

April 30, 1973 / 50 cents

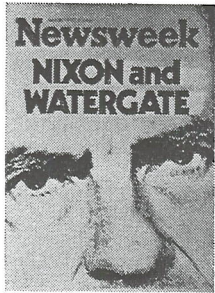
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# Newsweek®

## NIXON and WATERGATE



30 April 73



## Nixon and Watergate Page 16

When the Watergate bugging case finally erupted last week into the biggest national scandal since Teapot Dome, the break was at least partly due to the cumulative result of ten months of journalistic spadework. Newsweek's Watergate squad included Nicholas Horrock and Evert Clark, who have turned up their share of exclusive breaks in the case.

With Hal Bruno, Philip S. Cook and others, they filed for the 24-column Watergate report, which includes Senior Editor Peter Goldman's account of the week's developments, General Editor Richard Boeth's profile of John Mitchell, a review of the official denials and the case's cast of characters. Shana Alexander (page 28) and Stewart Alsop (page 90) add their perspectives. (Cover photo by James Atherton—The Washington Post.)



## Springtime for Hitler Page 32

They call it the Hitler Welle—the Hitler Wave—and it seems to be washing over the Western world from Middle Europe to Middle America. With files from Roy Koch in Bonn, Peter Webb in London and Seth S. Goldschlager in Paris, Associate Editor Richard Z. Chesnoff examines the spurt of new books, motion pictures, magazine articles and even kinky cabaret acts that conjure up a sometimes not-so-night-marish image of the Führer.

## A Hepatitis Vaccine? Page 49

The lowly marmoset may save man from infectious hepatitis. The same medical researcher who developed a vaccine for the mumps has been using marmosets

to isolate the virus that causes infectious hepatitis in humans. The result of the experiments may be a preventive vaccine for the debilitating ailment. Associate Editor Jean Seligmann reports on the breakthrough.

## Drilling a Dry Hole Page 58

The President's long-anticipated message on the nation's energy crisis was finally delivered last week—and turned out to be a disappointment. Mr. Nixon's proposals were mostly stopgap solutions that left oilmen, environmentalists, lawmakers and consumers dissatisfied and rekindled old controversies. With reporting from James Bishop Jr. and others in Washington, Associate Editor David Paul wrote the story.

## Up the Sandbox Page 73

Outdoorsmen have found a vast new playground: the 24 million-acre California desert. But Los Angeles bureau chief John Dotson reports that the invasion of dune buggies, motorcycles and other vehicles poses a severe threat to the desert's fragile ecology.

## Patterns in Art Page 88

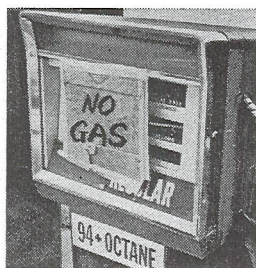
The world of art has more styles than the world of fashion—and many would say that the two worlds are not that far apart. But out of the kaleidoscope of colors and forms in New York City's galleries some pattern for the 1970s seems to be emerging. Art editor Douglas Davis traces this pattern.



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# THE PERISCOPE

## ITT IN IDAHO

The uproar caused by ITT's previous political activities apparently hasn't deterred the giant multinational firm. ITT is now taking an active interest in the re-election campaign of Idaho's Democratic Sen. Frank Church, who has launched a full-scale probe of multinationals, leading off with ITT's efforts to block the election of Chile's Marxist President Salvador Allende. An ITT official, Neil McReynolds, head of ITT's public relations in the Northwest and a former press aide to Washington's GOP Gov. Daniel Evans, has been in Idaho rounding up what he calls "background material" on Church.

## BIRTH OF A BEAT

The Watergate story has been a battle of news beats, with The Washington Post scoring most of them, but last week The New York Times broke a major development: John Mitchell's admission that he had heard Administration colleagues propose bugging operations but had vetoed them. Oddly, the banner-headlined story carried no byline. The reason: it was based on a tip from William Safire, the former Nixon aide and speechwriter who made his debut last week as a columnist on the Times's "Op-Ed" page.

## A NEW SHOWDOWN IN WASHINGTON

After four years of jockeying, a showdown is at hand over the long-awaited, long-debated Federal consumer-protection agency. The White House has decided to go all-out against creation of the new office, which would serve as the consumer's voice in the executive branch. This will mean a fresh source of strain between Mr. Nixon and Capitol Hill. A principal sponsor of the new agency is Connecticut's Democratic Sen. Abraham Ribicoff, whose Subcommittee on Executive Reorganization must approve all of the President's plans to restructure Federal agencies and departments. The consumer agency is the Ribicoff group's No. 1 priority.

## WHEN IS POLICY NOT POLICY?

The power of the oil industry's high-octane lobbyists in Washington was demonstrated again in last week's Presidential message on energy, which proposes special tax credits of 12% for successful new wells and 7% for dry holes. The Administration's top environmental officials, William Ruckelshaus and Russell Train, had earlier fought hard for similar credits as an incentive to industries engaged in recycling and recovering

used materials. They were turned down on the ground that such special tax breaks were contrary to White House policy.

## OVERFLOW FROM WATERGATE

Besides a boost in morale, the new Watergate developments (page 16) have given Democrats on Capitol Hill some tangible dividends. A number of Texas Democrats who had been lined up to follow their former governor, John Connally, into GOP ranks, have told House leaders they are staying put because of Watergate. As one sign of the party's revival of spirits, Democratic Rep. William Ford of Michigan has started a tongue-in-cheek campaign to raise funds to buy Martha Mitchell TV time to defend her husband, the beleaguered former Attorney General.

## RADIO TIT FOR RADIO TAT

One topic at next month's meeting of Chancellor Willy Brandt and Soviet leader Leonid Brezhnev in Bonn will be the perennial Russian complaint about "hostile" broadcasts to East Europe by the German-based and U.S.-backed Radio Free Europe and Radio Liberty. When Brezhnev raises the point, however, Brandt intends to remind his guest that Moscow has a Soviet-oriented operation in East Germany, "Radio Peace and Progress," broadcasting to the West.

## THOSE PENTAGON 'LEAKS'

The Pentagon has loosed its sleuths to track down leaks that have produced a rash of news stories about military developments in Indochina, including bombing figures and North Vietnamese troop movements. At least six reporters on the Pentagon beat are under investigation—including one, William Beecher of The New York Times, who has just been named a Deputy Assistant Secretary of Defense for Public Affairs.

