

Magruder Calls O'Brien a Target

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WASHINGTON, June 14—

An effort to discredit former Democratic chairman Lawrence F. O'Brien emerged publicly today for the first time as a major objective of the break-in and espionage at the Democratic National headquarters at the Watergate complex.

Jeb Stuart Magruder, testifying before the Senate Watergate Committee, said officials who planned the espionage were hoping to find evidence of an alleged kickback scheme in connection with the Democratic National Convention. They were hoping that the scheme might be tied to the Democrats or to Mr. O'Brien, Mr. Magruder indicated.

Said Mr. Magruder: "I think there was a general concern that if he [Mr. O'Brien] was allowed to continue as Democratic National Chairman, because he was certainly their most professional . . . political operator, that he could be very difficult in the coming campaign.

"So we had hoped that information [thus gained] might discredit him."

Richard J. Murphy, convention manager for the Democrats, greeted the disclosure of the plan with laughter.

A Small Exposition

Mr. Murphy said both the Democrats and the Republicans had been approached about the same scheme. He said the Democrats had turned it down and that he thought the Republicans rejected it, too.

The proposal was to hold a small exposition, "called an exhibition of the American economy or something like that," as a fund-raising device much like a convention program book, he said. Corporations were to have been asked publicly to purchase space in the exhibit and the Democrats were to get a flat fee.

"The very idea of suggesting that this was to be money to be kicked back to Mr. O'Brien or the Democratic National Committee—why, it baffles the imagination," Mr. Murphy said. "It's laughable."

Mr. Magruder, second 8n said that potential targets for wiretapping and photographing were discussed at a meeting with John N. Mitchell, the former Attorney General, John W. Dean 3d, President Nixon's former counsel and G. Gordon Liddy, a convicted Watergate



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Lawrence F. O'Brien

burglar and at the time general counsel to the re-election com-

The Democratic headquarters at Watergate was chosen "primarily because of information we had relating to Mr. O'Brien that we felt would be possibly damaging to the Democratic National Committee," said Mr. Magruder.

Pressed on the point, he said "information" had come from Kevin Phillips, a newspaper columnist, author and Republican theorist.

The idea, he explained, was to have the exhibit company, which he called "Columbia Exposition Company," solicit corporations to buy space in its exhibit and kick back half of those payments to the Democrats.

The kickbacks, he indicated, were to have been made in addition to a fee paid to the Democrats for use of space for the exhibit. Mr. Magruder said Liddy told him he got a friend to call the Democratic committee posing as a businessman and said that the friend had confirmed the arrangement.

Mr. Murphy said the proposal was made to the Democrats by the same company during the summer of 1971 but that it never involved kickbacks.

Legal Opinion

He said he thought the firm was from New York and was run by a "Walter Scott" and another man named "Shulman."

"I know Mr. Scott told me he had already made presentation to Tom Evans, Mr. Murphy said. The reference was to Thomas B. Evans Jr., co-chairman of the Republican National Com-

mittee. He could not be reached for comment immediately.

Mr. Murphy said the Democrats sought a legal opinion on whether the scheme was legal and that Robert S. Strauss, then the Democratic party treasurer, insisted that the exhibition concern produce records showing that it was financially sound.

"Mr. Strauss indicated that we just couldn't be worried to take this on with all the other problems we had unless this firm guaranteed it was financially solvent and that it was reputable.

"I think Mr. Strauss set a date for them to show evidence of financial backing and when they didn't make it, it was dropped," he added.

Mr. Murphy said he thought the men who approached them were "both Republicans" and that their principal backer was a Republican.

He said the proposal was discussed at several open meetings and that during three public sessions, representatives of the Republican National Committee sat in because they were planning a convention and wanted to see how the Democrats were going about it.

Mr. O'Brien declined to comment on the matter because of a pending \$6.4-million damage suit he and the party brought against the re-election committee and supporters of President Nixon's campaign.