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Magruder: The man who turned

President's accounting, during the spring and summer of 1970—a time of proliferating campus riots, terrorist bombings and open warfare between "guerrilla-style groups" and the police. Intelligence gathering, Mr. Nixon said, was in trouble at the time because the FBI had abandoned "certain types of undercover operations"—including burglaries—and because the aging Hoover was in the process of breaking off relations with every other agency in the field.

Breaking and Entering

The President convened a crisis meeting of the major intelligence agencies in June; they returned a report calling, among other things, for "surreptitious entry—breaking and entering, in effect—on specified categories of targets" in the national-security field. The President approved the plans in July but called them off five days later on Hoover's protests, and they were never implemented (box). Still, said Mr. Nixon, some of the plans involved foreign intelligence matters, and the documents describing them—the John Dean papers—remain "extremely sensitive" to this day.

The vacuum in intelligence gathering continued, Mr. Nixon said, and he moved the White House into it, first trying to ramrod the established agencies with a special Intelligence Evaluation Committee—and later, in 1971, organizing the secret in-house gumshoe squad known formally as the Special Investigation Unit and informally as the "plumbers."

The unit, headed by Egil Krogh and staffed by Waterbuggers-to-be G. Gordon Liddy and E. Howard Hunt, was first assigned to the leak of the Pentagon papers by Daniel Ellsberg to The New York Times. It looked at the time, Mr. Nixon said, like a "security leak of unprecedented proportion"; he directed Krogh to have the unit "find out all it could about Mr. Ellsberg's associates and his motives"—and the burglary at the office of Ellsberg's psychiatrist followed.

Mr. Nixon insisted he never authorized the break-in and in fact had it reported to the judge in the Ellsberg trial after learning about it this spring. But he added that, given the stress he put on national security, he could "understand how highly motivated individuals could have felt justified in engaging in specific activities I would have disapproved."

When the political scandals of 1972 broke, Mr. Nixon said, his single fear was not that the truth of Watergate might out but that the inquiry might blunder into covert national-security operations. His fears were quickened by the involvement of one of his plumbers, Hunt, in the Waterbugging, and by a report to the President—he didn't say from whom—"that there was a possibility of CIA involvement in some way." He accordingly told his two top hands, H.R. Haldeman and John Ehrlichman, to see that the investigation was restricted to Watergate and prevented from exposing either CIA or plumber operations. Four weeks ago, in his TV speech on the scandals, Mr. Nixon embraced Haldeman and Ehrlichman even as he bade them farewell; now, naming no names, he said some of his people "may have gone beyond my directives . . . in order to cover up any involvement they or certain others might have had in Watergate."

When the Shouting Stops

The first audience for the statement was the White House press corps, a body now almost at open war with the Administration's front men—and the newsmen received it with almost unprecedented ferocity. Garment and the President's newly appointed special counsel on Watergate, J. Fred Buzhardt, took turns not answering questions about the 1970 breaking-and-entering plans. "I have no authority to declassify the document," Buzhardt finally protested. "Classified or otherwise," one reporter shouted back, "do you realize you are leaving unanswered the question of whether or not the President of the United States

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F. Brennan with apologies to Charles Schultz

BLUEPRINT FOR A SUPER SECRET POLICE

In the low-key, bureaucratic language used by the President last week, they were "specific options for expanded intelligence operations." What that really amounted to, however, was the most wide-ranging secret police operation ever authorized—however briefly—in the peacetime United States. It called for an unprecedented cooperative effort by the nation's most powerful intelligence agencies: the FBI, CIA, National Security Agency and Defense Intelligence Agency. And it paved the way for bugging, burglary, perhaps even blackmail by government agents against American citizens—among them Federal employees, antiwar activists, campus radicals and militant Black Panthers—as well as foreign students and diplomats.

The plan was operational for only five days in the summer of 1970, and the Administration says it was never implemented. But the potential was striking. "When you read it," predicted a Congressional source, "it will send chills up and down your spine." More chilling still, there was mounting evidence last week that the plan had helped spawn Watergate, the break-in at Daniel Ellsberg's psychiatrist's office—and a string of other burglaries by clandestine operatives of the Nixon Administration.

Risks: Under the original plan, the FBI was authorized to take on foreign intelligence assignments inside the U.S. (embassy break-ins, for example), while the CIA got a green light to run its own domestic operations—including, NEWSWEEK learned, spying on high U.S. officials who were suspected of being security risks. One of the proposals would have created a new cadre of "super CIA agents" for domestic missions, operatives who could not be traced to the agency and whose identity and assignments would be concealed from all but the highest agency officials. "The whole purpose," said one source familiar with the document, "was to try to get information on matters the Administration felt endangered national security by whatever means were considered necessary. But a lot of what was proposed didn't deal with national security at all. In many ways it seems like just an excuse for domestic spying."

Similar activities had been carried out routinely by the FBI against foreign agents from World War II through the mid-60s. What made the new strategy so significant was the way it broadened the target to include domestic radicals and other citizens whose direct ties to foreign governments were questionable

at best. It also brought the overseas-oriented CIA, DIA and NSA into a far more comprehensive domestic partnership with the FBI, in the process erasing many of the carefully drawn limits by which these agencies had previously been bound—at least on the record.

