ahead, the President didn't show it. He invited the top Republican leaders in Congress and party chairman George Bush up to Room 178 that very evening for a chat, lounging comfortably among the mementoes of his long career, sending his man Manolo Sanchez for Scotch and soda all around and light coffee for himself. "I have given my absolutely best recollection on what occurred," one guest remembered him saying. "... Some of the security leaks bothered me very much and I did what every President before me has done: I tried to do something about it. If some of the secrets had leaked, I couldn't have gone to China and our relations with the Soviet Union would have been disrupted ... We had to find out where those leaks were." He

seemed at ease and eager for their friendship. "I don't know what you here think of me," the President said. "I can only say that I hope you trust me and believe that I am an honest man."

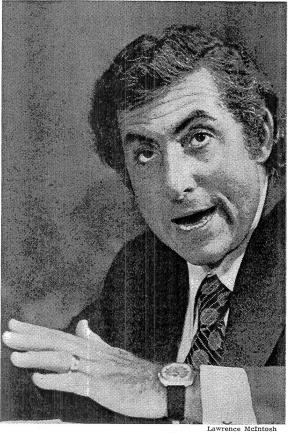
'Why Wait Till Now?'

The guests assured him that they did—"You're among friends, Mr. President," said one—but some of the private talk among senior Republicans was a good deal less upbeat. Some who approved of his new stand thought he had waited far too long. "Why didn't he say it last summer, or last fall, or last month when he went on television?" asked one 1972 campaign higherup. "Why wait till now, when it's too late? If this one fails, there ain't no more." Others shared the surprisingly widespread feeling in the party that he was dissembling—and that he might well have something to hide. "He still hasn't come clean," said a Republican moderate in the Senate, and a gloomy House GOP leader echoed: "We haven't hit bottom yet."

The toboggan slide that most frightens the party, and the Nixonians, is the Ervin investigation. The grand jury inquiry into Watergate is inherently slower and tidier, and its progress has been further delayed while its management passes to Richardson and his new special prosecutor, Archibald Cox. Richardson was finally confirmed by the Senate last week, 82 to 3, with only the most invincibly suspicious Democrats dissenting; he moved swiftly to his new job with some sharp words about "a kind of sleaziness that has infected the ways in which things have been done"—and with an implied promise that he and Cox will try to do something about it.

Cox's first order of business was to

Cox's first order of business was to quiet a rebellion among the three Federal prosecutors already on the case, who felt humiliated at having been superseded and were threatening to quit. They had nearly completed their inquiry and were preparing to seek a comprehensive indictment within 60 to 90 days; the grand jury, Newsweek learned, has in fact already reached a consensus on indicting Haldeman, Ehrlichman, Mitchell and Magruder and is in the process of moving on several more Administration and campaign officials. Magruder's agreement to turn state's evidence without immunity in hopes of a lighter sentence was one major break; the prosecution team, Newsweek learned, has been trying to strike a similar deal with Dean. The old prosecutors are themselves under investigation by the Ervin committee for their earlier handling of the case; Cox held them



over for the time being, but the timetable will have to be slowed while he catches up on the mountain of evidence.

The delay promises Mr. Nixon no respite from Watergate; it is likelier merely to prolong the agony. He served notice last week that he intends to make a fight for his future—"I will not abandon my responsibilities"—and hardly anybody on the Hill had much stomach for impeachment unless it is forced by overwhelming evidence. But neither were any but the stoutest Nixonians satisfied that the President had retrieved the government's reputation, or his own, with last week's white paper. "The office of the Presidency has been impeached already," said one Democratic senator—and the President's statement of his case was the plea of a wounded man, not so much for vindication as for survival.

The Hearings:

On loftier levels, the Watergate debate was conducted in terms of national security, international diplomacy and the historic question of how much a people's freedom may be violated in the name of protecting that freedom. But as Sen. Sam Ervin's special committee ground through its second stately week of hearings, the whole Watergate operation glowed with an ineradicably squalid sheen. While the seven senators looked on in mixed astonishment and repugnance, a squad of ex-burglars, excops and ex-mouthpieces trooped before the committee microphones and network TV cameras to relate their humble workman's roles in the national disgrace and to affirm that they hardly made a move that wasn't inspired by thoughts of service to their friends, their country or their President.

In substance, the second round served



Ulasewicz: Don't take an army

Alch: A client's ingratitude

primarily to buttress the first—notably the allegation by James W. McCord Jr., convicted Waterbugger and the committee's first star witness, that he had been promised financial security and "executive clemency" by the White House if he took his punishment quietly. Some relatively minor charges—especially McCord's allegation that his first attorney, Gerald Alch, had in effect asked him to take a dive—were disputed seriously enough to cause rumblings about perjury from the senators. But on the largest question—whether Mr. Nixon had authorized or even known about the offer of clemency imputed to him—the committee ran up against a tantalizing wall of ambiguities and inferences.

