

Watergate: Inept Burglary with Widening Political Ramifications

By WALTER RUGABER

Special to The New York Times

WASHINGTON, April 17—

As a public issue, the Watergate affair began with a brazen but inept burglary exactly 10 months ago today. It came to embrace a highly complex range of covert and questionable political activity.

The precise dimensions of each facet of the scandal are far from clear. Most official investigation so far has concentrated on the three weeks of wiretapping at the Watergate offices of the Democratic National Committee.

Seven men, including three onetime employees of the White House and the Committee for the Re-election of the President, were convicted of that conspiracy in January. Six of them are now in jail and the seventh is telling what he knows to investigators.

At least a year before the Watergate burglary of June 17, agents who said they were acting on behalf of President Nixon's re-election effort were in the field, financed by campaign funds in Republican hands.

Sabotage Drive Indicated

These agents appear to have spied on the Democratic opposition and, as the campaign began to heat up, they planned and apparently carried out various acts of disruption and sabotage against major Democratic contenders.

The most prominent of these operatives — others have been named, but he has come to symbolize pre-Watergate disruption efforts — is a young Southern California lawyer named Donald Henry Segretti.

There is no comprehensive picture of what Mr. Segretti and his colleagues intended to do, and did, and some experts once expressed doubts that their plans, however clandestine and unfair, were actually illegal.

But Mr. Segretti, according to numerous official and unofficial reports, had been hired by Dwight L. Chapin, the President's appointments secretary, and paid by Herbert W. Kalmbach, Mr. Nixon's personal lawyer.

Mr. Chapin, who left the White House after the campaign to become an executive with United Air Lines, and Gordon C. Strahan, a onetime White House aide also linked to the Segretti operation, were recently called before a Federal grand jury that has resumed its investigation of the case.

Segretti Testified

Mr. Segretti also testified before the 23-member panel, and a Senate committee investigating the affair has served a subpoena on Mr. Kalmbach to obtain financial and other records held by the lawyer.

The term Watergate also

came to cover a series of financial transactions involving President Nixon's campaign organization. Sooner or later, most of them reached a cash-stuffed safe in the offices of Maurice H. Stans.

Mr. Stans, the former Secretary of Commerce who served as the President's chief fundraiser, is understood to have given the Watergate grand jury a written statement during its original investigation. He is not known to have testified during the resumed inquiry.

Hugh W. Sloan Jr., the finance unit's treasurer until soon after the burglary occurred, passed about \$200,000, most of it in \$100 bills, to G. Gordon Liddy, for what the Republicans described as a legitimate intelligence operation.

Some Money Recovered

Some of the money was recovered from the five men arrested in the Watergate break-in. Some of it was also passed through a bank account controlled by one of the seven men involved, Bernard L. Barker, who pleaded guilty.

Mr. Sloan testified at Liddy's trial that he had never known what the former White House and re-election committee official was doing with the money, an assertion that the presiding judge openly doubted.

The re-election committee's financial transactions drew into the case not only Mr. Stans and Mr. Sloan but also a number of prominent officials who had been in some way associated with it.

These included such ranking figures as John N. Mitchell, the former Attorney General, and H. R. Haldeman, the White House chief of staff, and Mr. Kalmbach. Mr. Mitchell was called before the grand jury last year.

Also linked to the secret-fund aspect of the case were such middle-ranking figures as Jeb Stuart Magruder, deputy director of the campaign; Herbert L. Porter, the scheduling director, and Frederick C. Larue, a committee aide.

Businessmen Involved

Aside from the activities within the re-election committee, the financial dealings involved a series of big-business men and industrial interests who were found to have sent huge sums clandestinely to the re-election committee.

Out of the trial in January came another prime feature of the affair: the feeling, expressed increasingly and finally urgently by Republicans in Congress, that the White House looked as though it had something to hide.

The "cover-up" issue took on a definite edge with allegations by one of the convicted conspirators, James W. McCord Jr., that he and the other defendants had been under pres-

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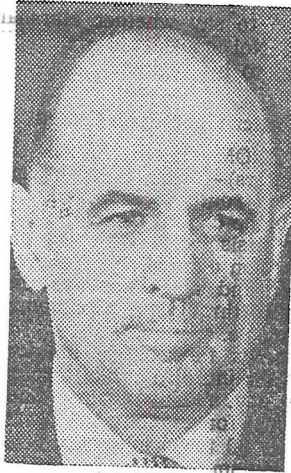
Associated Press

John W. Dean 3d



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Donald H. Segretti



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James W. McCord Jr.

Watergate committee in secret session that he had been told by Liddy that Mr. Dean was one of the men who took part in a February, 1972, meeting at which bugging operations had been discussed in detail.

Others said to have been Mr. Mitchell and Mr. Magruder. Mr. Mitchell and Mr. Magruder were present at the meeting were Mr. Macgruder was the ranking re-election committee official to testify at the trial of the seven men.

He made it clear that he and others at the committee had organized and assigned Liddy to lead a political intelligence operation to deal with the protection of prominent Republican campaigners and convention security problems.

It was recently reported that Mr. Haldeman, at a private meeting with Republican Senators and Representatives, had taken ultimate responsibility for the so-called intelligence gathering. He denied, however, that the program had been improper.

JAMES W. MCCORD, JR.
7 WINDER COURT
ROCKVILLE, MARYLAND 20850

TO: JUDGE SIRICA

March 19, 1973

Certain questions have been posed to me from your honor through the probation officer, dealing with details of the case, motivations, intent and mitigating circumstances.

1. There was political pressure applied to the defendants to plead guilty and remain silent.
2. Perjury occurred during the trial in matters highly material to the very structure, orientation, and impact of the government's case, and to the motivation and intent of the defendants.
3. Others involved in the Watergate operation were not identified during the trial, when they could have been by those testifying.
4. The Watergate operation was not a CIA operation. The Cubans may have been misled by others into believing that it was a CIA operation. I know for a fact that it was not.

I give this statement freely and voluntarily, fully realizing that I may be prosecuted for giving a false statement to a Judicial Official, if the statements herein are knowingly untrue. The statements are true and correct to the best of my knowledge and belief.

James W. McCord Jr.
James W. McCord, Jr.

Excerpts from a letter James W. McCord Jr. wrote to John J. Sirica, judge at his trial

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sure to plead guilty and keep silent.

There were assertions that five of the wiretappers had been paid for their guilty pleas and that other moves had been made to prevent further disclosures. Both steps would be Federal crimes.

The White House difficulties were heightened also by the revelations by L. Patrick Gray 3d during hearings on his nomination to be director of the Federal Bureau of Investigation—a nomination Mr. Nixon was finally forced to withdraw.

Mr. Gray provided evidence that John W. Dean 3d, counsel

to the President, had kept close track of virtually every important step in the extensive F.B.I. investigation of the Watergate wire tapping.

Mr. Gray said that Mr. Dean had "probably lied" when he told agents he was unaware of whether one conspirator, E. Howard Hunt Jr., had a White House office. Mr. Dean had in fact searched Hunt's office several days before.

It was learned from trial testimony that Mr. Dean, later assigned by the President to conduct a White House investigation of the case, had personally recommended Liddy to the re-election committee.

Also, McCord told the Senate