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Robert C. Mardian, former assistant attorney general, makes a point.

Frederick C. LaRue, former Nixon campaign aide, pauses to relight pipe.

Mardian Says Liddy Claimed Top Authority for Activities

By Lawrence Meyer and Peter A. Jay
Washington Post Staff Writers

Former Assistant Attorney General Robert C. Mardian testified yesterday that Watergate conspirator G. Gordon Liddy told him that the budget for the Watergate bugging had been approved by former Attorney General John N. Mitchell and the White House.

Mardian said Liddy also used words that "were clearly meant to imply that he was acting on the express

authority of the President of the United States" when Liddy directed a break-in at the offices of Daniel Ellsberg's psychiatrist.

According to Mardian, Liddy's report to him on June 21, 1972—four days after the arrests inside the Watergate—was the first time Mardian had heard about the Ellsberg break-in or the possible involvement of high administration and Nixon re-election officials in the Watergate operation.

Despite conflicting testi-

mony from at least three previous witnesses before the Senate select Watergate committee, Mardian denied repeatedly yesterday that he had been involved in the cover-up of the Watergate affair.

Liddy's statement, as reconstructed by Mardian, that Liddy was acting on the "express authority of the President of the United States" in the Ellsberg break-in appears to corroborate

See HEARING, A24, Col. 1

HEARING, From A1

rate the previous Senate testimony of former White House counsel John W. Dean III.

Dean had testified that former White House aide Egil M. Krogh Jr., who was head of the White House "plumbers" unit formed to investigate government leaks, told Dean that the authorization for the Ellsberg break-in had come from the Oval Office, the White House office of President Nixon.

Mr. Nixon has acknowledged in his May 22, 1973, Watergate statement that he told Krogh to investigate Ellsberg, but the President denied authorizing or knowing about "any illegal means to be used to achieve this goal."

Mardian's testimony about the June 21, 1972, meeting with Liddy is the first detailed public account of what Liddy has said his activities were, first as a White House "plumber" and

later as a participant in the Watergate operation. Since Liddy has refused to talk in any forum about his activities, Mardian's account of the meeting may also be the closest thing to a first-hand story that will ever be told of Liddy's activities.

The image that emerges of Liddy from the meeting reinforces his public image as something of an eccentric.

The meeting was conducted in the apartment of Frederick C. LaRue, who preceded Mardian to the witness table. The first thing Liddy did when he arrived, Mardian said, was to turn on a radio.

"He (Liddy) apologized to me by saying something to the effect that it is not that I do not trust you, but this conversation cannot be recorded," Mardian said. "My inference from that was he thought I had some kind of a device on me, possibly in the room, I do not know."

Liddy then tried to retain Mardian as his personal lawyer, Mardian said, in order

to have the confidentiality of their conversation protected by attorney-client privilege.

Mardian said he could not be Liddy's lawyer since Mardian already represented the Committee for the Re-election of the President. Mardian said he nevertheless assured Liddy that the conversation would be kept confidential.

Mardian subsequently was ordered by Chief U.S. District Judge John J. Sirica to reveal the conversation to the federal Watergate grand jury. Mardian referred to this situation as an "anomaly," since Liddy now is serving an eight-month contempt of court sentence—in addition to the six years and eight months sentence he was given for his role in the Watergate affair—for refusing to tell the grand jury about his activities after the Watergate trial had ended.

Liddy, Mardian said, told him that investigators would be unable to trace the five men arrested inside the Democratic National Committee's Watergate head-

quarters back to the Nixon re-election committee. "Never under any circumstances" would the role of E. Howard Hunt Jr. be disclosed, Mardian testified Liddy told him. Hunt's identity already was known to the FBI, however, and he was convicted with Liddy and the five other men.

"I tried to convince him (Liddy) he would be identified, that his best bet was to give himself up rather than try to wait for them to arrest him," Mardian testified, but Liddy "discounted this possibility."

Liddy, in trying to impress Mardian with the tight security kept by the Watergate conspirators, told Mardian, "We pulled two (jobs) right under your nose."

One "job," Mardian said Liddy told him, involved getting ITT lobbyist Dita Beard "out of town" when her activities threatened the confirmation of Richard G. Kleindienst as Attorney General. The second job, Mardian said he was told by Liddy, involved the Ellsberg break-in.

"I asked him on whose authority he was operating," Mardian told the committee, "and I wish to be very careful here, because I don't know that he used the name of the President, but the words he did use were clearly meant to imply that he was acting on the express authority of the President of the United States, with the assistance of the Central Intelligence Agency."

Mardian said that Liddy, in trying to show how thorough Liddy had been in covering his tracks, "told me he had shredded every bit of evidence that would have linked him to this operation as well as all the other operations."

