## JUL 2 1 1973 rachan Confident Immunity

The following is the opening statement presented to the Senate Watergate committee by Gordon Strachan, a former top aide to presidential assistant H. R. Haldeman.

Mr. Chairman and mem-Mr. Chairman and mem-hers of the committee, I am here at the request of the Committee and prepared to answer fully and truthfully all questions related to the matters specified in Senate Parallution 60 establishing matters specified in Senate Resolution 60, establishing this Committee's jurisdiction. As you know, I met three times in executive session with the Committee to prepare for today's questioning. In addition, on four prior occasions my attorney met with Committee attorneys to explain the subjects neys to explain the subjects on which I could testify,

The Committee voted unanimously to grant immuunanimously to grant immunity with respect to this testimony and my counsel has advised me that testimony under such a grant is a legally proper procedure intended to permit a full, candid disclosure of the truth about the Watergote matter. about the Watergate matter.

I should also add that before my discussion with this committee, I had already met—voluntarily—with the Watergate prosecutors on three occasions and my attorney met with them and their successors on four more occasions.

In short, even prior to testifying here today, I mad a complete and honest disclosure to the original prosecu-tors, to their successors and to this committee.

Much of the information I will disclose is politically embarrassing to me and the administration. Some of it shows that I closely associated during my employment at the White House with in-dividuals who have confessed to criminal wrongdo-

ing. Where Mhere other witnesses have made charges, if I know their statements are true, I am here to confirm the truth of such charges, even to the extent it might reflect adversely on me. You will find that I will readily admit today many things that anyone who is trying to cover-up would quickly

But where I know that the statements of a witness are false, I will deny them, not out of a motive to protect anyone-certainly not out of anyone—certainly not out of a motive to protect myself— for I am confident that the immunity I have been granted is genuine.

tion to corroborate specific matters and to refute others does not stem from a desire to testify for or against anyone—nor from a desire to feign excessive remorse— but solely because I am here to tell the truth.

Press reports predicting my testimony here have been nothing short of in-credible. My testimony be-fore the grand jury on April 11, 1973, appeared in the na-tion's newspapers within a week although grand jury week, although grand jury testimony is required by law to be kept secret. Next, several grossly inaccurate and contradictory versions of my expected testimony before this Committee were reported—although the Committee's staff confirmed that the newspaper headlines were a serious distortion of the information my attorney, Mr. (John) Bray, gave the Committee. Then on the 4th of July, television, radio and newspapers reported coast-to-coast that I had agreed to plead guilty. Only a few correspondents even bothered to ask my attorney whether that was true. Do whether that was true. Despite Mr. Bray's denials, the story was run anyway. And finally, the day after my tes-timony before this Committee in executive session, several inaccurate stories about my testimony appeared.

-Today, my testimony will, to the displeasure I suspect of many interested onlook-ers, conflict with these mis-

taken press reports.
In the two and one-half months I have been unemployed, I have tried to review the information I have that can aid this Committee in bringing out the full story about the Watergate matter. I believe it would be helpful if I take a moment now to supply some missing links in the testimony of other witnesses and hopefully clear up some of the

confusion and contradictions-at least to the extent of my own knowledge.

I was a staff assistant to Mr. Haldeman. My office was located in the basement of the White House. One of my responsibilities during the President's re-election campaign was to serve as liaison with the Committee to Re-Elect the President. It was my job to accumulate all the information I could obtain from members of the White House staff, personnel at 1701, the Republican National Committee and from the campaign personnel in key states and cities.

Periodically, I was to report important political matters to Mr. Haldeman. I wrote him many long reports, entitled political matters memos, describing the current status of pending political matters. He relied on me as the member of his on me as the member of his personal staff who would obtain information on cam-paign matters. Either I would have the answer, or I would get it.

As to the subject of political intelligence gathering, however, John Dean was designated as the White House contact for the Committee to Be Floret the Dragit mittee to Re-Elect the President. I have advised the Committee where the documentary proof on this point is located. As a result, my inquiries about political intelligence were slight. Mr. Haldeman seldom had me attend meetings on the cub. attend meetings on the subject. He rarely asked me a

question about the subject and so I seldom reported

Nor did Mr. Dean report to me about all his activities about it to him.

in the area of political intelligence.

