"All the President's Men," the book telling how Post reporters Carl Bernstein and Bob Woodward unearthed the Watergate story, will officially be published on Tuesday, one day after the second anniversary of the Watergate break-in. This excerpt, printed by permission of Simon and Schuster, covers the reporters' work in linking presidential aide H. R. Haldeman to the secret fund that financed the break-in and other clandestine operations.

**Cast of Characters**

"Deep Throat": A Woodward source in the Executive Branch with access to information about the Committee for the Re-election of the President, the White House and the FBI. Woodward has never revealed his identity.

**THE PRESIDENT'S MEN**

- John D. Ehrlichman, former assistant to the President for domestic affairs.
- Dwight L. Chapin, former deputy assistant to the President.
- Charles Colson, former special counsel to the President.
- Clark MacGregor, former campaign director, CRP.

**THE WASHINGTON POST**

- Benjamin C. Bradlee, executive editor.
- Howard Simons, managing editor.
- Harry Rosenfeld, assistant managing editor/metropolitan.
- Barry Sussman, District of Columbia editor.
THE REPORTERS knew that the fifth person who controlled the secret fund was a White House official. There were many reasons for believing that it was H. R. Haldeman, the White House chief of staff.

Several middle-level White House aides had assured Bernstein and Woodward that in the Executive Mansion there was little doubt that the Segretti-Chapin operation had been approved by Haldeman.

For weeks, Sloan had been adamant in refusing to identify the fifth person who controlled the secret fund, repeating at each mention of the matter that it was part of his reason for "suspecting the worst."

Haldeman was held in awe throughout the administration. At the mention of his name, Cabinet officials would become silent and fearful. The few who would talk knowledgeably about him said they might lose their jobs if he ever found out. Tough . . . pragmatic . . . ruthless . . devoted only to Richard Nixon . . . would stop at nothing . . . The descriptions were often similar and many quoted Haldeman's celebrated self-description: "I'm the President's son-of-a-bitch."

On Oct. 19, Woodward dragged his balcony flower pot into position to signal Deep Throat. At about one the next morning, he left his apartment for the long journey to the underground garage. He arrived at about 2:30 a.m. Deep Throat was not there. Fifteen minutes passed, then half an hour. An hour. Woodward was becoming worried. Deep Throat rarely missed an appointment. In the dark, cold garage, Woodward began thinking the unthinkable. It would not have been difficult for Haldeman to learn that the reporters were making inquiries about him. Maybe Deep Throat had been spotted? Woodward followed? People crazy enough to hire Gordon Liddy and Howard Hunt were crazy enough to do other things. Woodward got mad at himself for becoming irrational, tried to put out of his head the vision of some goon squad terrorizing Deep Throat.

He told Bernstein later that day that Deep Throat had failed to show. There were a hundred possible explanations, but they both worried.

The following day, Woodward's copy of The New York Times arrived with a circle on page 20, and a clock face indicating a 3 a.m. meeting. He took the familiar route, arrived about 15 minutes early, descended to the level of their meeting place, and there, smoking a cigarette, was Deep Throat.

Through it wasn't true, Woodward told Deep Throat that he and Bernstein had a story for the following week saying that Haldeman was the fifth person in control of disbursements from the secret fund.

"You'll have to do it on your own," Deep Throat said.

Woodward tried another angle. He asked if Deep Throat would feel compelled to warn him if his information was wrong.

Deep Throat said he would.

The you're confirming Haldeman on the fund? Woodward asked.

"I'm not. You've got to do it on your own."

The distinction seemed too subtle.

"You cannot use me as a source," Deep Throat said. "I won't be a source on a Haldeman story." As always, the stakes seemed to quadruple when Haldeman's name was mentioned.

He said that he would try to keep the reporters out of trouble.

Woodward asked if they were in trouble on Haldeman.

"I'll keep you out," Deep Throat said.

Since he had not cautioned them on Haldeman, he was effectively confirming the story. Woodward made it clear that he expected some sign from Deep Throat if there were any reason to hold back.

