

CIA Intervention

Ehrlichman Tells Of Nixon Role In Fund Probe

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President Nixon personally ordered a White House meeting at which his chief aides instructed the Central Intelligence Agency to intervene in an FBI investigation of the "laundering" of Watergate money through a Mexican bank.

This was the testimony of John D. Ehrlichman, formerly Mr. Nixon's chief adviser on domestic affairs, during a closed hearing yesterday of the Senate Appropriations subcommittee on intelligence operations.

Appropriations committee chairman John L. McClellan and two fellow senators, in recapitulating Ehrlichman's two-and-a-half hours of closed door testimony, said that the President was specifically aware that the FBI investigation centered on the channeling of \$100,000 in Republican political funds through Mexico. These funds were ultimately used to finance operations of his reelection committee, including the Watergate break-in.

SENATORS

Ehrlichman, said after giving the testimony, however, that he did not know whether the President was aware of the nature of the \$100,000 fund transaction.

Yesterday's session also reduced the disclosure by McClellan that former CIA director Richard Helms had told former acting FBI director L. Patrick Gray III on June 22, 1972, that the CIA was not implicated in the Watergate scandal and that the FBI investigation in

Mexico would not imperil any of its operations.

This is of major significance because top CIA officials have testified that the President's former chief of staff, H. R. Haldeman instructed them at a White House meeting the following day to advise the FBI that agency operations in Mexico would be endangered by the inquiry.

The new testimony also produced a series of contra-

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dictions between Ehrlichman and top CIA officials on the role of the White House in dealing with the agency on Watergate-related matters.

Ehrlichman said he had no recollection of making the phone call in July, 1971, which resulted in the CIA's giving technical assistance to Watergate conspirators E. Howard Hunt and G. Gordon Liddy. That assistance was used in the burglary of Daniel Ellsberg's psychiatrist in early September, 1971.

Former CIA deputy director General Robert E. Cushman had previously sworn that it was Ehrlichman who ordered the assistance to Hunt. And it was Helms' testimony that the assistance was grudgingly provided by the agency because of White House insistence.

In his prepared testimony to the committee, Ehrlichman said it was Cushman who called him in August, 1971, to request that the aid to Hunt be ended. Ehrlichman said he readily agreed to the request when he learned that Hunt claimed to be working for the White

House.

CORPS

Cushman, who is now the Marine Corps commandant, made a sworn statement last May 11 that Ehrlichman "called me and stated that Howard Hunt was a bona fide employee, a consultant on security matters, and that Hunt would come to see me and request assistance which Mr. Ehrlichman requested that I give."

"I can say flatly that I do not have even the faintest recollection of having done so. I can say with assurance that any call to the CIA is the kind of call that I usually have little or no difficulty remembering."

The former White House aide said that in the past the CIA had no hesitation in turning down White House requests that the agency felt would exceed its charter. And he raised the question of "why Hunt would be extended carte blanche at the agency for nearly a month without asking what he was doing."

Helms and Cushman testified that they decided to cut off the aid to Hunt because his requests for CIA services — such as the transfer of a secretary from Paris and a New York mailing address — had become excessive.

OPERATIONS

The second controversial dealing between the White House and CIA—the June 23, 1972, meeting in Ehrlichman's office—was prompted by the President's concern over the FBI investigation in Mexico upon the agency's operations in that country.

Ehrlichman said the White House was apprehensive about the "extensive hemorrhages" of news leaks in the FBI. "Everybody understood that anything that was the subject of FBI investigation at that time was subject to appearing in Time magazine as an automatic proposition."

Even after a series of meetings between Gray and the CIA's new deputy director, General Vernon Walters, resulting in the CIA's assurance that no operations were imperiled, the President was still concerned about security, Ehrlichman said.

"During the first week of

July, 1972, the President told me. Pat Gray told him on the telephone that General Walters had told Gray there was no CIA objection to a full FBI investigation of the Mexican aspects of the Watergate case. The President said he then instructed Gray to conduct a full investigation," Ehrlichman testified.

"The President told me then that he still personally believed and feared that the FBI investigation might harm the agency.

"He said he believed the CIA would be making a mistake if it pretended an investigation would not disclose some of its current operations. He said he hoped the general and other CIA management were not covering up for their subordinates.

"The President said substantially: A man makes a grave mistake in covering up for subordinates. That was President Truman's error in the Hiss case when he instructed the FBI not to cooperate."

HEARINGS

Representative Lucien Nedzi (Dem-Mich.), who also conducted closed hearings at which the principal witnesses appeared, said Helms told Gray "in categorical fashion" the day before the White House meeting the CIA had no concern about the Mexican inquiry.

Helms conveyed the same assessment to Haldeman and Ehrlichman during the White House meeting on June 23, according to Nedzi. The former CIA director told the two White House aides that he had so informed Gray, the congressman added.

Nonetheless, the White House insisted that Walters visit Gray that day and, according to the general's testimony, advise the acting FBI director of the dangers of the Mexican investigation to ongoing CIA operations.

In his testimony yesterday Ehrlichman said Walters could not provide a "flat assurance" that there could be no danger of an inadvertent disclosure of national security secrets or CIA operations. He suggested this was the reason for the White House insistence that Walters confer with Gray.

Walters on May 12 testified that the White House sent him to see Gray immediately after the meeting. "I went over and told him that I had been directed by top White House officials to tell him that further investigation into the Mexican aspects of the Watergate episode might jeopardize some of the agency's covert actions in the area."