"He told me he had even gone home—he has a habit, he told me, or a hobby, I should say, of collecting soap from the various hotels —(and) he had taken the soap wrappers off and shredded all the soap wrappers.

"He also told me that during this process he had shredded all of the \$100 bills that he had in his possession that were new and serialized."

Mardian said he recounted some of this information later to Mitchell, who "appeared to be as sincerely shocked as I was when I got this information."

Mardian said Mitchell made no comment about whether or not he had approved the Watergate operation budget—which Mitchell has vigorously denied doing—when he was told by Mardian what Liddy had said.

On the basis of what Liddy had told him, Mardian testified, he believed that the CIA was involved in the Watergate operation. Mardian said, in support of his belief, that Hunt and five other Watergate conspirators—re-election committee security director James W. McCord Jr., and Miamians Bernard L. Barker, Frank Sturgis, Virgilio Gonzalez and Eugenio Martinez—all had worked for the CIA at one time or

another. Mardian pointed out that the five men had false identification provided by the CIA on their persons when they were arrested and, he said, a present CIA employee had told him he would "stake his life" on the proposition that the CIA was involved.

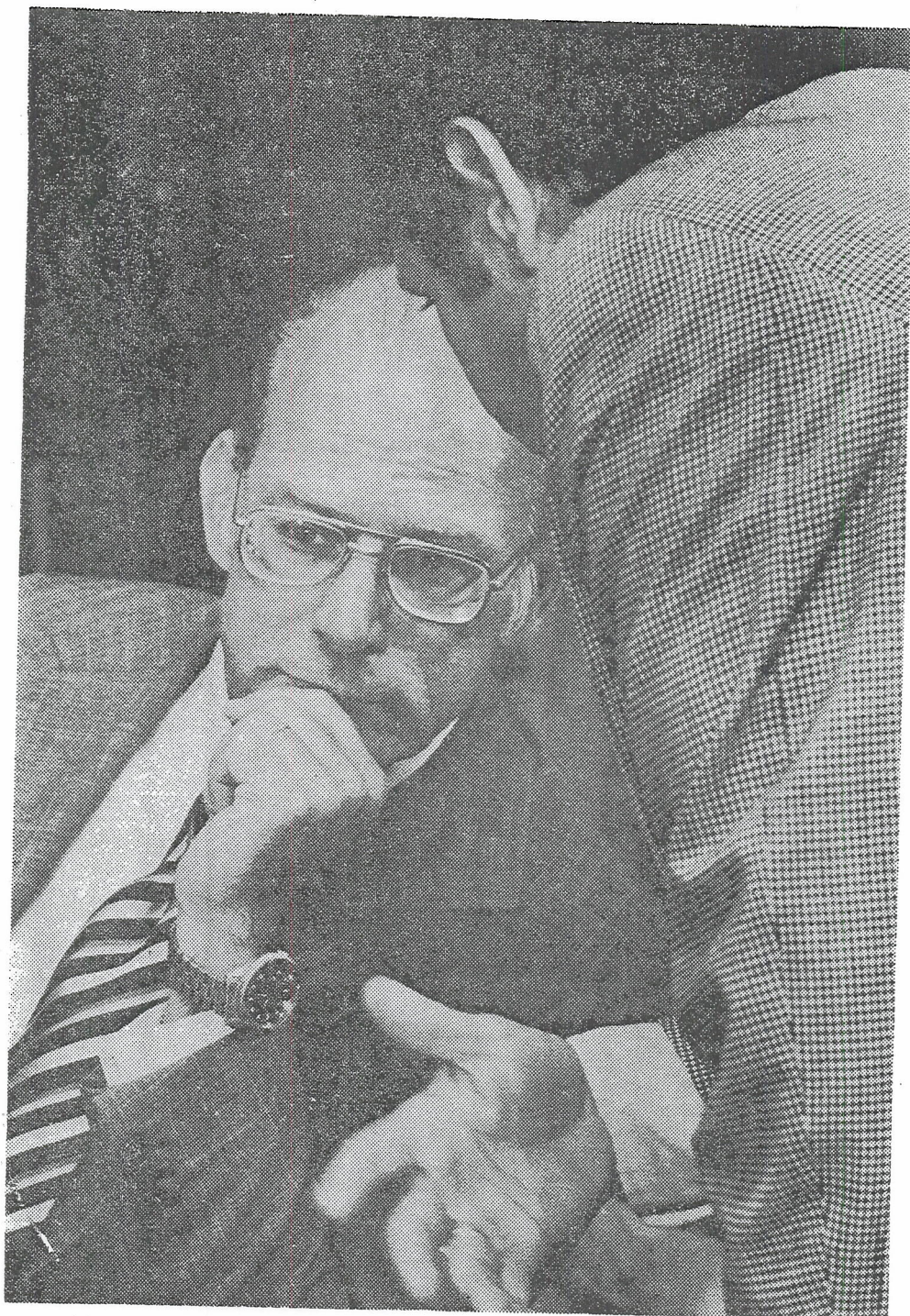
Mardian said, however, that he could not recall, as Dean has testified, that he (Mardian) had suggested "that the CIA might be of some assistance in providing us support ..." in the Watergate cover-up.