Deep Throat replied that failing to warn Woodward off a bad story "would be a misconception of our friendship." He would not name Haldeman himself. He shook hands with Woodward and left. Woodward was now more certain of two things: Haldeman was the correct name, and Haldeman had accumulated frightening power. Deep Throat did not scare easily.

ON OCT. 23, Woodward reconstructed the meeting for Bernstein. Bernstein was uncomfortable with the "confirmation." Was it really absolute confirmation? Yes and no, Woodward said.

That night, the reporters visited Hugh Sloan. They went over the secret fund and Sloan's repeated unwillingness to discuss the amounts of money spent. There were
five people who had authority to approve the disbursements, right? Bernstein asked.

“Yes, I’d say five,” Sloan said.

Magruder, Stans, Mitchell, Kalmach and someone in the White House, Woodward reiterated.

“That’s right,” said Sloan.

Did you mention the names before the grand jury? Woodward asked.

Sloan thought for several seconds. “Yes,” he said.

We know that it’s Haldeman, Bernstein said. The way he said it was meant to convey both urgency and inevitability. He wanted Sloan to think he would be giving nothing away by confirming. Haldeman, right? he repeated.

Sloan shrugged. “That may be, but I’m not your source on that.”

All they needed was confirmation, Bernstein said. No need to say the name. Just yes.

“Not here,” Sloan responded.

Woodward then asked if it was John Ehrlichman.

“No,” Sloan said.

Colson? asked Bernstein.

“No,” said Sloan.

That left only Haldeman and the President, Bernstein said.

“No, not the President,” said Sloan.

Then it had to be Haldeman, Bernstein repeated. Look, he said, we’re going to write it and we may need your help if there’s anything wrong about it.

Sloan paused. “Let me put it this way, then. I have no problems if you write a story like that.”

Then it’s correct? Woodward asked.

“Yes,” Sloan said.

The reporters were trying to restrain their excitement. They asked a few more questions for form, and scarcely listened to the answers. Then they shook hands with Sloan and walked down the path to Woodward’s car.

The reporters arrived back at the office at about 10 p.m. They made a list of persons who were in a position to confirm or deny that Haldeman was the final name. There were only two people they hadn’t contacted. One was a FBI agent Bernstein had talked to during the first week of October. Woodward picked up a telephone extension while Bernstein called the agent at his home in the suburbs to ask him about Haldeman.

Bernstein knew he would never get the information merely by asking. He had decided to try to anger the agent by telling him they were working on a story about what a lousy job the FBI had done. Woodward, listening on the extension, took notes.

AGENT: “We did not miss much.”

BERNSTEIN: “Then you got Haldeman’s name in connection with his control over the secret fund?”

AGENT: “Yeah.”

BERNSTEIN: “But it also came out in the grand jury?”

AGENT: “Of course.”

BERNSTEIN: “So it came out then in both the FBI interview with Sloan and when he was before the grand jury?”

AGENT: “Yes.”

BERNSTEIN: “We just wanted to be sure of that because we’ve been told that it came out only in grand jury, that you guys f– it up.”

AGENT: “We got it, too. We went to everybody involved in the money . . . we know that 90 per cent of your information comes from bureau files. You either see them or someone reads them to you over the phone.”

Bernstein said he would not talk about their sources. He returned to the question of Haldeman and asked again if Haldeman was named as the fifth person to control the secret fund.

“Yeah, Haldeman, John Haldeman,” he said.

Bernstein ended the conversation and gave a thumbs-up signal to Woodward. Then it came to him that the agent had said John, not Bob, Haldeman. Bernstein called the agent back.

“Yeah, Haldeman, Bob Haldeman,” he replied. “I can never remember first names.”

Deep throat, Sloan, the FBI agent. The reporters concluded they had the story firmly in hand, finally.

Next morning, they told Sussman what they had, and did not hide their jubilation. This story would be different from all the preceding ones about the secret fund. Instead of unnamed sources, it could be attributed to secret grand-jury testimony by Hugh Sloan, former treasurer of the CRP, former White House aide of H.R. Haldeman.

