements reportedly made by Hunt and some of the Miami men that high presidential aides had advance knowledge of the Watergate bugging and other undercover activities against the Democrats.

Since the guilty pleas were entered, the prosecution did not call about 10 persons on its witness list who could have testified about matters relating to the five men.

It did not call Hunt and the four others who pleaded guilty as witnesses against the two remaining defendants. There was legal precedent for putting them on the witness stand in the trial, but the prosecution said it would prefer to bring the five before a grand jury for secret questioning about their knowledge of the Watergate bugging and related matters.

"The truth will come out," the judge declared last Tuesday. Then he paused and added: "I hope it will come out in this case. And if I think I should ask questions to bring out additional facts that haven't been developed, I shall continue to do so."

That afternoon, Sirica questioned Hugh W. Sloan Jr., the former treasurer of the Committee for the Re-election of the President, about the authorization of large cash payments to Liddy—then finance counsel of the Nixon committee.

According to investigators and the prosecution, Sloan had no prior knowledge of the Watergate bugging or any other espionage activities against the Democrats. He quit his job when, after June 17, he learned that money he had been disbursing was used for clandestine operations, investigators have said.

In response to his original questioning by the prosecution, Sloan testified Tuesday that he paid Liddy \$199,000 on orders from Jeb Stuart Magruder, then deputy director of President Nixon's re-election campaign.

Earlier, Magruder had testified that he approved the \$199,000 cash payments to Liddy for purposes of setting up an "intelligence network", which, Magruder said, would use only legal methods to obtain information.

Neither Magruder nor Sloan was asked by the prosecution who had authorized the payments to Liddy or who else might have known about the "intelligence network." Judge Sirica did not question Magruder, a former White House aide who was the second-in-command of the Nixon campaign committee.

However, Sirica, excused the jury and questioned Sloan, the campaign treasurer, at length. The judge asked Sloan 41 questions, including these in the following exchange:

Sirica: What was the purpose of turning \$199,000 over to Liddy?

Sloan: I have no idea.

Sirica: You have no idea?

Sloan: No sir.

Sirica: You can't give us any information at all?

Sloan: No sir. I was merely authorized to do so. I was not told the purpose.

Sirica: Who authorized you to turn the \$199,000 over to Mr. Liddy in cash?

Sloan: Jeb Magruder.

Sirica: For what purpose?

Sloan: I have no idea . . .

Sirica: You didn't question Mr. Magruder about the purpose of the \$199,000?

Sloan: No sir. I verified with Mr. Stans and Mr. Mitchell that he was authorized to make those.

Sirica: You verified it with who?

Sloan: Secretary Stans, the finance chairman, and I didn't directly, but he verified it with John Mitchell, the campaign chairman.

Sirica: This \$199,000 could be turned over to Mr. Liddy is what you are saying?

Sloan: Not, the specific amount, but Mr. Magruder, his authorization was authorization enough to turn over the sums in question.

As is customary of government witnesses in criminal trials, Sloan had been told in advance by the prosecution of what he would generally be asked on the witness stand by the government. When Sloan had been questioned by the prosecution about the \$199,000 payments and other money Liddy was authorized to receive, the relevant exchange went this way:

Prosecutor: Did there come a time in the end of March or early April when you had a conversation with Mr. Liddy about cash disbursements to him?

Sloan: Yes . . . Mr. Liddy came to me indicating that he was being authorized a considerable allocation of cash funds. He had with him at that time what seemed to be a budget which he did not show to me other than the figures on it. It totaled \$250,000. The first disbursement he indicated he would need fairly shortly would be \$83,000 with

roughly \$12,000 disbursements following.

Prosecutor: After Mr. Liddy gave you this information about the budget, the \$250,000, and the disbursement relating to the \$83,000, did you check that with Jeb Magruder?

Sloan: Yes I did.

Prosecutor: What did he tell you?

Sloan: He indicated that this budget was in fact—this allocation was in fact authorized to Mr. Liddy. He indicated, however, that he wished in each specific instance to clear the amount and the timing of the distribution.

The testimony of Sloan to Sirica was different from the interrogation by the prosecution in other key respects. Sirica, unlike the prosecution, asked Sloan why he left the Nixon committee and was told he quit because of the Watergate incident and ". . . the internal situations that existed in the committee at the time."

Sloan also gave a different account to the judge of what Liddy had told him the day police had arrested five men inside the Watergate on June 17.

When asked by the prosecution what Liddy had said Sloan answered: "He said to the best of my recollection, 'My boys got caught last night. I made a mistake. I used somebody from here, which I said I'd never do. I'm afraid I am going to lose my job.'"

When Sirica questioned Sloan, he gave essentially the same account but changed the phrase, "I used somebody from here, which I said I'd never do," to "I made a mistake by using somebody from here, which I told them I would never do."