## LAST CHANCE FOR MASS TRANSIT?

The No. 1 Republican in the House, Rep. Gerald Ford of Michigan, defied both his President and his constituents to lead the fight that killed an effort to divert highway funds into urban mass transit. Mr. Nixon threw his personal weight behind the idea, and the city council of Grand Rapids, Ford's home base, did the same. Mass-transit forces, however, haven't lost hope. They claim inside knowledge that the President will veto the \$25 billion highway bill as inflationary, giving transit supporters a second chance to get their funds during efforts to override the veto.

# Watergate: The Dam



Wally McNamee—Newsweek

Turnabout: Saving the Presidency?

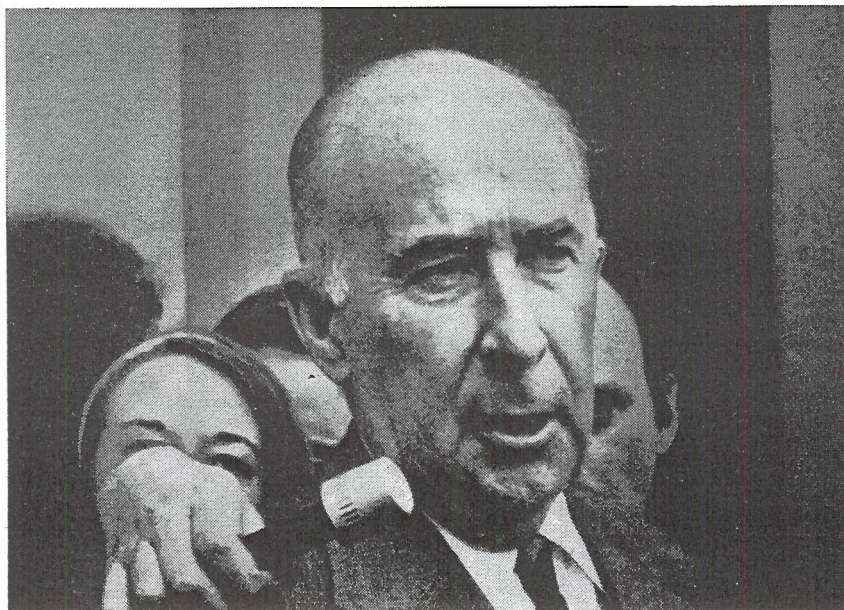
It was the most damaging scandal to befall the Presidency since Teapot Dome—and when it finally cracked open last week, the tremors shook the government to its foundations. Ten months to the day after it broke, Richard Nixon finally faced up to the Watergate mess. In the process, he cast aside nearly a year of official denials that anyone important had been involved in burglarizing and bugging Democratic national headquarters last year. He conceded the possibility of indictments at the very top level of his Administration. And he paved the way for a bloodletting virtually without precedent in U.S. history—a purge likely to generate criminal charges against at least ten Nixon men, force several more into shotgun resignations and claim former Attorney General John Mitchell and White House topsiders H.R. Haldeman and John Ehrlichman among its casualties.

The resulting spectacle was a shattering one for the President and the Presidency, and Mr. Nixon assented to it only when events left him no other choice. His move to save himself reduced his government to an anarchy of finger pointing among his top aides, with thinly veiled threats to spread the blame as far as possible. The morality of the men running America had become a major issue, political calculations for 1974 and 1976 seemed suddenly obsolete, and the nation itself was damaged as the President's own credibility was called seriously to question. His Gallup rating plum-

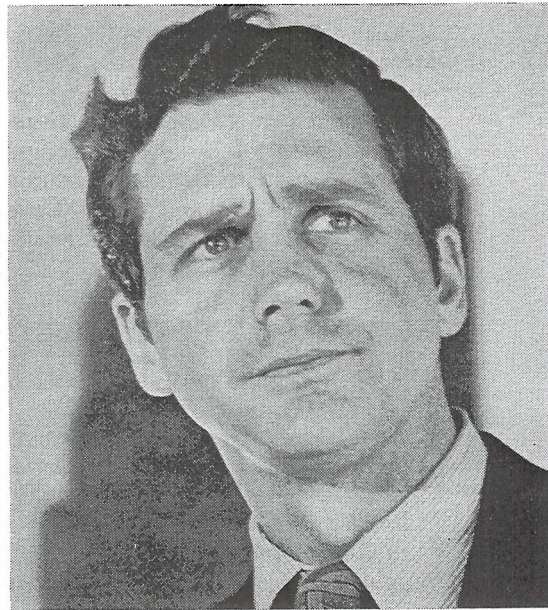
meted 14 points in eleven weeks, with Watergate finally beginning to hurt. His design for his second Administration was placed in jeopardy. The scandal, in sum, had struck at his very ability to govern, and so endangered the office as well as the man. "It's no longer save the party or even the President," said one GOP senator. "It's save the Presidency."

Mr. Nixon had hoped all along to contain the scandal; what finally forced his hand was a confidential report that his deputy campaign director, Jeb Stuart Magruder, 38, had broken and begun naming names. As he told it to Federal prosecutors, Mitchell and Presidential counsel John W. Dean III had cleared the bugging in advance—and were at least aware of the subsequent effort to pay off members of the burglary gang to plead guilty and shut up. Magruder's story laid open the possibility of criminal action against the men he named, drove Mitchell into retreat from his earlier sworn denial that he had heard about the bugging plan in advance and set off an every-man-for-himself spate of accusation and denial within the Administration. Mitchell blamed the White House for clearing the bugging; Dean was said to be ready to implicate Haldeman and Ehrlichman in the after-the-fact attempt to cover it up. Whatever the merits, both men retained counsel, and insiders said Haldeman was prepared to quit when the indictments start flying this week or next.

The body count is unlikely to stop



AP



Wally McNamee—Newsweek

Mitchell and newsmen, Magruder: Every man for himself in a spate of denials

# Bursts

there. Only Dean among current White House staffers was counted a prime target in the widening grand-jury inquiry. But two former colleagues, Dwight Chapin and Gordon Strachan, were said to be under investigation; so were campaign finance chairman Maurice Stans, former Assistant Attorney General Robert C. Mardian and several other more or less prominent Nixonians (page 22). Watergate, moreover, remained a tar-baby scandal that entangled anyone it touched, even at one, two or three removes. A number of White House staffers have already submitted their resignations, though Mr. Nixon deferred announcing them until the dust settles a bit. Richard Kleindienst's future as Attorney General was shadowed by the fact that he had to take himself off a case involving so many old friends and associates. And Presidential press secretary Ron Ziegler was compromised by having had to utter all the White House denials over ten months (page 20)—only to declare last week that they were all "inoperative." Said one Republican insider: "He's got to go."