See WATERGATE, Page C4
BERNSTEIN HAD SPENT most of the previous night unable to sleep, thinking about the implications of what they had written and what they were about to write. He was a shambles when he arrived at the office—sleep-starved, full of doubts, ti-
movous.

Woodward, too, had gone through periods of apprehension about whether the foundation of their reporting—largely invisible to the reader—was strong enough to support the visible implications. Before informing Sussman that they had established the Haldeman connection solidly, the reporters reviewed their bases again. The exercise was reassuring—something like what astro-
nauts must experience when they check their systems prior to lift-off and watch the green lights flash on one by one.

The afternoon of Oct. 24, they wrote the Haldeman story. Essentially, it contained only one new fact—that the fifth person who had been in control of the campaign's funds for political espionage and sabotage was the President's chief of staff.

"The numbers," Ben Bradlee noted, were "getting terribly, terribly heavy." Bradlee was calling it a major escalation. He sum-
momed Simons, Rosenfeld, Sussman, Bern-
stein and Woodward to his office.

"I was absolutely convinced in my mind that there was no way that any of this could have happened without Haldeman," he told the reporters later. "But I was going to do everything in my power to be sure that we didn't clip him before we had him. . . . I was determined to keep it out of the paper until you could prove it."

During that 7 p.m. meeting, just before the deadline,Bradlee served as prosecutor, demanding to know exactly what each source had said. "What did the FBI guy say?" Bradlee asked.

The reporters gave a brief summary. "No," Bradlee said, "I want to hear ex-
actly what you asked him and what his exact reply was." He did the same with Deep Throat, and the interview with Sloan.

"I recommend going," Rosenfeld said. Sussman agreed. -
Simons nodded his appro-
val. "Go," Bradlee said. On the way out, Simons told the report-
ers he would feel more comfortable if they had a fourth source. Bernstein said a lawyer in the Justice Department might be willing to confirm. He went to a phone and called him.

Bernstein asked the lawyer point-blank if Haldeman was the fifth person in control of the secret fund, the name missing from Hugh Sloan's list. He would not say. Bernstein told him that they were going with the story. They already had it from three sources, he said they knew Sloan had told the grand jury. All we're asking of you is to warn us if there is my reason to hold off.

"I'd like to help you, I really would," said the lawyer. "But I just can't say anything." Bernstein thought for a moment and told the man they understood why he couldn't say anything. So they would do it another way. Bernstein would count to 10. If there was any reason for the reporters to hold back on the story, the lawyer should hang up after 10. If he was on the line after 10, it would mean the story was okay.

"Hang up, right?" the lawyer asked.

That was right, Bernstein instructed, and he started counting. He got to 10. Okay, Bernstein said, and thanked him effusively.

"You've got it straight now?" the lawyer asked.

Right. Bernstein thanked him again and hung up.

He told the editors and Woodward that they now had a fourth confirmation, and thought himself quite clever.

Sims was still nervous. Smoking a ciga-
ette, he walked across the newsroom and sat down opposite Woodward's typewriter.

"What do you think?" he asked. "We can always hold it for one more day if there is any reason..."

Woodward told Simons that he was sure the story was solid.

With the deadline only minutes off, the story dropped down to the composing room to be set. There would be an insert for the ritual White House denial.

Woodward called the White House press office and read the story to deputy press secretary Gerald Warren, asking that it be confirmed or denied.

An hour later, Warren called back. "Your inquiry is based on misinformation because the reference to Bob Haldeman is untrue."

What the hell does that mean? Woodward asked.

"That's all we have to say," Warren replied.

Woodward and Bernstein picked over the statement for a time. They decided that it was halfhearted and weak. They inserted it into the story.

Shortly before nine o'clock, Woodward got a call from Kirby Jones, press secretary for the McGovern campaign. "I hear you've got a good one for tomorrow," Jones said.

"How about sending a copy over?"