When the subject of politi-When the subject of political intelligence was mentioned at a meeting I attended, or when I knew the subject was on the agenda of a meeting I was not invited to attend. I would, as the staff assistant, follow up with the principals and rewith the principals and remind them about the subjects discussed. On those oc-casions when I made such follow-up inquiries with Mr. Haldeman about political intelligence operations, he responded that I should let Dean handle it. When I followed up with Mr. Dean, he rarely advised me in any detail about the status of intelligence and the status ligence matters. Instead, he dealt directly with Mr. Haldeman.

For example, neither Mr. Haldeman nor Mr. Dean advised me of the series of meetings with Mr. Mitchell, meetings with Mr. Mitchell, Dean. (G. Gordon). Liddy and (Jeb Stuart) Magruder. Nor was I invited to or informed about Mr. Dean's February meeting with Mr. Haldeman at which Mr. Dean says he told Mr. Haldeman that the Liddy

plan was outlandish and that the White House should have no further involvement. Neither Mr. Haldeman, Mr. Dean, nor for that matter, Mr. Magruder, ever told me of any of those

meetings. And I certainly did not attend any of them.

Turning to my duties and reporting activities with the Committee to Re-Elect the President, I found myself in an unusual and not entirely comfortable situation. I was the White House conduit for reporting the activities of 1701, including the activities of Mr. Magruder—the man who shortly before had been my boss at the White House.

Mr. Magruder's reporting practices were marked by two features. First, he considered it a burden to report through me. My role—as Mr. Haldeman intended it-was

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somewhat of a constraint upon Mr. Magruder's ability to have free reign at the committee, independent of the scrutiny of the White House. As a result, Mr. Ma-

gruder frequently tried to avoid the reporting system. When Mr. Magruder did report, he reported as much as possible on successful developments that reflected favorably on his campaign leadership and as little as possible on projects that were not going well. On projects that were not going well. On projects that went smoothly or portrayed him in a good light, Mr. Magruder would often give a full report directly to Mr. (Lawrence) Higby or Mr. Haldeman; on ineffective or failing projects he would seldom do more than make brief mention to me on the general subject matter—just enough to protect himself from later criteism that he had with-

held information from the White House in case the project went totally sour.

Second, he considered it a serious impairment of his status to report to me rather than to someone more senior, especially since he had previously been my boss at the White House. He asked that I deal with Mr. (Robert) Reisner, his administrative assistant, whose position on Mr. Magruder's staff corresponded more to my position on Mr. Haldeman's staff. I did increase my contacts with Mr. Reisner and other campaign aides, but continued to insist on dealing directly with Mr. Magruder on many projects.

tacts with Mr. Reisner and other campaign aides, but continued to insist on dealing directly with Mr. Magruder on many projects. With respect to the particular subject of political intelligence, Mr. Magruder has testified in very general, carefully hedged and characteristically vague terms that he assumes he either automatically sent me materials about, or called me and gave me a general description of, intelligence plans. Had anyone ever heard the details of prostitution, goon squads, kidnaping and wiretaps, he would be unlikely to forget it. I certainly

taps, he would be unlikely to forget it. I certainly would not forget it. Mr. Magruder never gave me that information and certainly not those details, because if he had, I would immediately have passed it on to Mr. Haldeman, I would remember it and I would be here today testifying about it

today testifying about it.

By any standard, the meetings at which the Liddy

plans were presented were classic examples of poor staff work by the committee and a waste of time. The testimony has been virtually unanimous that Mr. Mitchell and Mr. Dean were shocked by Liddy's plan; Mr. Magruder's staff man, Gordon Liddy, was apparently quite humiliated; and nothing was approved. In other words, if those meetings were routinely reported to Mr. Haldeman, as evidence of Mr. Magruder's administrative ability and judgment, the January and February meetings would not very likely inspire the confidence of Mr. Haldeman or the President.

Yet Mr. Magruder testified that "as he recalled" he returned to his office after both these embarrassing meetings and routinely called Mr. Haldeman's staff assistant, me, and told me about his blunder, presumably so that I could inform Mr. Haldeman. That testimony is difficult to reconcile with good sense. Presumably, Mr. Magruder knew that Mr. Dean would report on the meetings to Mr. Haldeman—as Mr. Dean has testified he did—why would Mr. Magruder want two people reporting the same disaster to Mr. Haldeman?

