

Jaworski Says Evidence Indicates IRS Was Directed to Audit, Harass 'Enemies'

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—The Watergate special prosecutor identified still another area where he is uncovering material that may prove damaging to President Nixon.

Special Prosecutor Leon Jaworski said his office has evidence that "substantiates" allegations that the White House illegally attempted to use the Internal Revenue Service to harass political opponents.

His investigation is focusing on charges that the White House gave lists of "enemies" to the IRS "with the direction that they be audited or otherwise harassed" and in August and September 1972 the White House "unlawfully attempted to have the IRS investigate" former Democratic Party Chairman Lawrence F. O'Brien, who was then Sen. George McGovern's presidential campaign director, the prosecutor said.

He said the evidence "also indicates the likelihood" that President Nixon discussed "those matters" on Sept. 15, 1972, with his aides John Dean and H. R. Haldeman.

Two Watergate grand juries are investigating the allegations, which involve possible violations of five separate provisions of criminal statutes, Mr. Jaworski stated.

While charges that the White House tried to use the IRS for political purposes are among the matters being investigated by the House Judiciary Committee in its impeachment inquiry, this was the first clear indication that Mr. Jaworski's criminal investigation is zeroing in on it.

The disclosures came in court papers filed yesterday by Mr. Jaworski in support of a motion asking Judge John Sirica to reconsider his December ruling that sustained a presidential claim of executive privilege with respect to part of a Sept. 15, 1972, taped presidential conversation. The White House, in turning over the subpoenaed tape, had contended that the latter portion of the conversation between Messrs. Nixon, Dean and Haldeman concerned "matters relating to the President's conduct of his official duties" and was "unrelated to Watergate matters."

However, Mr. Jaworski argued yesterday that recently available information "refutes this assertion and supports the conclusion that the materials in question do relate to investigations of the Watergate break-in and related matters." The special prosecutor also asked Judge Sirica to remove the executive-privilege protection from Mr. Haldeman's notes of the Sept. 15 meeting.

In the published White House transcripts of President Nixon's Watergate conversations, the Sept. 15, 1972, meeting ends with a note that "further conversation following unrelated to Watergate."

Among the contrary indications cited by Mr. Jaworski were Senate Watergate Committee testimony by both Mr. Dean and Mr. Haldeman about IRS discussion at the Sept. 15 meeting; portions of a transcript of the meeting, "apparently prepared by" the House Judiciary staff and recently published in the Washington Post, that "reflect that Mr. Haldeman was aware that Mr. Dean was engaged in investigating 'McGovern people' by use of the IRS," plus evidence being accumulated by the two grand juries. Mr. Jaworski offered to show Judge Sirica in private the details of testimony by grand jury witnesses on the IRS matter.

Mr. Jaworski urged in the court papers that "a claim of executive privilege should be denied when the court encounters evidence of criminal activity on matters even only indirectly related to Watergate." Nevertheless, he said the material from the Sept. 15 conversation isn't needed just for

the grand jury investigations into White House attempts "to abuse and politicize the IRS." It may also be directly relevant, he asserted, to the Watergate cover-up trial of seven former Nixon associates, including Mr. Haldeman, scheduled to begin in September.

The latter portions of the Sept. 15, 1972, meeting "may well bear on the possible motives of one or more of the alleged conspirators in connection with the Watergate break-in and alleged cover-up," Mr. Jaworski said. The link with the June 1972 break-in and bugging of Democratic headquarters in the Watergate office building wasn't ex-

plained in Mr. Jaworski's affidavit. However, Senate Watergate Committee investigators have been working on a theory that the Watergate burglars were trying to find out whether Mr. O'Brien, who had once been a public relations consultant to Howard Hughes Enterprises, knew about a \$100,000 cash "campaign contribution" from Mr. Hughes to Charles G. (Bebe) Rebozo, the President's close friend.