

Counselor to Nixon Terms Watergate a Blow to Party

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By JOHN HERBERS

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WASHINGTON, April 11 — Anne Armstrong, Counselor to President Nixon, said today that the Watergate affair was hurting the Republican party across the nation.

Mrs. Armstrong, who acts as liaison between the White House and the Republican National Committee, said that she agreed with an unusually strong statement by Senator Barry Goldwater, Republican of Arizona, that the Watergate controversy was harming party fund-raising efforts and could damage Republican candidates next year unless the matter was cleared up.

Meanwhile, the grand jury investigating the Watergate break-in heard testimony today from Dwight L. Chapin, a former appointments secretary to President Nixon; Gordon C. Strahan, former assistant to H. R. Haldeman, the White House chief of staff, and Donald H. Segretti, who was paid between \$30,000 and \$40,000 in Republican campaign funds.

"Senator Goldwater keeps on top of Republican matters, and I must assume he is correct," Mrs. Armstrong said at a breakfast meeting with reporters. "I think he is absolutely right at the present. We are being hurt now, but I am convinced the Administration is determined to clear up this to the satisfaction of the American public."

This was the first acknowledgement from the White House that the case of political espionage last year by members of the Committee for the Re-Election of the President was causing major trouble in the President's party.

Because Mrs. Armstrong is one of the President's chief aides and came to the meeting prepared to speak out on the Watergate matter, her remarks were taken as an indication of increasing concern in the White House about recent developments in the case.

Mrs. Armstrong was appointed to the Presidential staff last Dec. 18. She was co-chairman of the Republican National Committee for two years before moving to the White House and was long active in Republican politics in Texas.

Senator Goldwater's remarks

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Anne Armstrong

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were also considered significant, because he was the Presidential nominee in 1964 and in recent months has been a strong supporter of President Nixon's foreign and domestic policies. He spoke out first in an interview in *The Christian Science Monitor*, published today, and to reporters in the Capitol.

"The Watergate," he said. "The watergate. It's beginning to be like the Teapot Dome. I mean, there's a smell to it. Let's get rid of the smell."

Senator Goldwater comes from the right wing of the party and has strong ties with Republican regulars across the country. Previously, criticism of the Watergate affair within the party had come chiefly from the more liberal members.

"I've been getting letters and calls from Republican friends of mine all around the country," the Senator said. "They are saying, 'No more money to the Republican National Committee until this is cleared up.'"

"When you find staunch, hard-working Republicans refusing to help the party, well, I can tell you we're having a helluva time selling tickets to the Republican gala dinner in May here in Washington. And it's all because of Watergate."

He said that it could hurt Congressional candidates next year and the Republican Presidential contender in 1976.

A Difference on Tactics

"I see the issue out of this as 'Can you trust Dick Nixon?'" Senator Goldwater said. "I'd hate to see this man go through his last four years in office doing everything that's good for the country and leave the office with a black cloud hovering over him."

The Senator and Mrs. Armstrong differed about how the matter should be handled by

the President. Mr. Goldwater said that the President should make a public explanation.

"I've called on the President to do this," he said. "I called for this when I saw him out in California at the John Ford dinner a week or so ago; and I told him again, 'You've got to say something about this.'"

Asked about the President's response, Mr. Goldwater said, "He told me, 'I've already done something.' Afterwards, he said his staff would testify before the grand jury, which I don't think goes far enough."