

'Nixon Knew of Coverup,' Dean To Tell Hearing

Examiner News Services

WASHINGTON — Former presidential counsel John W. Dean III will tell the Senate Watergate hearings that President Nixon was involved in the Watergate cover-up, The Washington Post said in its Sunday editions, quoting reliable sources.

The White House issued a denial of the story, charging that it "and a similar story carried in the New York Times appear to be part of a careful, coordinated strategy by an individual or individuals determined to prosecute the case against the President in the press using innuendo, distortion of fact and outright falsehood."

The Post said that Dean has told Senate investigators and federal prosecutors that he discussed aspects of the Watergate cover-up with Nixon or in Nixon's presence on at least 35 occasions between January and April of this year.

40 Meetings Reported

The New York Times, in its Sunday editions, quoted sources as saying Dean told the chief counsel of the Senate Watergate Committee, Samuel Dash, that he met with the President more than 40 times between late January and early April. The Times reported that sources said that Dean said he could supply testimony about the meetings that he believed would show that Nixon had a "substantial knowledge" of what high White House officials were doing about the Watergate investigation.

The Post said that Dean will testify regardless of whether he is granted full

immunity from prosecution, and will assert that Nixon had prior knowledge of payments used to buy the silence of Watergate conspirators, and of offers of executive clemency.

"Gemstone" File

Senate investigators also were told by a former Nixon campaign official that several days before the Watergate break-in he saw the secret "Gemstone" file on political espionage which he was sure was intended for John Mitchell.

Authoritative sources said yesterday Robert Reisner told of inadvertently observing the file on the desk of Jeb Stuart Magruder, then deputy campaign director.

Magruder is believed ready to plead guilty and implicate others in a high-level coverup of the scandal.

Reisner, 29, was executive assistant to Magruder at the Committee for the Re-Election of the President. He is to testify when the

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Senate Watergate Committee resumes its hearings Tuesday.

File Destroyed

Reisner also said he was told by Magruder two weeks after the June 17 break-in that the file had been destroyed, the sources said.

"Gemstone" was Watergate conspirator G. Gordon Liddy's code name for campaign spying activities.

Sources close to the case say the "Gemstone" file contained summaries of the wiretapped telephone conversations of Democratic of-

ficials and other materials related to a covert campaign of political espionage and sabotage undertaken in behalf of President Nixon's re-election last year.

Reisner told investigators the "Gemstone" operation collected spicy tid-bits about Republicans as well as Democrats.

He said he saw one memo claiming a presidential appointee "was embarrassing the President in Florida." Another, he said, "concerned a Republican congressman who was having a marital problem."

Embarrassing

The reports, Reisner said, "were routinely placed in Magruder's outbox for either filing or destruction."

Mitchell quit as attorney general March 1, 1972, and managed the Nixon campaign until two weeks after the June 17 break-in at Democratic headquarters at the Watergate.

He has admitted attending two or three meetings in early 1972 while he was still at the Justice Department at which the bugging was considered but has insisted he always rejected the proposals.

First Witness

Reisner reportedly told investigators he was "very sure" the file he saw on Magruder's desk was in a folder Magruder used to forward documents to Mitchell.

The first scheduled witnesses Tuesday are Mrs. Sally Harmony, a secretary, who has acknowledged typing transcripts of the tapped conversations, and H. A. Post, a Washington printer who prepared the "Gemstone" letterhead.

Mrs. Harmon told investigators she typed numerous intelligence memoranda and some telephone transcripts for Liddy, then a campaign committee counsel. One conversation dealt with the Democrats' financial problems with the telephone company.

The memos related to telephone wiretaps were identified by the code names "Ruby I," "Ruby II" and "Crystal." Reisner has told investigators he remembered seeing the code name "Ruby I" on the first page of the Gemstone file on Magruder's desk and that it included glossy photographs in the back.

Told by Liddy

It was learned that Reisner also told investigators that Liddy personally informed him Magruder of the Watergate arrests June 17.

Magruder, who testified under oath at the Watergate trial he had no prior knowledge of the bugging, was told of the break-in while in California when he received a telephone call from Liddy shortly after noon, June 17.

According to the sources, Reisner said Magruder later called him at home and told him to return to the campaign headquarters and remove "sensitive" documents from Magruder's files.

More Explicit

When he got there, Reisner said he found office manager Robert Odle and his wife watching a television news broadcast about the break-in. He and Odle decided to call Magruder for more explicit instructions.

When Reisner asked what files should be removed, Magruder reportedly replied: "The Gemstone file, God-damn it."

Reisner said he was reluctant to take the file home. Magruder reportedly told him to give it to Odle, and Reisner said he placed it in Odle's briefcase.