The man most sorely hurt of all may yet be the President himself. His gamble was that he could recover the moral high ground, portraying himself as a man who had been betrayed by his subordinates and had acted as soon as he found out about it. But the very act of discovery displayed the reach of what one gloomy Republican called "a scandal of historic proportions," and the President may

have moved too late to retrieve it.

The damage would be graver still should Mr. Nixon be implicated—if, for example, he should be shown to have known about the bugging or to have sought consciously to cover it up after the fact. There was a quality of thinking-the-unthinkable about that question, an uneasy sense that to accuse the President was to assault the Presidency, and even the most partisan Democrats were hesitant to carry the attack that far. "I believe in the office of the Presidency," party chairman Robert Strauss said last week. "As a matter of fact, I believe very strongly that a President is always entitled to the benefit of the doubt." But for all the will to believe him, the unspoken issue haunted discussions of Watergate and Mr. Nixon's belated response to it. "My God," said one GOP congressman, "if it goes to the President, we've lost 200 years of American political history and we're Instant Togo."

## Three Is a Crowd

It didn't go to the President last week, but it did go to three men who stood particularly close to him:

■ **John Mitchell**, 59, the Mr. Law and Order of the first Nixon Administration, has all along denied any complicity in Watergate; at one point he dismissed press reports of his role in the case as "all that crap," and only last month he insisted that if he had known about the bugging scheme he would have put a stop to it. But Magruder swore last week that in Key Biscayne in March 1972 Mitchell—then newly installed as director of the Committee for the Re-election of the President—had not only heard about it but cleared it at a secret meeting.

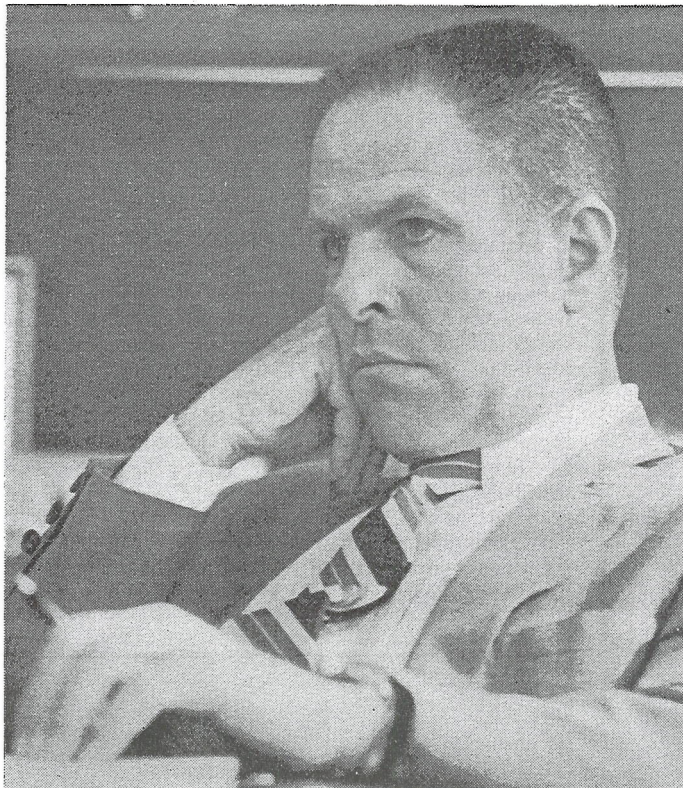
Mitchell thereafter conceded that he had heard bugging proposals three times but had vetoed them each time—the

third time ordering the proponents to "take those damn things out and burn them." But this story put him apparently at odds with his sworn word that as CRP director he had not heard of any such scheme, and so left him vulnerable to prosecution. He was said to be bitter at his old friends in the White House for singling him out as the fall guy and somehow using Magruder to "get" him. He fought back before the grand jury: he was said to have testified that Magruder took the bugging proposal over his head to the White House—and got it approved.

■ **H.R. Haldeman**, 46, the nearest thing to an indispensable man on the Nixon staff, has yet to be connected directly with Watergate or its permutations; his problem is his reputation as White House autocrat-in-residence and the presumption that he knew everything that went on there. ("He *had* to know," said one Republican strategist. "That isn't exactly a loosely run place.") His image was spotted a bit during the week when columnist Jack Anderson surfaced some grand-jury testimony by Strachan that Haldeman had one of those secret cash funds that run through the Watergate story—this one a \$350,000 cache in \$20, \$50 and \$100 bills that was kept in a White House safe at Haldeman's direction, ostensibly to be used for "polling." But most insiders were betting he would escape indictment; his resignation would be based instead on the fact that, as the President's chief of staff and instigator of the over-all campaign intelligence-gathering operation, he had finally to accept the responsibility.

■ **John Dean**, 35, the precocious lawyer who investigated Watergate for Mr. Nixon and returned a blanket not-guilty verdict covering everyone then on the White House staff, found himself implicated by Magruder in planning the bug-

Wally McNamee—Newsweek



Dean, Chapin, Haldeman: Lies to the Chief from his own staff?

April 30, 1973

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## THE RISE AND FALL OF MR. LAW AND ORDER

He came glowering into Washington in January of 1969 behind a fat-bowled pipe and a reputation as a political tough guy—campaign manager of Richard Nixon's first successful Presidential race and an Attorney General designate who wanted it known that "I am first and foremost a law-enforcement officer." While he did much over the next three years to justify that description of himself, it was hardly the whole story. John N. Mitchell was first and foremost Mr. Nixon's political right arm—his chief domestic strategist, arm twister and lightning rod, counselor and confidant on problems reaching across the full range of government. He was perhaps the No. 2 man in Washington until he abruptly resigned as Mr. Nixon's re-election campaign chief two weeks after Watergate—a denouement that ultimately led to his appearance last week before a Federal grand jury.

Whether Mitchell did more good than harm for the President in his heyday is a question for historians, but there is plenty of evidence on both sides. As a law-enforcement chief, Mitchell set enormous store by the appearance of toughness, advocating such dubious techniques as wiretaps, preventive detention, no-knock and stop-and-frisk laws and modification of several of the Warren Court's decisions protecting the rights of criminal defendants. Though few of these recommendations were widely adopted, the Administration (and Mitchell) took credit for a slight leveling in the upward crime curve—and the outraged cries of civil libertarians over Mitchell's policies only made the Justice Department look that much tougher to Mr. Nixon's Middle American constituency.