It is true, however, that Mr. Magruder called me after he returned from the March 30, 1972, meeting at Key Biscayne with Mr. Mitchell and Mr. LaRue and reported on about 30 major campaign decisions. Each of

these decisions was briefly described in that rather short phone conversation. During this call, he told me, and I am repeating his words rather precisely: "A sophisticated political intelligence gathering system has been approved with a budget of 300." Unfortunately, he neither gave me, nor did I ask for any further details about the subject.

Soon, thereafter, I wrote one of my regular "political matters" memos for Mr. Haldeman. This particular memo for early April was 8-to 10-pages long with more than a dozen tabs or attachments, but it contained only one three-line paragraph on political intelligence. That paragraph read almost verbatim as Mr. Magruder had indicated to me over the phone. I wrote in the memo to Mr. Haldeman (again this is almost a quote): "Magruder reports that 1701 now has a sophisticated political intelligence gathering system with a budget of 300. A sample of the type of information they are developing is attached at Tab "H""

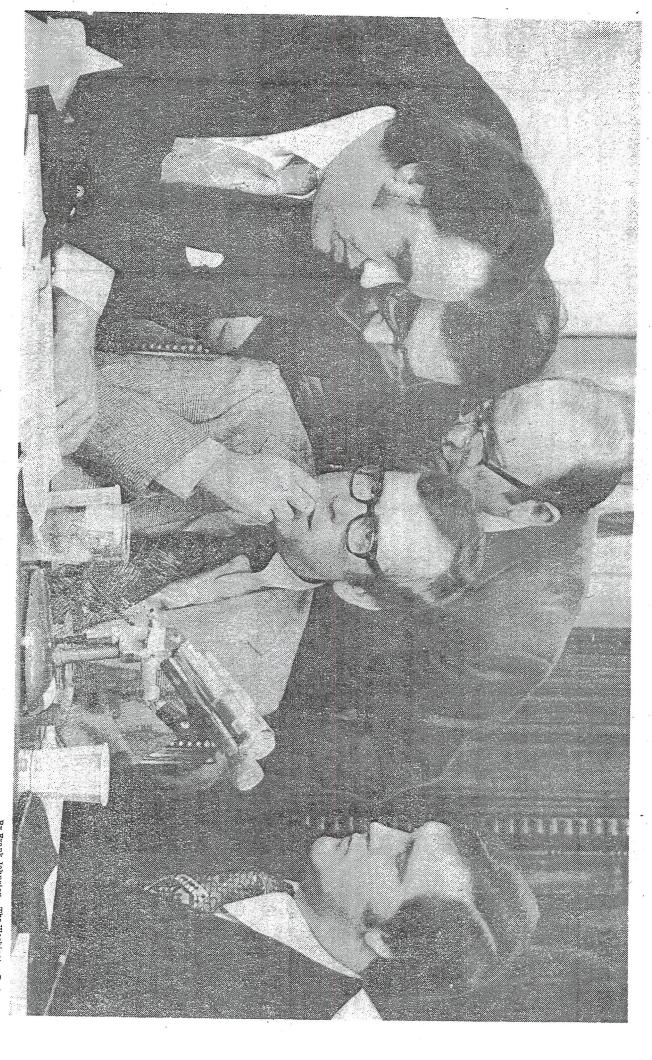
ing is attached at Tab "H"."

At Tab "H", I enclosed a political intelligence report which had been sent to me from the Committee. It was entitled Sedan Chair II. This report and two others somewhat like it that I had received began with a statement such as, "A confidential source reveals" or "a reliable source confidentially reports." This was followed by a summary of some political information.

In April, 1972, I was mainly interested in reporting to Mr. Haldeman on those 30 campaign decisions and other relevant political items. I did not give much thought to what Mr. Magruder meant by "sophisticated political intelligence gathering system." Nor did I give much thought to the real



By James K. W. Atherton—The Washington Post



Attorneys for the Ervin committee surround Sen. Howard Baker, center, at yesterday's hearing. From left, Fred Thompson, Terry Lenzner, Samuel Dash and Rufus Edmisten.

identity of Sedan Chair II, but I remember that the information dealt with Senator (Hubert) Humphrey's Pennsylvania organization.

However, on June 17, 1972, and afterward, as the news began unfolding about the break-in at the Democratic National Committee, I certainly began to wonder who else but people from 1701 could have been involved. I suspected that maybe the Watergate break-in was part of the "sophisticated political intelligence operation" Mr. Magruder had mentioned to me on the phone in early April. And worse, I feared that Sedan Chair II's so-called confidential source might really have been a wiretap, or might in some way have been connected with the Watergate break-in. I immediately tried to call Mr. Magruder so I could have a report for Mr. Haldeman. Mr. Magruder did not return my calls on Saturday and I was not able to reach him until around noon on Sunday, when I again called him in California.

