Magruder Resigns -- Gray Said to have Burned Files

Dean Spoke Up to 'Save Presidency'

By Carl Bernstein and Bob Woodward Washington Post Service — &&&

Washington

White House counsel John W. Dean III reportedly told President Nixon on March 20 that "to save the Presidency" Dean and Mr. Nixon's top two deputies — H. R. Haldeman and John Ehrlichman — would have to disclose all they knew about the Watergate bugging case and face the possible consequences of going to jail.

Hopeful that Haldeman and Ehrlichman might follow suit at the President's urging, Dean on April 6 told federal prosecutors all he knew about the bugging and a subsequent White House coverup, according to three reliable sources.

But Haldeman and Ehrlichman apparently balked at the idea of incriminating themselves, leading to the current state of confusion and warfare between individuals inside the White House, the sources said.

JAIL

"John Dean told the President that there had to be a complete disclosure by everyone and that he would testify freely and go to jail," a Dean associate said earlier this week. "He was willing to do it if there was a real cleanup and Haldeman and Ehrlichman were just as free in their testimony and agreed to accept the consequences."

The Dean associate, whose account was confirmed by a former White House official with close ties to high-level members of the President's staff added:

"For a while, John was feeling very high because he felt they were all finally going to do the right thing. It was his understanding that an agreement had been reached. Then it collapsed because Haldeman and Ehrlichman said they didn't think they had to be indicted to save the situation."

Dean's statement last week that he will not become a "scapegoat" in the Watergate case, according to the sources, was prompted by what the presidential counsel regards as a betrayal by Haldeman and Ehrlichman.

"Instead of agreeing to cooperate," one Dean associate said, "they are telling the President that John (Dean) should walk the plank for all of them."

According to his associate, Dean told the President he intended to disclose all he knows to the grand jury regardless of whether Haldeman and Ehrlichman followed suit. "Otherwise the presidency would be destroyed," the associate quoted Dean as saying.

Another associate, also a White House official, gave a slightly different account, stating that Dean had been assured that Haldeman and Ehrlichman would also vol-

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unteer all they knew to the Watergate case prosecutors.

According to the sources, Halderman and Ehrlichman are conceding that they gave general authority to Dean and other persons for an overall, legal espionage campaign, and for the illegal coverup of the bugging.

Both men, according to numerous sources, intend to resign their White House posts, but probably not until indictments in the Wafergate case are handed down. By waiting to resign, the sources said, Haldeman and Ehrlichman hope to leave

the White House without their names being tied to criminal activities. The Watergate grand jury is known to be investigating the possible involvement of both men in the coverup.

Frank H. Strickler, one of the attorneys representing Haldeman and Ehrlichman, was apprised of the assertions made by the Post's sources, and said he would have no comment on them.

The sources reported that

Dean told Mr. Nixon on March 20 that several other current and past members of the White House staff, in addition to Haldeman and Ehrlichman, might have to go to jail if full disclosure of the facts were made. The list includes at least one official whose name has not yet surfaced in the case.

According to several reliable sources, Dean told President Nixon on March 20 that Haldeman and Ehrlichman had instructed him after

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June 17 never to discuss the bugging with Mr. Nixon and that they would transmit any messages on the subject that Dean cared to convey.

Although there was no suggestion that either Haldeman or Ehrlichman approved plans for the Watergate operation, the sources said Dean told the President that his two top deputies had detailed knowledge of the coverup of involvement by presidential aides in the bugging and that they had authorized Dean's activities in the coverup.

ORDER

Following his meeting with the President, the sources reported, Dean was sent to the presidential retreat at Camp David to put his thoughts in order and commit his recollection of events on paper.

On March 22, meanwhile, L. Patrick Gray III, under questioning by Senator Robert Byrd (Dem.-W. Va.), conceded to a Senate committee that Dean "probably lied", to the FBI during the FBI's investigation of the Watergate affair. Gray's statement, made during Senate confirmation hearings on his nomination to be perma-

nent director of the FBI, was the strongest public link to that time between Dean and a possible coverup of White House involvement in the Watergate case.

While at Camp David, Dean received a highly publicized call from President Nixon on March 26, expressing full confidence in him. The sources suggested that the call was intended to reassure Dean that the President supported his decision to disclose his knowledge of the bugging and coverup to investigators, and that the President would later explain the phone call publicly in that manner.

RETURN

Dean returned to Washington from Camp David expecting in the words of one source, that "everbody would stand up and say 'Yes, we were responsible and the President knew nothing about this. We are prepared to accept the consequences and will cooperate with the grand jury investigation."

Instead, the sources said, Dean concluded that the President had been convinced by Haldeman and Ehrlichman to "keep losses to a minimum." In the words of one, there had been a decision "to sacrifice John Dean while trying to discourage the indictment of Haldeman and Ehrlichman."

Another source with close connections to the highest levels in the Republican party said that "Dean, in March, said he wanted to blow this up. Dean has attempted to be honest, but he was taking orders from Haldeman and Ehrlichman. Honesty and following those orders were inconsistent — so Dean broke ranks."

One White House source said of the situation: "Haldeman is finished, but Ehrlichman is not in so much trouble. However, the President has conveyed the feeling that he does not feel he has all the information now ... this is going to take a long time to work itself out."