**Indictments:** Mitchell's greatest tactical success came from his handling of the high-riding radical left. No fewer than 13,400 demonstrators were arrested during the series of Mayday confrontations in Washington in 1971, and Mitchell put together a string of conspiracy indictments against Daniel Ellsberg, the Chicago Seven, the Harrisburg Seven and several other leftist groups. To date the Justice Department has not sustained any major convictions, but the cost in time and money to the defendants was sufficient to defang the antiwar left nearly two years before Mr. Nixon was able to bring U.S. troops home from the Vietnam war.

On his other major Presidential assignments, Mitchell did less well. Most Washington insiders believe he was personally responsible for selling Mr. Nixon the insufficiently researched Supreme Court nominations of Clement Haynsworth and G. Harrold Carswell—both defeated in the Senate after bitter battles that were highly embarrassing to the President—

and for promoting the names of two other prospects so inept that they were publicly branded "unqualified" by the American Bar Association. By some accounts, Mitchell was also the man who persuaded Mr. Nixon to attempt prior restraint on The New York Times and Washington Post in connection with the publication of the Pentagon papers—a historic challenge to press-freedom guarantees of the First Amendment that was swiftly struck down by a ruling of the United States Supreme Court.

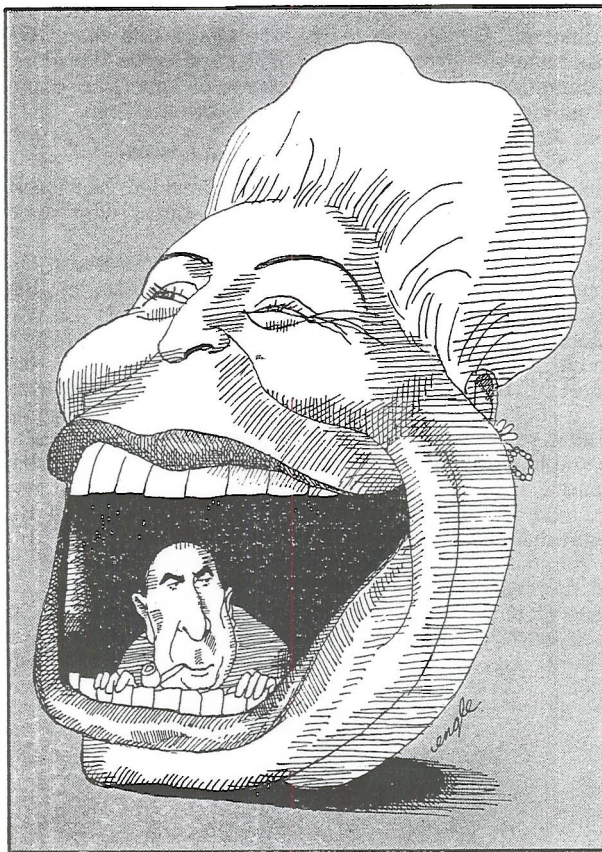
John Mitchell's rough-and-tumble approach to his several tasks gave rise to

ultimately his relationship with the President, whom he first met in 1963 when Mr. Nixon went to New York to practice law. Mitchell was already a confident, commanding manipulator of men—a Detroit-born former PT boat captain who earned \$200,000 a year negotiating municipal bonds. Mr. Nixon's admiration for him was personal as well as professional; he was the only original Cabinet member invited to buy a house in the Nixon compound on Key Biscayne.

And the relationship easily weathered the un-Nixonian tempests kicked up regularly by Mitchell's singular wife, Martha.

The voluble blonde from Pine Bluff, Ark., was a past mistress of hyperbole—her flair for quotable excess enabling her to blame the Vietnam war and Carswell's defeat on one Arkansas senator ("crucify Fulbright") and the woes of American society on a few thousand bemused pedagogues. But whether she was offering to put a Band-Aid on her mouth or fulminating against imagined enemies in her celebrated wee-hour phone calls, the President only laughed. Mitchell himself contentedly told reporters: "What can I say? I love her."

**Embarrassments:** What got Mitchell into trouble was his role as the President's all-around Mr. Fix-it. Mitchell based his vision of acceptable government practice on what he had learned as a bond lawyer in thirty years of behind-the-scenes dealings with municipal and state legislators. Transported to the more exposed and sophisticated



Robert V. Engle—Newsweek

level of Washington, this approach may have caused him several embarrassments. His name cropped up in Dita Beard's famous memo linking ITT's campaign pledges with the company's hopes of winning a favorable antitrust ruling, for example, and he was also mentioned in connection with the tangled legal problems of financier Robert Vesco who contributed to the campaign. Mitchell has steadfastly and emphatically denied any wrongdoing in any of these episodes; in fact, he has become one of the most prolific issuers of denials in Washington history. To hear Martha tell it, the former Attorney General is really "a cute cuddly adorable fellow"—and there is always the chance that the grand jury will think so too.

The source of Mitchell's power was

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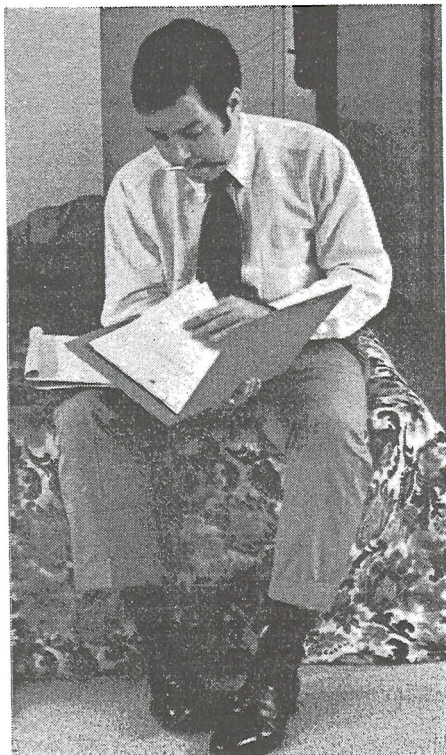
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ging—and later identified by unnamed sources as the paymaster who shelled out more than \$175,000 in hush money to the seven Watergate defendants to buy their silence. Dean was resentful. "He saw the stories," said a friend, "and he thought, 'I've saluted the Presidential seal, I've done everything asked of me, but goddam it—I'm not going to jail.'"