Mardian's disagreement with Dean's testimony on that point was one of several times Mardian contradicted what previous witnesses had testified about his role in the events following the June 17, 1972, arrests.

Mardian testified that he "never heard" that Herbert W. Kalmbach, President Nixon's personal lawyer, was involved in raising money to pay the Watergate defendants for legal fees and support money.

Assistant Senate committee counsel James Hamilton referred to Dean's testimony that on June 28, 1972, in a meeting with Mitchell "and I believe Mr. LaRue and Mr. Mardian were also present," the subject of asking Kalmbach to raise support money was discussed.

Hamilton quoted a passage from Dean's testimony about "pressure" being applied on the White House to use funds it was holding to pay the seven Watergate defendants. "This pressure," Dean testified, "began long



Photos by Frank Johnston—The Washington Post

Frederick C. LaRue, left, talks with S. William Shure, assistant committee counsel.

before election day in that Paul O'Brien (a lawyer for the Nixon re-election committee) was receiving messages from William Bittman, Hunt's lawyer, that Hunt and others expected to have more money and attorney fees in exchange for continued silence. The initial payments by Kalmbach had not been sufficient. O'Brien reported this frequently to Mitchell, Mardian and myself."

Mardian said he could recall no "approach or demand or discussion" with O'Brien except for a conversation in which Mrs. Hunt had talked to O'Brien, apparently unsuccessfully, according to Mardian, about getting money from the re-election committee.

Bittman, Mardian testified, at one time told him that Hunt was "very upset about his attorney fees or something to that effect." Kenneth Wells Parkinson, another re-election committee lawyer, later told Mardian that Bittman had said Hunt thought the re-election com-

mittee should pay a \$25,000 fee, Mardian said.

Mardian said he told Parkinson, "I thought it was blackmail, and Mr. Parkinson, I think, concurred." According to other testimony, Bittman was given more than \$200,000 from Nixon re-election committee funds.

As for his own role in these payments, Mardian testified, "I sat in on meetings concerning the civil litigation (the suit brought by Democratic officials against the Nixon re-election committee) but I never sat in on

any meeting with Mr. O'Brien or Mr. Parkinson where there was any discussion about payments."

Another conflict raised by assistant Senate committee counsel Hamilton concerned Dean's assertion that Mardian wanted to see FBI reports on the Watergate affair.

"It is the last thing I wanted to read," Mardian replied.

"Did you ever suggest to Mr. Dean that the FBI was being too aggressive?" Hamilton asked.

"No," Mardian replied.

"And Mr. Gray (former acting FBI Director L. Patrick Gray III) should slow down his investigation?" Hamilton asked.

"No, absolutely not," Mardian replied.

Hamilton also referred to former Attorney General Mitchell's testimony that deputy Nixon campaign director Jeb Stuart Magruder had told Mitchell, at a meeting attended by Mardian and LaRue, that Magruder would commit perjury before the grand jury.

"I was present at numerous meetings where Mr. Magruder was discussing the money amount (that went to Liddy from re-election committee funds)," Mardian testified. Mardian said he knew, based on what others had told him, that Magruder's account of the money was false. "But I don't think that what Mr. Mitchell is saying . . . is that he (Magruder) told me he was going to perjure himself."

Hamilton also cited Magruder's testimony that Mardian, along with others, knew the false story that Magruder had created and that Mardian and others "acquiesced" to it.

Mardian responded that Magruder had testified that Mardian knew about the false story "to some extent."

By that phrase, Mardian explained, "I think he (Magruder) probably was aware of the fact that I, after talking to Mr. Liddy, knew of his (Magruder's) involvement and I would be less than honest if I did not say that if Mr. Magruder went up there and testified that he was not involved, he would be perjuring himself."

Mardian also denied, as Magruder testified, that he had ever suggested to Magruder that he erase certain references in his personal diary. "That conversation never took place in my presence," Magruder said.