As pure theater, the Ervin hearings were an unqualified smash. Senate investigators themselves had expected that

Under the Cover

the slow pace, withering complexity and twice-told nature of the major revelations would limit the audience. Instead, last week's bizarre parade of Watergate un-derlings and satellites—a thin-lipped intelligence technician, two tuber-nosed cops on the make, an affable ex-FBI man, a curly-haired, sun-lamped attorney and a jittery Watergate convict still hoping that he had done what was best for Cuba—apparently caught the public's attention as had no such Washington spectacle since the Army-McCarthy hearings in 1954. Preliminary viewing estimates indicated that about 25 million Americans, all but a fraction of the regufile fraud charges against International Telephone and Telegraph Corp. in 1972. And in the same case, former White House counsel John W. Dean III, a leading man in half a dozen other probes, was called to testify last week before a closed-door session of a House Commerce subcommittee.

But the public's fascination remained with Ervin and his rogues' opera in the Senate Caucus Room. McCord opened last week's testimony as he had left off the previous week's, depicting himself as a longtime CIA "team player" who never questioned the orders of "high-level offi-But in the aftermath of Watergate, he said, he began to feel that the White House was taking over the CIA for political purposes-which "smacked of week), Caulfield confirmed that he had served for weeks as a go-between for McCord and the White House—motivated at first only by his "personal concern" for his friend McCord.

In December, according to Caulfield, McCord sent him an unsigned note warning that "every tree in the forest will fall" if the White House tried to shunt the blame for Watergate onto the CIA. This message, Caulfield said, seemed ominous enough to warrant reporting to John Dean, who told Caulfield to offer McCord money and post-prison employment. "I immediately realized that I was being asked to do a very dangerous thing," Caulfield testified—so dangerous, in fact, that he prevailed upon Dean to allow him to get another former New

York cop, Anthony Ulasewicz, to make the actual call. After Ulasewicz failed to persuade McCord, Caulfield himself took up the delicate mission series of clandestine

meetings.



McCord had testified that Caulfield once said the President "would be immediately told of the results" of their meetings and even hinted of 'a message to you at our next meeting from the President himself." But as the courier told it, his terminology never went beyond references to "the highest levels of the White House"—by which he meant Dean, and by implication, John Ehrlichman.

Caulfield's terminology was precise, he said, because he had discussed with Dean exactly how the offer should be phrased. When Dean spoke of "the very highest levels of the White House, the witness said, Caulfield asked if he should stipulate

asked if he should stipulate the President. "No, don't do that, say that it comes from way at the top," Dean allegedly replied. Under questioning from Sen. Joseph Montoya, Caulfield allowed that "in my mind I believed he was talking about the President."

talking about the President. Caulfield also trod delicately around the question whether the clemency offer carried with it a specific demand for McCord to plead guilty. McCord had said yes, but Caulfield-perhaps in deference to the laws against suborning perjury-insisted that he had never menperjury—missed that he had never mentioned any such thing. Nonetheless, he admitted that Dean had referred to McCord's holdout as a "problem"—and when told that McCord would stick to it, Dean said: "Well, what the hell does he know, anyway?" It was only after McCord had made it clear last winter that he intended to spill his story, Caulfield said, that Caulfield ventured: "Jim, I have worked with these people and I know them to



Caulfield: Something dangerous

McCord: 'What does he know?'

lar daytime soap-opera and game-show crowd, tuned in the hearings each day.

This public reaction to the televised proceedings was all the more surprising because other Capitol Hill investigations were producing disclosures "clearly more damaging to the President than anything in our hearing," according to one Ervin committee aide. Acting chairman Stuart Symington's Senate Armed Services Committee inquiry into White House pressure on the CIA was unquestionably the most powerful of these, but tentacles of the scandal were creeping all over town.

The Securities and Exchange Commission, already in hot water for its handling of Nixon contributor and indicted financial freebooter Robert L. Vesco, was charged further with having ignored a staff recommendation that it



the situation which Hitler's intelligence chiefs found themselves in in the 1930s. It was for this reason, McCord said, that he refused to trade his silence for the offers of executive elemency relayed to him in a series of whodunit-style meetings and phone calls with Jack Caulfield.

'Personal Concern'

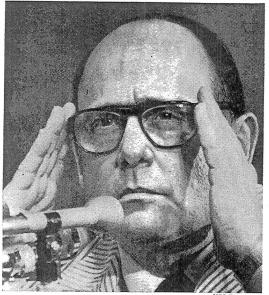
The most damaging parts of McCord's testimony danced on the twin assertions that he had been promised executive clemency and that this offer, as relayed by Caulfield, was specifically stated to have come from the President. But Caulfield would back up only part of that scenario. In a lengthy recitative of his career from New York City patrolman up through various White House jobs to his final \$31,000 post as a Treasury Department official (he resigned last

NATIONAL AFFAIRS

be as tough-minded as you and I. When you make your statement, don't underestimate them." McCord had interpreted that as being a threat, but Caulfield said that his motives throughout were his friendship for McCord and his belief "that I was doing something for the President of the U.S."