Dean holed up in his counsel's office and, without telling anybody, wrote out a press release refusing to be made a "scapegoat" and by implication threatening to name others—"not *one* other," his friend said, "but *others* who may have some problems before this is over." The White House responded by sending Dean to Coventry and announcing tartly that the President wanted the facts, not scapegoats. But Dean was said to be ready to go before the grand jury this week and make accusations against Haldeman, Ehrlichman, Stans and enough others up and down the line to send a tremor of anticipation running through the Nixon circle. Said one involved spectator: "Dean knows the rocks under which the bodies are buried."

### The Day It Began

In his testimony, Dean was prepared to suggest among other things that it was he who moved Mr. Nixon to last week's counteroffensive. The President said he got on the case on March 21, "as a result of serious charges which came to my attention." Much of the press speculation as to what these charges were swirled around the public events of that week—the decision of one of the Watergate burglars, James W. McCord Jr., to turn State's evidence and the testimony of



Fred Maroon—Louis Mercier

Reisner: Keeper of the date-book

April 30, 1973 □



Bob Burchette—The Washington Post

Democrats leaving Watergate: Closed office, open case

the ill-starred FBI director-designate L. Patrick Gray III that Dean "probably" lied to his men during the investigation.

The White House version is that it became clear at that point that Dean, in the words of one staffer, "had not been completely candid with us." But Dean's story is that, far from trying to whitewash the case, he inspired—or forced—Mr. Nixon to reopen it. He went to the President on the 20th, as he told it to a friend, and warned that the scandal was deeper and wider than he had earlier believed.

The White House up to that point had been ostentatiously bullish about its prospects for living down the scandal; the President had refused to make any of his people available to Congress and had put out word the very day Dean says he came calling that he had "nothing to hide." But McCord was even then welding the first links in the chain of evidence that led to Magruder, overwhelmed him and finally forced Mr. Nixon to act. McCord told Sen. Sam Ervin's select committee of inquiry that spy-master Gordon Liddy had briefed Mitchell, Dean and Magruder on the bugging and that Magruder was lying when he testified at the Watergate trial that he didn't know who was involved. In a subsequent memo, McCord acknowledged this was hearsay but suggested possible corroborating witnesses—among them Magruder's assistant, Robert Reisner, who kept the boss's datebook.

Both the committee and the Federal prosecutors working the case pursued McCord's leads for the next eight days. Reisner convinced Senate investigators that he could support McCord's story, and the Federal men independently hit paydirt by painstakingly piecing together the testimony of several White House aides. By April 11, the prosecution staff

went to Henry Petersen, the respected chief of the Justice Department's criminal division, with a disturbing estimate they thought urgent enough to be forwarded to the President. Their message to Mr. Nixon: some of his people were lying—a pattern that had begun to seem conspiratorial to the prosecutors—and they ought to be told to come clean.

The President spent that night alone at Camp David; he did not move immediately, but the word got across to Magruder that the Feds had binding evidence connecting him to the case. Three days later, he showed up at Assistant U.S. Attorney Earl Silbert's office, trying, one source said, to make a deal. He was denied immunity; he talked anyway, under oath.

### Operation Gemstone

He and Liddy had originally proposed Operation Gemstone, Magruder said; they worked up a series of flip-charts detailing the operation and showed them to Mitchell and Dean in February, but Mitchell said no. They tried again shortly thereafter, according to Magruder, and once again Mitchell refused to go along. But, Magruder said, he finally agreed at presentation No. 3, at a secret Key Biscayne session on March 4 and 5—the weekend Mr. Nixon came home from China. Magruder went on to say that both Mitchell and Dean were aware that CRP had picked up the lawyers' bills of the Watergate Seven and paid them "sustenance" to keep them quiet. He said there were several meetings to discuss how to keep the lid on the scandal; at one of these, Magruder said, Mitchell and Dean pressured him in effect to perjure himself before the grand jury and at the Watergate trial.

It was Magruder's affidavit that finally tipped the balance. Mr. Nixon was by

## THE LONG TRAIL OF DENIALS TO CREDIBILITY GAP

From the beginning, it has been a battle not only of facts but of credibility. To the considerable confusion and apathy of much of the country, the Watergate case was seized by a few leading journals of the so-called Eastern Establishment press and worried like a bone through long months of tantalizing hints, shadowy leads and coincidences too strange to ignore.

As it happened, the publications that pursued this fragmentary trail were the very ones that had been attacked from the earliest days of the Nixon Administration as "fat and irresponsible," in Vice President Agnew's phrase—"self-appointed guardians of our destiny" that sought only to discredit and defame the Nixon team. So it was perhaps inevitable that

cial dogma never varied—though the tone tended to get more biting as the revelations came closer to home:

Mr. Nixon on Aug. 29, 1972: "No one in the White House staff, no one in this Administration, presently employed, was involved in this very bizarre incident."

DeVan L. Shumway, of the Committee for the Re-election of the President, on Oct. 10, after the Post's first disclosure of links between agent Donald Segretti and White House aide Dwight Chapin: "The Post story is not only fiction but a collection of absurd lies."

Ziegler on Oct. 18: "[I will not] dignify with comment stories based on hearsay, character assassination, innuendo or guilt by association."

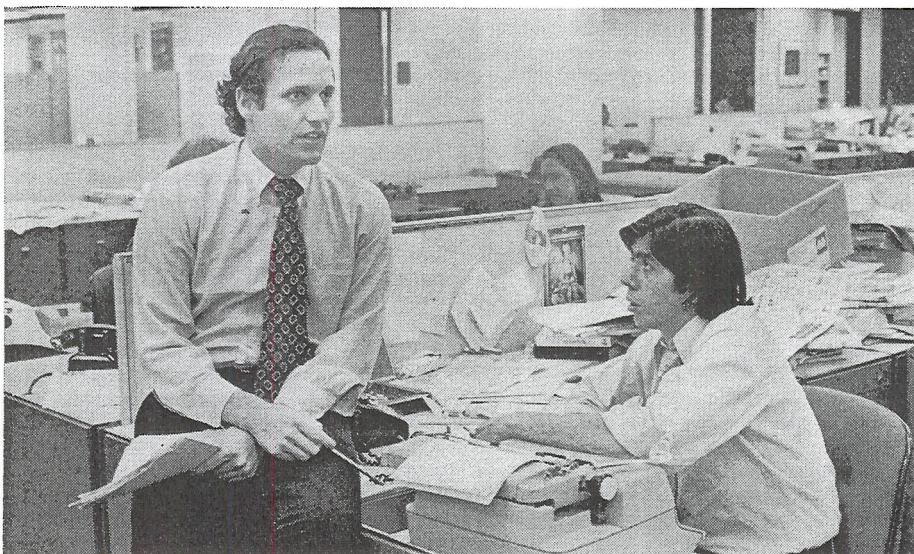
Ziegler on Oct. 25, following reports of

But when it suited his purposes, Ziegler could be specific enough. For example, on March 24, in response to convicted Waterbugger James W. McCord's Senate testimony, Ziegler insisted: "It is totally false that Mr. Dean had prior knowledge of the Watergate matter."