Sloan, however, was not asked whether he knew who Liddy meant by "them."

Assistant U.S. Attorney Earl J. Silbert, the chief prosecutor in the case, told Sirica later that "there was nothing in Mr. Sloan's testimony that was a

surprise to us or that we did not know."

Silbert presided over the grand jury that investigated the Watergate bugging and the prosecution received the FBI's field reports in the case.

Among them were reports describing interviews with the four officials of President Nixon's re-election committee who testified in the trial Tuesday. The four, who also appeared before the grand jury, were Herbert L. Porter, scheduling director of the Nixon campaign; Robert C. Okle, director of administration; Magruder, and Sloan. All are ex-White House aides.

Federal investigators have told The Washington Post that as much as \$750,000 in Nixon campaign funds was expended on espionage and sabotage operations against the Democrats and that Mitchell, Magruder, Porter and Stans were among high campaign and White House officials who had authority to receive or approve such cash payments from Sloan.

Neither Judge Sirica nor the prosecution asked any of the Nixon committee officials on Tuesday whether they knew of anyone in addition to those four persons who received or approved such payments. Nor were they asked whether the money received by Liddy was the only cash Sloan disbursed for clandestine operations.

Among such payments, according to federal investigators, were at least \$25,000 to Magruder, and a minimum of \$35,000 to Herbert W. Kalmbach, President Nixon's personal lawyer and until April 7 the deputy finance chairman of his re-election campaign.

Investigators reported that Kalmbach, who was also interviewed by the FBI, gave the money to a California attorney, Donald H. Segretti, to spy on and disrupt the primary campaigns of various Democratic presidential candidates. The name of Segretti, who

also was interviewed by the FBI and appeared before the Watergate grand jury, was struck from the prosecution's proposed list of witnesses at about the same time that the government learned that Howard Hunt wanted to plead guilty.

According to federal investigators, Segretti was recruited to participate in spying and sabotage operations by Dwight L. Chapin, President Nixon's appointments secretary, and reported on his activities to both Hunt and Chapin.

Testimony either from or about Segretti, who federal investigators say was not involved in the Watergate bugging but received other undercover assignments from Hunt, might have dealt with some of the broader questions Judge Sirica has said he wants answered at the trial.

In an account by The Los Angeles Times, Assistant U.S. Attorney Silbert is reported to have said that Segretti "would have to be tied in with something illegal" to be called as a witness, and that there is no evidence he broke any laws.

"Silbert agreed in an interview that allegations about Segretti, if true, could place the Watergate case in a larger perspective for jurors," The Times account said.

Many of the broader issues posed by Judge Sirica were explored in detail by the FBI, particularly in its questioning of the four Nixon committee officials who testified Tuesday. Among the questions covered by the FBI, but not raised at the trial, were:

• Who conceived the original idea for the "intelligence network" mentioned by Magruder in his testimony, and who gave final approval to the plans? According to investigations, the decision to undertake undercover operations against the Democrats was made in the White House as a basic strategic element of the President's re-election cam-



Sketch by Betty Wells

The 12 jurors in the Watergate trial listen intently during yesterday's session. They heard 60 witnesses in 16 days.

campaign and the plans were directed by presidential aides at the Committee for the Re-election of the President.

• What information was received for the \$235,000 in campaign funds, which, according to court testimony, was given to Liddy for intelligence work and who—besides Porter and Magruder—received information? Magruder and Porter mentioned four items of information they received: data about an anticipated demonstration in Manchester, N.H., by a left-wing group; information about a right-wing demonstration in Miami; indications that as many as 250,000 demonstrators could be expected at the Republicans' initial convention site of San Diego; and information about a "major polluter" who was giving financial support to a Democratic presidential candidate.

Bennett, who is president of Robert R. Mullen & Co.

Five of the more than 50 additional state affiliates of the national Finance Committee to Re-elect the President also listed gifts of \$3,000 each from Hughes, who was last reported living in a London hotel.

The five affiliates were among a small batch of political committees whose reports for the period Oct. 27 through Dec. 31 have been received and processed by the General Accounting Office in advance of today's filing deadline. Future reports may increase the Hughes total.

Bennett, whose firm represents the Hughes business empire, acknowledged that Hughes made contributions but declined further comment.

The public relations executive, son of Sen. Wallace Bennett (R-Utah), hired E. Howard Hunt Jr., a former White House consultant who recently pleaded guilty to all counts in the Watergate case.

Robert Bennett also played

only been able to trace \$50,000 of the total.

• Why were records of the transactions involving the \$235,000 destroyed, and what other records relating to undercover activities were destroyed? Porter and Sloan testified that they destroyed their records because they did not see any need for them. Odle testified that, hours after the Watergate break-in, he led Liddy to the biggest paper shredder in the offices of the Committee for the Re-election of the President.