A Spookish Plan

The recalcitrant McCord also kept Dean hopping, Caulfield said, with a thoroughly spookish idea of his own for staying out of jail. In the knowledge or belief that the Chilean and Israeli embassies were being wiretapped by U.S. agents, he telephoned both of them, asking for visas and hoping to be bugged. His plan was to have his attorney de-



Barker: For Cuba and Hunt

mand that all wiretaps in his case be produced; if the government refused to admit that the embassies were bugged, McCord might go free. But McCord dutifully checked the idea with the White House, Caulfield said, and it was vetoed; in the end, nothing came of it.

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Caulfield was succeeded at the microphones by the earnest Ulasewicz, a muffin-faced 26-year veteran of the New York police and more recently a subcontractor to Ehrlichman's dirty-tricks department. Ulasewicz's principal refinement of earlier testimony was his admission that he might have talked to McCord about taking a dive last winter. But his most heartfelt testimony came in his role as free-lance critic of the Watergate burglars' technique. "I will tell you," said Ulasewicz grimly, "any old retired man in the New York City Police Department who would become involved in a thing like that ... he would not have walked in with an army, that is for sure. He probably would have walked in like any decent, commonlooking citizen, laid something in the right place and walked right out and that would have been the end of it for a

long time [laughter in the hearing room]."

Sobriety returned with the sudden injection into the line-up of Gerald Alch, a wavy-haired Bostonian whom McCord tried to dismiss as his attorney last winter. In a self-exculpatory statement, Alch said that he had merely asked McCord if there was "a factual basis" for blaming the CIA for Watergate, and had not suggested that McCord build his defense on this contention. Any discussions of executive elemency, he added, were merely speculations. The truth of the matter, Alch confided, was that McCord had been touchingly grateful for Alch's early services and only later showed signs of becoming "paranoid"—conceivably under the influence of his second attorney, Bernard Fensterwald. It was Fensterwald, Alch said, who told him in a phone conversation, "We're going after the President of the United States." Fensterwald, who was sitting with his client three seats behind Alch in the hearing



Baldwin: 'I would not question'

room last week, quickly denied the allegation.

What minimal continuity had been preserved in the hearings so far was broken off entirely with the appearance of another convicted Waterbugger, Bernard L. Barker, a Cuban-born Miami real-estate man and former CIA oddjobber. Trembly of hand and gnarled of syntax, Barker spoke with persistent reverence and awe of E. Howard Hunt, the old CIA hand whose espionage career stretched triumphantly across the Bay of Pigs to Watergate. Hunt had explained to him, Barker said, that the Ellsberg and Watergate raids were "a matter of national security." Barker unhesitatingly went along in the further belief, he said, that Cuban-American cooperation with

Hunt and others in high places might lead a grateful U.S. Government to hasten the "liberation" of Cuba from Fidel Castro. Did that make any sense at all? "Quite frankly, I am just a human being," Barker said in a quavering voice. "I get confused about all these things. Sometimes I do not know the answers to these questions."

The week's last witness was Alfred C. Baldwin III, the former FBI man who was monitoring the Watergate wiretaps from a Howard Johnson's motel room during the ill-fated burglary. Under questioning by Connecticut Sen. Lowell Weicker, Baldwin maintained that because he was working for the White House and the former Attorney General, "I would not question to do what I was asked to do."

The dramatic impact of the televised hearings was sufficient to cause a switch in strategy by members of the GOP minority on the Ervin committee. In contrast to the first week, when he had been heard with stern disinterest, McCord was questioned sharply by GOP members last week along lines suggesting that his testimony was flawed and self-serving. Attorney Alch, Newsweek learned, was moved immediately to the stand at GOP insistence to rebut McCord's charges against him, and Republican senators leaked word that Caulfield would offer conflicting testimony.

Harassments and Reprisals

As the show warmed up, the Senate panelists received a stream of phone calls threatening reprisals; committee members were offered guard escorts and security forces were strengthened in the Senate Caucus Room—just in time to throw out five assorted demonstrators on the final day of last week's hearings. The three commercial TV networks were fielding harassments of their own. Despite the solid ratings, mail and phone comment was running about 10 to 1 against the hearings—partly because they pre-empted the daily soap operas, partly because some viewers saw them as "Democratic propaganda." The networks agonized over whether to continue live gavel-to-gavel coverage and finally decided to take turns covering next week's hearings, with each of the three taking one day at a time.

If the committee's activists get their way, the show will be an exciting one. The schedule had called for a continued parade of minor characters in the case, but two Democratic senators are urging an immediate call for Dean, Ehrlichman, H.R. Haldeman, John Mitchell and finance committee chairman Maurice Stans. That would suit some committee staffers; one aide complained last week that the hearings were turning into a "sideshow." "Ulasewicz is terrific stuff—fine," he said. "But goddammit, we're charged with investigating political corruption in the White House, not listening to old-time police stories. We have got to keep the main line of material moving."