For the most part, the White House press corps responded with heavy sighs or closely gritted teeth. Most seemed to agree, at least tacitly, with The Baltimore Sun's Adam Clymer, who believes that "Ziegler did not know any more than he was told, and he wasn't told very much." But last week, after Ziegler's comment that all previous White House statements were "inoperative" in the wake of Mr. Nixon's turnabout, one veteran correspondent finally blew his top.



AP



Wally McNamee—Newsweek

Ziegler (above) and Washington Post reporters Woodward and Bernstein: No longer 'operative'

the White House response to each new disclosure consisted not only of denials but often of acid aspersions on the motives and standards of the investigating journalists—especially Carl Bernstein and Bob Woodward, the young Washington Post team that frequently led the pack.

The tone of the Administration's response was set right after the break-in by White House press secretary Ron Ziegler. "I'm not going to comment from the White House on a third-rate burglary attempt," he said. "... I'm sure certain elements are trying to stretch this into something more than it is." In the three days following, high-ranking Republicans from campaign chief John Mitchell to party chairman Sen. Robert Dole deplored the break-in and denied responsibility or knowledge of it, a line echoed in Richard Nixon's first pronouncement on the issue last June 22: "The White House has no involvement whatever in this particular incident."

From that point until last week, offi-

a secret fund controlled by White House chief of staff H.R. (Bob) Haldeman: "Shabby journalism... a blatant effort at character assassination... Mr. Dean informed me that there was no secret fund."

Ziegler on March 26, after acting FBI director L. Patrick Gray said Dean had "probably" lied: "We do not associate ourselves with any statement that suggests that Mr. Dean probably lied."

Ziegler on March 30, 1973, nine days after Mr. Nixon said that he had begun his own investigation of Watergate: "As we have said before, nobody in the White House had any involvement or prior knowledge of that event. I repeat that statement today."

Mitchell on April 19: "This gets a little sillier as it goes along, doesn't it?"

The denials, of course, failed to shut off the flood of questions. One veteran White House reporter counted 478 questions dealing with Watergate and allied matters during the month of March alone, most of which were ducked by Ziegler.

The angry reporter was Clark Mollenhoff, Washington chief of The Des Moines Register and Tribune and a former Nixon aide himself, who thought that Ziegler had lied to him three weeks ago about White House counsel Dean. "Do you feel free to stand up there and lie and put out misinformation and then come around later and just say it's all inoperative?" Mollenhoff shouted. "That's what you are doing. You're not entitled to any credibility."

"I responded to your remarks at that time, and I have nothing more to say on the subject," Ziegler replied. Was he ready, another newsman asked, to apologize to The Washington Post? "It is my view that my comments will stand the test of time," said Ziegler. And to all further questions about the Watergate, Ziegler gave a standard reply last week: "I am not going to answer any questions on the subject, no matter how they are phrased." But that position was not likely to be sufficient for very long.



then under very nearly irresistible pressure to open the case to independent inquiry and settle accounts once and for all. The Senate's Ervin committee was moving inexorably toward its marathon TV hearings, to begin in mid-May; two civil suits, one brought by the Democrats and the other by Common Cause, were nearing trial; the elders of the Republican Party were demanding a public accounting. The news that Magruder had cracked brought the situation to crisis pitch. Mitchell was summoned that day from New York and—though the White House denied it—was given the word by Mr. Nixon himself. Next day, the President met with Kleindienst and Petersen in his Executive Office Building hideaway, suggested and accepted Kleindienst's withdrawal from the case, designated Petersen as his personal investigator—and decided at last to go public.

In the crunch, he reached into his past for an old friend, Secretary of State William Rogers, who had sustained him through three of his celebrated Six Crises; the President prepared for the seventh and quite possibly the gravest by inviting Rogers out for an evening cruise aboard his yacht Sequoia to counsel with him on his course of action.

### The Man Who Got Hiss

The next day, formal and somber, he appeared suddenly in the White House press room and read his announcement. He opened with what might have been a major concession—his agreement that "all members of the White House staff" would testify under oath before the Ervin committee, subject to only modest restrictions. But he topped himself and upstaged the committee with part two of his statement: the declaration that he had begun "intensive new inquiries" into the case, that "major developments" had resulted—and that some of his people might be indicted. His manner was half outraged innocence, half the relentless prosecutor who nailed Alger Hiss; in the end, he said he condemned "any attempts to cover up in this case, no matter who is involved."

Mr. Nixon postponed a major speech until later, probably after the indictments are in; his few wan words last week served notice in the meantime that he had seized the initiative, that heads would roll as a result and that his single concern now was to extricate himself and his Presidency from the wreckage. Mr. Nixon materialized on camera that evening, trading smiles and flatteries with Frank Sinatra at a state dinner for Italy's Premier Giulio Andreotti. Thereafter he slipped from sight and let the supporting cast play out the week's events—a carnival-mirror show in which the men he had brought into governance nursed grievances, traded and ducked accusations and paraded before the grand jury like common criminals. The imagery was devastating; Mr. Nixon's calculated risk, having loosed the furies, was that he would eventually master them and come



Daugherty, Fall: Favors

## THE FIRST WATERGATE

Before Watergate, the ripest scandal ever to break over Washington was the tempest of the 1920s known as Teapot Dome. Soon after Warren Gamaliel Harding took office in 1921, his Secretary of the Interior, Albert Fall, arranged the secret leasing of two government oil reserves, Wyoming's Teapot Dome and California's Elk Hill, to two oil magnates who rewarded him with loans and gifts to the tune of some \$400,000.

The Justice Department, meanwhile, was earning the sobriquet of the "Department of Easy Virtue" under Attorney General Harry Daugherty. A crony of Harding's Ohio Gang and proprietor of the infamous "Little House on H Street" where the Administration romped, boozed and played cards after hours, Daugherty was selling legal favors to business pals. Over in the Veterans Bureau, its director, "Colonel" Charles Forbes (who turned out to be an Army deserter), was taking a cut on the building of hospitals and secretly selling off excess war materials.