Finally, Hamilton told Mardian, "A number of people have testified in ways that appear to implicate you in certain aspects of the cover-up . . . And to believe you fully, Mr. Mardian, we must at least partially, I believe, disbelieve these men, including Mr. Mitchell, whom I understand was once and perhaps still is, your close friend. My question is why should we believe you and not believe them?"

"The only answer I can give is that I have tried to testify as to the best of my recollection and ability and belief," Mardian responded.

Mardian, 49, served as general counsel for the Health, Education and Welfare Department from 1969 until September, 1970, when he became executive director of the Cabinet Committee on Education, which was responsible for implementing the Nixon administration's school desegregation policies.

From November, 1970, until May, 1972, Mardian was the assistant attorney general in charge of the Internal Security Division of the Justice Department. He left the committee in May, 1972, to join the Nixon re-election committee as a political coordinator.

In his testimony yesterday, Mardian said at various times that he had no knowledge of the Watergate affair until after the June 17, 1972, arrests.

On the next day, he recalled, Magruder told him that the re-election committee had a budget for such things as "dirty tricks and black advance."

Asked about the latter term, Mardian replied that he had never heard it before. "I assumed when they told me about it that it was for black advance men," he said. "I learned, however, that a black advance was a counter-advance that was carried on against the opposition candidates or persons operating in their behalf. In other words, an attempt to disrupt the advance schedule of the opposition." He gave no examples of the use of such tactics, however.

There was more discussion of budgets for dirty tricks, Mardian testified, when a few days later he tried to find out how much money Liddy had been given for his operations.

Magruder first told him \$40,000 had been authorized, Mardian said, but Hugh W. Sloan Jr., the treasurer of the re-election committee and the man who actually

disbursed the money, later told him the figure was actually nearly \$200,000.

Magruder, Mardian said, never admitted to him that this was the correct amount, and he himself has never been able to confirm it.

Before Mardian took the stand yesterday, Frederick LaRue expanded on the testimony he gave the committee on Wednesday about his role in the cover-up following the break-in at the Watergate offices of the Democratic National Committee.

He said he gave attorney William O. Bittman \$25,000 in cash last October to cover legal fees for the defendants. It was the second \$25,000 payment to go to Bittman, according to testimony. Anthony Ulasewicz, an undercover political agent for the White House, has testified he delivered a similar sum in July.

LaRue continued to distribute money throughout the fall and winter of 1972, he testified, after Kalmbach and Ulasewicz dropped out of the operation in September.

The money came from several sources, LaRue testified: \$81,000 from former Commerce Secretary

Maurice Stans in July, \$30,000 from Kalmbach in September, \$14,000 in January from former Montana Gov. Tim Babcock, and two deliveries from a White House special fund by presidential aide Gordon Strachan—\$50,000 in December and \$280,000 in January.

There was \$113,000 left over after his distributions, LaRue testified, which was returned to the Committee for the Re-election of the President.

LaRue, in whose apartment Mardian interviewed Liddy, testified that he also was present at that meeting and also briefed Mitchell on it later that same evening. He said the date was June 20, however, and Mardian testified it took place June 21. LaRue was far less detailed than Mardian in his testimony about what Liddy had told them.

After the Watergate arrests, LaRue testified, there were efforts at the Nixon re-election committee to manufacture a "protective story" to explain why Liddy had received committee funds. "My recollection of the facts is that Mr. Magruder evolved this story himself," he said.

LaRue said he was aware

that Magruder was prepared to perjure himself, if necessary, to avoid disclosing the re-election committee's involvement in the Watergate affair when he was called before an investigating federal grand jury.

No one tried to dissuade Magruder from doing so, LaRue said.

At the end of LaRue's testimony, the Senate committee's chairman Sen. Sam J. Ervin (D-N.C.) took time, as he put it, "to philosophize just a little bit about the Watergate."

Apparently speaking from memory, Ervin said that "the evidence thus far introduced . . . tends to show that men upon whom fortune had smiled benevolently and who possessed great financial power, great political power and great governmental power undertook to nullify the laws of man and the laws of God for the purpose of gaining what history will call a very temporary political advantage."

He then quoted from St. Paul's letter to the Galatians: "Be not deceived. God is not mocked; for whatsoever a man soweth, that shall he also reap."

LaRue, who completed his testimony yesterday, has pleaded guilty to one count of conspiracy to obstruct justice. A letter from special Watergate prosecutor Archibald Cox was placed in the record yesterday indicating that because of his cooperation with government prosecutors, LaRue will not face further charges.

The hearings continue today. Mardian will resume his testimony at 10 a.m.



By James K. W. Atherton—The Washington Post
Robert C. Mardian, right, former assistant attorney general, and his attorney, David G. Bress, listen to a question.