When I finally reached him and began to ask him what he knew about the Watergate break-in, he cut me off and said that he had been on the phone with Mr. Haldeman that morning and

the matter was being taken care of.

I doubted that Mr. Magruder had actually spoken with Mr. Haldeman so I called Mr. Higby who clears most calls to Mr. Haldeman. Mr. Higby told me that Mr. Magruder had talked to Mr. Haldeman and that Mr. Ehrlichman was handling the entire matter.

I met with Mr. Haldeman on June 19 or 20 and showed him the April political matters memo that mentioned the intelligence gathering system. After speaking to him, I destroyed that memo and Sedan Chair II, as well as several other documents I have told this committee and the prosecutors about. I also told Mr. Dean that I had destroyed a political matters memo to Mr. Haldeman showing a \$300,000 intelligence budget at the committee and three confidential source memos which I said could possibly have been wiretap reports with the sources carefully camouflaged. I did not tell Mr. Dean that I had, in fact, destroyed wiretap logs, because I was not then sure

what they were, I only had suspicions.

I also told the prosecutors in April of this year what specific items I destroyed, and I told them I still suspected Sedan Chair II might have been a wiretap summary. It was not until Mr. Reisner and Mr. (Herbert L.) Porter testified before this committee in June that I learned Sedan Chair II was not an illegal wiretap, but was instead an informer planted in the Humphrey camp. In fact, you will recall that Mr. Magruder's testimony has established that I



By Frank Johnston-The Washington Post

Sen. Howard Baker gets a candid shot of the hearings.

never received his wiretap data. Nor could I have passed it on to others or shredded a wiretap transcript. He says he made only one copy of the Watergate wiretap log, code-named Gemstone. He testified that it was so sensitive that he would not let it out of his office.

Turning to matters after the election, I have told the committee that I returned approximately \$350,000 in cash to Fred LaRue. I was not told by anyone, nor did I know what use was being made of this money. I had received the money from the campaign committee on Mr. Haldeman's instructions and, at that time, returning it to Mr. LaRue seemed appropriate since he was the top official left at the committee. I took it to him in December, 1972, or January, 1973, after I had left the White House staff. This money was the fund I had picked up in April, 1972, for the purpose of conducting White House polling. It had not been used to pay polling expenses as originally planned and after the election I had been asking Mr. Haldeman, Mr. Dean and Mr. Higby what to do with the money.

money.

The delivery to Mr. La-Rue was made in two parts, on two occasions, In December or January, after talking to Mr. Dean, I took approximately \$40,000 dollars in two envelopes to Mr. LaRue at his apartment at the Watergate. I lived two blocks away and the delivery was made on my way home, from work.

Later, I was asked to return the remainder of the money. I again called Mr. LaRue, who again asked if I

could deliver it to his apartment. On this occasion, before picking up the money, Mr. LaRue donned a pair of gloves and then said, "I never saw you." I had been instructed by Mr. Dean to ask for a receipt, so I did, But Mr. LaRue refused, saying you will have to talk to John Dean about it.

ing you will have to talk to John Dean about it.

At that point I became more than a little suspicious. Frankly, after Mr. LaRue put on the gloves, I did not know what to say—so I said nothing. Nor did I know what to do—so I left. The next day I told Mr. Dean that Mr. LaRue would not give me a receipt for the money. Mr. Dean said he would speak to Mr. LaRue about it. I don't know if he

ever got the receipt, but I imagine he tried to follow up on it because I have since learned from Mr. Dean's testimony that it was Mr. Haldeman who asked that a receipt be given.

At no time did Mr. Dean

At no time did Mr. Dean or Mr. LaRue advise me what was being done with the money or that payments were being made to the defendants. Neither of them ever asked me to do or say anything that I can interpret as being part of a cover-up.

In fact, there was only one occasion when I was expressly asked to do something that I knew was improper and which I could see was aimed at a cover-up. That related to my upcoming grand jury testimony of April 11, 1973, and I refused to do it.

to do it.

I have not attempted in my statement to describe in detail all of the subjects that I have mentioned. I have provided the committee in executive session with a good deal more of the details surrounding these subjects and I am ready to begin the questioning of these matters.