Forbes's shenanigans, perhaps the clumsiest of the lot, were discovered early on while Harding was still in the



IN THE TORTURE CHAMBER.  
Culver

White House. One visitor told later of coming upon the President shaking Forbes against a wall and yelling, "You yellow rat! You double-crossing bastard!" Herbert Hoover, then Commerce Secretary, advised the President to disavow the rascals and air the whole story. But Harding deserted Washington in a blue funk, taking a long, gloomy train trip to Alaska. On the way back in the summer of '23, he died suddenly of heart failure, leaving the country to mourn a still-popular President. But the slow chain of investigations, widening scandals and court trials went on for nearly a decade. In the end, Albert Fall became the only Cabinet officer ever to be sent to prison—and his Teapot Dome affair became a rubric for scandal and the epitaph of the Harding Administration.

out ahead for having made the attempt.

That Mitchell would head the list of candidates for sacrifice had been predicted regularly for weeks by his wife, Martha; last week she reached for the phone again, told the papers that her John was being made "Sherman Adams No. 2" and threatened to go before the Ervin committee and "embarrass everyone around." As to that prospect, Ervin was uncertain and Mitchell amused. "The only thing my wife knows about the Watergate," said the former A.G., who lived there during his Washington years, "is that the plumbing leaked." His own first reactions to the week's events were defensive: he got himself a good criminal lawyer, William Hundley, and altered his public accounting of just how

much he had actually known. "I never approved any bugging plans during any period of the campaign," he said, coming away drawn and subdued after three hours before the grand jury. "... I have heard discussions of such plans. They have always been cut off at all times, and I would like to know who was it that kept bringing it back and back and back."

Privately, he was said to be confident that this revised version would satisfy the grand jury, at least enough to head off a charge of conspiracy to wiretap. He has told associates that Dean can back up his story that he had never approved the bugging plan; Dean himself, according to Mitchell, was equally dead set against it and had at one point told Liddy sharply, "What are you trying to do?"

## NATIONAL AFFAIRS

Embarrass the Attorney General?" But Mitchell was left with the apparent conflict between his new account and his earlier sworn deposition in the Democratic civil suit—and with the awkward fact that, having heard about the plan while still the nation's chief law-enforcement officer, he had done nothing to expose it when it proved to have been carried out. He was further reported to be even less sure of his footing on the issue of hush money; he was said to have acknowledged to the grand jury that he had

given CRP a purely advisory opinion that it would be all right to make payments to the Watergate defendants but only to cover their legal bills, not to silence them.

The grand jury has in fact quietly shifted its focus from the bugging itself to the apparent cover-up that followed—and the possibility that some of the Nixonians might be liable to perjury or obstruction-of-justice charges. Some fascinating new bits fell into the mosaic last week. The New York Times quoted

the price of buying silence from the seven convicted conspirators—\$3,000 a month each for Liddy, McCord and former White House staffer E. Howard Hunt, \$1,000 a month each for the rest, and fees of as much as \$25,000 for some of their lawyers. McCord's disclosures ultimately broke the seal, though Liddy—behind bars in the District of Columbia jail—still refused to talk. And a Washington lawyer named Peter Wolf testified that a client of his—an unnamed CRP employee—had removed eight car-



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AP



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Faces in the crowd: Kalmbach, Stans, Mardian, Odle, Parkinson and Strachan

## WATERGATE'S CURIOUS CAST OF CHARACTERS

Who else was involved in Watergate? A sizable number of past and present Administration figures—among others—have come under suspicion since the scandal first broke, and the new heat of investigation will likely produce a new batch of indictments. Beyond the biggest names—John Mitchell, H.R. (Bob) Haldeman and John W. Dean III—the cast of the case includes:

Financial wizard **Maurice H. Stans**, 65, budget director under President Eisenhower, began managing the finances of Nixon campaigns in 1962 and was named Commerce Secretary in 1969, but left that post last year to become finance chairman of the Committee for the Re-election of the President.

Clean-cut **Jeb Stuart Magruder**, 38, served successively as a special assistant to the President (under Haldeman), campaign chief of staff and deputy director of the Committee for the Re-election of the President. At the CRP he gave political intelligence assignments to G. Gordon Liddy, later convicted in the Watergate conspiracy trial.

**Charles W. Colson**, 41, boasted of his loyalty to President Nixon—for whom, he once half-joked, "I would walk over my grandmother if necessary." Now a lawyer in private practice, Colson served three years as special counsel to the President and led the White House "attack

group" charged with keeping George McGovern on the defensive during last year's campaign. He recommended a White House post for star Waterbugger E. Howard Hunt.

**Dwight L. Chapin**, 32, first campaigned for Mr. Nixon as a student at the University of Southern California in 1962. Chapin worked for Haldeman at the J. Walter Thompson advertising agency and in subsequent Nixon campaigns, finally becoming the President's appointments secretary. He reportedly recruited USC classmate Donald Segretti for political espionage last year.

A buddy of Chapin's from undergraduate days, **Gordon Strachan** first worked for White House communications director Herb Klein, then for Haldeman as his liaison with the CRP. Strachan (pronounced Strawn) has been linked to a secret campaign cache of \$350,000.

Former chief of the Justice Department's Internal Security Division, **Robert C. Mardian**, 49, served as political coordinator of the CRP and directed its internal investigation of Watergate.

**Frederick C. LaRue**, 44, a wealthy Mississippi oilman, was known as "Mitchell's right-hand man" at the CRP. Strachan reportedly told the grand jury that he gave LaRue \$350,000 to distribute from the campaign treasury.

**Herbert L. Porter**, a young veteran of Herb Klein's White House crew, headed the CRP's scheduling committee. According to former campaign manager Clark MacGregor, he was one of the few with access to the CRP's secret fund.

**Robert C. Odle**, 28, another of the Klein alumni at the CRP, was responsible for personnel. By his own testimony, he directed Liddy to the largest paper shredder at CRP headquarters after the June 17 arrests.

Liddy's secretary at CRP, **Sally J. Harmony**, of Nelsonville, Ohio, may have known which "higher ups" received copies of the reports she typed on the Watergate bugging operation.

A California real-estate lawyer, **Herbert W. Kalmbach**, 51, became personal attorney and confidant to the President through his friendship with Robert Finch. A key campaign fund raiser, Kalmbach told the FBI that he paid out some \$30,000 in unreported CRP funds to Donald Segretti on Chapin's orders.