The background of the plan, sketched last week in the President's Watergate statement and amplified by several intelligence experts, was as fascinating as the document itself. At the time it was prepared, in June of 1970, FBI boss J. Edgar Hoover, then 75, seemed to many high government officials to be losing his grip. More important, the bureau seemed paralyzed in terms of its own intelligence work—and cut off from other agencies.

Secret lawbreaking had been part of the FBI repertoire since 1941. With the formal or tacit approval of each succeeding Administration—sometimes just a wink or nod—Hoover mounted a broad array of illegal "special programs." Agents tapped telephones, bugged rooms and traced mail to and from subjects under investigation. "We had a virtually free hand," recalled one bureau veteran. "The boys would do what they had to ... And if they got caught, Hoover would disavow them." The free hand included the "surreptitious entry" (breaking and entering) mentioned last week by the President, infiltration of suspect groups and the blackmailing of foreign diplomats—studying their personalities, then luring them into compromising situations to get information.

Spy Rings: Following a 1965 White House order, Hoover dropped the dirtiest of those tricks. The nation that once applauded their use against Nazi saboteurs and Communist spy rings was now less enthusiastic about counterespionage techniques turned against college kids and antiwar matrons.

Some former FBI officials argue that none of this interfered with the FBI's effectiveness. But there is solid evidence that Hoover had not kept up with changing styles of radical activity, and that he had largely ended liaison between his men and other investigative agencies. "We read about the Columbia University riot in the papers," one veteran agent recalled. "Hell, we were getting half our information from the newspapers."

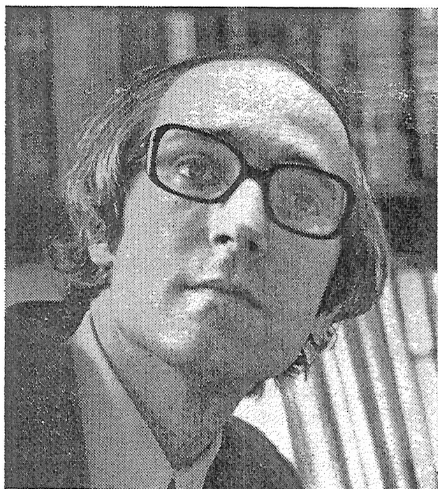
By the summer of 1970, the White House was seriously concerned over the wave of domestic unrest apparently fomented by radicals and ghetto militants. By one accounting there were 1,792 campus demonstrations in the 1969-70 school year alone—plus 274 cases of arson, fourteen bombings, eight deaths and 7,500 arrests. More than 200 cops were attacked in racial incidents between January and November of 1970—with 173 wounded and 23 killed. Specifically, there was concern about such groups as Weatherman and the Panthers (were they receiving funds from countries in North Africa and the Caribbean?) and suspicion that Arab students in the U.S. might be plotting to sabotage Mideast peace talks at the U.N. "What the hell were we to do?" demanded former White House aide Tom Charles Huston last week. "Wait until people got killed? The President did not believe he had adequate information to deal with the magnitude of this problem."

Mr. Nixon's solution was a joint meeting with Hoover, CIA boss Richard Helms, Lt. Gen Donald V. Bennett of the DIA and Vice Adm. Noel Gayler of NSA. Out of this session grew the idea for unifying and expanding critical intelligence activities. Perhaps the key figure, however, was young (then 29) Huston, who was assigned by the White House to help draft the plan and who seemed obsessed by the threat of domestic radicals. A former campus conservative leader, he still stresses his concern that continued unrest at the time might have prompted the wide-spread repression of civil liberties.

The result, NEWSWEEK learned, was that a plan for traditional counterintelligence aimed at foreign agents soon metamorphosed into a new scheme in which "heavy methods" would also be focused on Panthers, the Berrigan brothers, SDS and other leftist groups, draft dodgers and deserters. It proposed opening radicals' mail and harassing them with tax audits. "It is a totally far-right view," said one Congressional source. "It frequently brings up the question of legality and concludes that the problem is too great to consider legal niceties."

Pigeonholed: On July 23, 1970, the plan was approved by Mr. Nixon. But the approval was withdrawn five days later, after Hoover refused to go along. The FBI boss had scrawled objections on almost every page; he may also have been loath to share the bureau's sole responsibility for domestic operations. In any event, Hoover protested to Attorney General John Mitchell, who backed Hoover's case. Some six months after the plan was officially pigeonholed, however, copies were distributed within an interdepartmental intelligence unit set up by Assistant Attorney General Robert Mardian—later a top Nixon campaign aide.

The plan was dead but its spirit apparently lingered on. Over the next two years, NEWSWEEK learned, undercover agents for the Administration made surreptitious entries to undermine the defense in at least three cases against radicals: the Panthers, the Berrigans and the Chicago Seven. White House counsel John Dean, who had worked with Mardian's group, obviously considered his copy of the plan worth filing. Also working with Mardian, as a Treasury representative, was ex-FBI man G. Gordon Liddy, who went on to the White House "plumbers," the Ellsburglary and the plot now known as Watergate.



John May—New York Times

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A question of intelligence: Huston (above), Hoover with the President