

# CIA Switched Agents' Files on FBI

By Jack Anderson

The Central Intelligence Agency switched files on the FBI, we have now learned, in a deliberate attempt to mislead the G-men who were investigating the Watergate break-in.

The agents had discovered from the grand jury testimony that Mrs. James McCord, wife of the Waterbugger, had burned some of her husband's papers after he was arrested inside the Watergate on June 17, 1972.

According to the testimony, someone named Pennington, who had served with McCord in the CIA, had been present at the burning.

This led to a routine FBI request for a CIA file on Pennington, which threw CIA officials into a panic. For Lee Pennington, a CIA consultant, not only had been present but had participated in the burning. A faithful CIA man, he had reported the incident to his superiors.

Pennington later testified that he had driven to the McCord home—as a friend of the family, not as a CIA informant—after the Watergate arrest. Pennington found Mrs. McCord burning papers and joined in, although he insisted that nothing sensitive had been fed to the flames.

The last thing the CIA wanted was to be linked to the Watergate incident. So the CIA sent the FBI a file on Cecil Pennington instead of Lee Pennington. By a coincidence, Cecil Pennington once had also been as-

sociated with McCord in the CIA.

Our sources say it was no accident that the CIA furnished the FBI with the wrong file. They claim it was deliberate obstruction of justice.

For the FBI quickly recognized that Cecil Pennington had nothing whatsoever to do with Watergate. Still suspicious, the agents asked once more for clarification. But again, say our sources, the CIA dodged.

**Investigation Squelched**—Distinguished old Sen. John C. Stennis (D-Miss.), the Pentagon's foremost Senate champion, intervened to kill an investigation of Deputy Defense Secretary William P. Clements. Sources privy to the incident say Clements privately asked Stennis to intervene.

Clements had come under fire from the Senate Commerce Committee for a possible conflict of interest. Although he owns stock valued at \$100 million in Sedco, a Dallas drilling firm, he has presided at the Pentagon over policymaking decisions with regard to the Alaskan Naval Petroleum Reserve.

His company is a bidder on the pipeline that would be the likely outlet for oil should the rich Alaskan reserve be opened. Clements has urged that it be thrown open to commercial development.

Stennis asked Senate Commerce Chairman Warren G. Magnuson (D-Wash.) to halt the investigation of Clements, claiming jurisdiction for his own Senate Armed Services

Committee. Out of Senate courtesy, Magnuson called off the investigation and turned it over to Stennis.

Stennis' office acknowledged that the old man had asked Magnuson to give up the Clements case. After speaking with Stennis, however, a spokesman said he could neither confirm nor deny that the senator had intervened at Clements' request. "He talks with Clements all the time," said the spokesman.

After our inquiries, Stennis hastily put out a statement claiming that he had investigated the alleged Clements conflict and had found Clements innocent. Stennis noted that Clements had removed himself from any decision-making regarding the oil reserves.

In an earlier column, however, we printed memos that showed Clements still involved in oil decisions after he supposedly had removed himself.

**Footnote:** Meanwhile, confidential Treasury Department documents reveal that the President's Cabinet-level Emergency Energy Action Group wants to open the Arctic National Wildlife Refuge "to commercial oil development."

This refuge, which happens to be located next to the oil-rich Alaskan Naval Petroleum Reserve, shelters some of the world's rarest animals on one of the last truly wild frontiers.

The energy group's recommendation, presented in a memo meant for the eyes only of Treasury Secretary William E.

Simon and energy chief John Sawhill, illustrates the administration's determination to override any environmental concern that stands in the way of energy production.

A battle is now raging in Congress over the issue, with Sen. Adlai E. Stevenson III (D-Ill.) and Rep. John Moss (D-Calif.) leading the fight to protect the public interest on Alaska's lucrative North Slope.

**Washington Whirl**—The acquittal of former Attorney General John N. Mitchell and Commerce Secretary Maurice H. Stans caused rumblings inside the special prosecutor's office. Although this wasn't their case, staffers there are concerned about the psychological effect it will have on future Watergate cases. They are particularly nervous over the case against those who burglarized the offices of Daniel Ellsberg's psychiatrist, which is being tried as a civil-rights case rather than a burglary. Some of the Watergate lawyers fear that this is stretching a legal point.

The American Electric Power System, which once urged takeovers of consumer-owned companies through subversion of city councils, is on the brink of gobbling up Fort Wayne's municipal utility. There, the giant firm has promised glistening downtown buildings as a carrot to city voters. Actually, the lease deal probably will mean hikes in the Indiana city's low rates, particularly for low-income elderly people and blacks.

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