• Why did the Nixon re-election committee, which conducted almost all of its business by check, deal with Liddy in cash—most of it in \$100 bills. Testimony in the trial has shown that the seven men indicted in the case used \$100 bills on at least 14 occasions to buy plane tickets, pay for hotel rooms, radio receivers, meals and other expenses. One hundred dollar bills, which the judge has said "were floating around like coupons," were found on the five men arrested in the Watergate.

• Why did Nixon committee officials feel it was necessary to hire 10 college-age students to infiltrate left-wing groups? Porter testified that the 10 students were to "assimilate themselves into such organizations as the Yippies and the SDS and other such radical groups." He said the Nixon committee was "not privy to a lot of the information that, say, the Secret Service had or the FBI or state and local government police agencies might have on the activities of these groups." Did the Nixon committee officials believe the police and FBI would not provide them with the necessary information?

On Jan. 11, the fourth day of the trial, when former White House consultant Howard Hunt pleaded guilty, Judge Sirica first began his attempt to probe more deeply into the motives behind the alleged conspiracy.

Though Hunt was not under oath, Sirica called him to the bench and asked Hunt how he got into the alleged conspiracy. Hunt's attorney, William O. Bittman, intervened and said it might be improper for Hunt to answer the question because Hunt would be called before the grand jury later to answer such questions in secret. Sirica dropped the line of questioning.

When four other men, all from Miami, pleaded guilty Jan. 15, Sirica called them before him to answer similar questions — again not under oath. Sirica asked Eugenio R. Martinez, one of the Miami defendants, the following questions:

Sirica: I want you to start from the beginning and I want you to tell me how you got into this conspiracy, how did it happen that you got involved? Do you understand what I mean?

Martinez: Yes, I understand.

Sirica: Tell me in your own words what you did, how you got mixed up (in this)?

Martinez: I believe the facts that you have read in the charges (indictment) are true and are just to the truth.

Sirica: That is a blanket answer. I want to know specifics.

Martinez: I am sorry.

Sirica: I want specific answers to my questions. I am not satisfied.

Sirica did not get specific answers. Martinez repeated the charges in the indictment and acknowledged their truth. The four Miami men, who are

either Cubans or have close ties with Cuba, said they were not paid except for expenses and became involved because they thought their actions would help free Cuba from Fidel Castro's rule.

Numerous reports and government records say that all four worked at one time or another for the CIA. Sirica asked them if they had. He got answers of either, "No, your honor" or "Not that I know, your honor."

When defendant Bernard L. Barker, a Miami real estate agent, was asked who sent him a \$25,000 cashier's check intended for the President's re-election campaign, he responded: "For a definite fact I cannot state who sent that money."

The judge later asked: "Don't you think it was strange that amount of money coming through the mail without being registered or anything?"

Barker responded: "No, I don't think it is strange, your honor. Like I said, I have previously before this been involved in other operations which took the strangeness out of that as far as I was concerned."

Later Sirica said, "I don't believe you," when Barker said he got the money "in the mail in a blank envelope."

Then, according to the official court transcript, the four "in chorus" answered 19 questions. They answered with "No, your honor" when asked if they were coerced to plead guilty, or given any money or promises, and "Yes, your honor" or "Yes, sir" when asked if they were guilty to each of the seven charges in the indictment against them.

On Monday, Judge Sirica questioned Alfred C. Baldwin III, a former FBI agent and key prosecution witness who testified that he monitored wiretapped telephone calls at defendant McCord's instruction. In earlier testimony, Baldwin said that McCord usually received the logs of the monitored conversations, but that once in June McCord had Baldwin deliver the logs to the Committee for the Re-election of the President.

Sirica asked Baldwin the following questions:

Sirica: But you also stated that you received a telephone call from Mr. McCord from Miami in which I think the substance of your testimony was that as to one particular log, he wanted you to put that in a manila envelope and staple it, and he gave you the name of the party to whom the material was to be delivered, correct?

Baldwin: Yes, your honor.

Sirica: You wrote the name of that party, correct?

Baldwin: Yes, I did.

Sirica: On the envelope. You personally took that envelope to the Committee to Re-elect the President, correct?

Baldwin: Yes, I did.

Sirica: And you were under strict instructions from Mr. McCord to give it to the party that was named on the envelope, right?

Baldwin: Yes.

Sirica: What is the name of that party?

Baldwin: I do not know, your honor...

Sirica: You testified before this jury and have gone into great detail regarding the various things that transpired or happened insofar as your recollection is concerned, correct?

Baldwin: That is correct.

Sirica: But you can't remember the name of the party to whom you delivered this particular log?