Washington attorney **Kenneth W. Parkinson**, 45, represents the CRP in a series of actions, including the controversial attempt to subpoena newsmen in a civil case brought by the Democrats after Watergate. Parkinson also was named by McCord as a conduit of hush money to the Watergate conspirators.

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tons of evidence from the Executive Office Building and hidden them away for the duration of the campaign. The trove, said Wolf, included lists of some of CRP's secret donors and the contents of Hunt's office desk as well—including the original bugging plans.

### A One-Ring Circus

It was part of Mr. Nixon's gamble that, by unleashing the grand jury, he would reduce what promised to be a three-ring circus to one contained, orderly—and secret—proceeding. The credibility of his cleanup ultimately will depend not only on how deeply the jury digs into Watergate and how many indictments result, but on how far it is willing to move beyond the bugging—whether, for example, it will look into the kindred charges of political sabotage and illegal money-handling practices. If the inquiry is reined in, the twin civil suits remain an alternate theater of disclosure, and a much less manageable one for the Administration. The Nixonians have lately made high-level and apparently urgent efforts to settle both cases out of court, Mitchell among others approaching the Democrats and Stans treating with Common Cause. Neither got anywhere. The Democrats, who were in the process of moving out of their Watergate offices a jump ahead of a rent increase, are strapped for cash and were tempted by a \$525,000 settlement offer. But a fast fund-raising effort brought in \$100,000 in a matter of days to keep the suit alive, and Strauss thereupon declared any settlement "out of the question."

The Ervin committee was a second check on the President's maneuvering room. Mr. Nixon's agreement to let his staffers testify marked a very nearly total capitulation, and Ervin received it graciously. "When you lose, weep softly," he said. "When you win, brag gently." The President's bet was that his own

initiative would at the very least make the Ervin hearings anticlimactic and might even force their postponement. The guess was that the senator, like the civil litigants, would remain in the field at least long enough to see how serious Mr. Nixon's purge turns out to be. "If the grand jury indicts ten or fifteen people," said one White House insider, "Ervin is all over but the shouting—he can't handle them once they're indicted. But if they only indict one person, then there's still going to be hell to pay."

The prevailing view among Republicans was that there will be hell enough to pay without Ervin—an unbroken prospect of indictments, arrests and trials strung out over a year or more to the very eve of the 1974 Congressional campaign. The despond was lightened a bit by an undercurrent of pleasure at the discomfort of the White House crowd; they are widely regarded in the party as a chill and arrogant lot, and when the President proposed cleaning house, one GOP congressman confessed, "there was a lot of applause in the back rooms up here."

But that tingle was spoiled by the pervasive suspicion that the scandal had been stoppered up too long and had reached too high for either the President or the party to recover. Spiro Agnew was only one of the potential casualties, by simple association with the President; some party pros wondered whether anyone could run and win under the cloud called Watergate—and John Connally had to wonder if he wouldn't be better off as a centrist Democrat after all. "The President," said one Republican, "could wind up as much of a liability to us as Harry Truman was to the Democrats in 1952. We got the people to hold Truman responsible for 'the mess in Washington.' I think it's safe to assume the Democrats will do the same to us with Watergate."

### No More Advance Men

Even more urgent was the need for the President to reconstitute his government. His first impulse led him back to his scattered old-boy network—men he had known over a generation in politics and whose judgment he trusts. "It won't be a bunch of wet-behind-the-ears advance men this time," one White House staffer predicted. "It will be some pretty crafty old political back-protectors."

Mr. Nixon sought out one old hand, Robert Finch, for a heart-to-heart talk about Watergate early this month and may now recall him to the White House. The cruise on the Sequoia re-established Rogers in the inner circle. Melvin Laird, only lately retired as Secretary of Defense, may return to help pick up the pieces. Henry Petersen was already under consideration for FBI director and could help his cause by mopping up Watergate. Even Murray Chotiner, the President's scarred old political operative, was in the wings awaiting a cue to re-enter. He dashed off an impish note to Haldeman ("It is not too late to call in the first team") and dispatched it



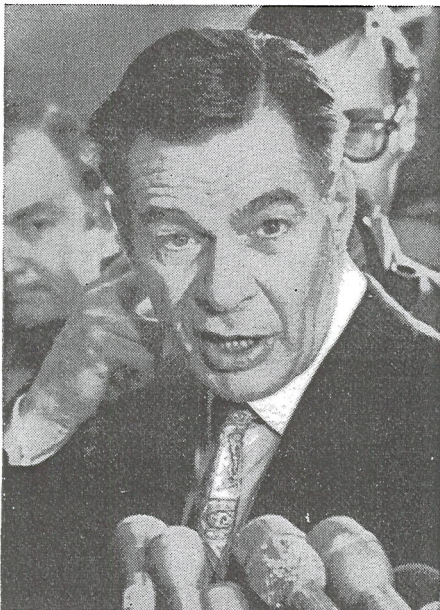
Haynie © 1973 The Courier-Journal

"But it's high time you came clean in the Watergate, children!" said Mary Poppins, ascending.

with a covering letter suggesting that it was "important enough for the President to see." In the new atmosphere, Haldeman had no choice but to deliver it.

The labor before the new Nixonians will be to repair as best they can the damage bequeathed them by the outgoing crowd. "Above all else," NEWSWEEK's White House correspondent Henry Trewhitt reported last week, "the Presidency of the United States has suffered. The damage cannot yet be measured, but at the very least several new indictments will be returned against some of the President's men for what can be described most kindly as wholesale cheating and lying in his name. The scandals of the Grant and Harding Administrations were scandals of personal greed; Watergate instead is a monument to zealotry and self-righteousness that ignored conventional law and morality. It has already diminished Mr. Nixon and the Presidency. Whether or not he makes maximum recovery, his will be the Watergate Administration in history, and to this extent the harm to his Presidency may be irretrievable."

That judgment was hard to escape. There were some winners in the week when the lid finally blew off Watergate; the disclosures vindicated the press, which had dogged the case over the insistent denials of the Administration, and they bore witness to the resilience of the political and judicial processes that finally forced the President to answer to the scandal. The victory roll may even include a durable old campaigner named Richard Nixon, if his purge is complete enough and if his own stance above suspicion is borne out. But it will not be easy even then for him



Wally McNamee—Newsweek

Petersen: Uncovering a coverup

Newsweek, April 30, 1973