Woodward blew up and said Post stories on Watergate were not written for Demo-
crats or McGovern or anyone else in par-
cular, and that he resented the request.

Woodward said that he and Bernstein were having enough trouble already with accusa-
tions of collusion. He told Jones to get his own copy of the paper at a newsstand, like everyone else.

The reporters finally left the paper, for-
getting to give Hugh Sloan a courtesy call to alert him that the story was coming. He would be besieged by other reporters, and they should have warned him what to ex-
pect.

A T THEIR DESKS the next day Bern-

A stein and Woodward were going through their notes to decide whom they should see that afternoon. Eric Wentworth, an educa-
tion reporter, came over to Woodward.

"Hey," said Wentworth, "have you heard about what Sloan's attorney said?"

Woodward hadn't.

"Sloan's attorney said that Sloan didn't name Haldeman before the grand jury."

Woodward was stunned.

He called Sloan. No answer. Then he tried Sloan's attorney, James Stoner. Stoner was not in his office. He asked Stoner's secretary urgently to have him return the call the minute she heard from him.

Woodward went over to Bernstein's desk. We may have a problem, he said softly, Bernstein suddenly felt sick.

Then he and the Woodward walked into Sus-
man's office. All three went into Rosenfeld's office and turned on the television. Sloan and his attorney, Stoner, were walking into a law office. Daniel Schorr, the veteran CBS
correspondent, was waiting there with a camera crew. Schorr asked Sloan about the Post's report of Sloan's testimony before the grand jury. Sloan said his attorney would have a comment. Schorr moved the microphone to Stoner.

"Our answer to that is an unequivocal no," he said. "We did not—Mr. Sloan did not implicate Mr. Haldeman in that testimony at all."

Hugh W. Sloan

Stoner wasn't giving anything. What had gone wrong? They looked at one another. What had gone wrong? They had been so sure.

Woodward called Sloan's attorney again. This time he reached him and asked him to explain the meaning of his denial.

"Your story is wrong," Stoner said icily. Woodward was at a disadvantage: he couldn't betray Sloan's confidence and tell Stoner that his own client had been one of the sources.

Stoner said that no apology was necessary. "It is simply a matter of procedure, not a matter of truth," he said. "We do not intend to make any apology to Bob Haldeman."

Woodward unfolded the notes and showed them to the agent. They didn't want to get caught up in some straight answers or the matter would be taken up with his boss, Woodward told the agent.

The agent looked panicked. "What the hell are you talking about?" he said. "I'll deny everything. I'll deny everything.

"I'm not talking to you," the agent said, backing away.

Bernstein moved toward him as the agent backed away. "The agent turned and walked quickly to the end of the corridor, then turned down another.

Bernstein and Woodward had already determined their course of action. If the agent didn't stand by his remarks, they were going to talk to his boss and demand an explanation. If it now seemed clear that Sloan had not told either the FBI or the grand jury about Haldeman.

Bernstein waited a moment, then ran after the agent and cornered him in the hallway. "We want straight answers or the matter would be taken up with his boss, Woodward told the agent. The agent looked panicked. "What the hell are you talking about?" he said. "I'll deny everything."

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Bernstein and Woodward walked over to the agent's superior in the hallway. Their next move represented the most difficult professional—unprofessional, really—decision either had ever made. They were going to blow a confidential source. Neither had ever done it before; both knew instinctively that they were wrong. But they justified it. They suspected they had been set up; their anger was reasonable, their self-preservation was at stake, they told each other.

Bernstein and Woodward walked over to the agent's superior and told him about Bernstein's telephone conversation with the agent concerning Haldeman. Both had been on the line. Woodward showed him the typed notes.

He asked whether Sloan had been asked by the grand jury or investigators whether Haldeman controlled the fund.

No comment.

Could the FBI's investigation have been so bad, he wondered aloud, and the grand jury's investigation so inadequate that Sloan was never asked about Haldeman?

No comment.

That left them dashing, Woodward said.

Stoner said he sympathized with their precarious position.

Woodward couldn't argue with that. There was nothing left to say.

Both reporters were losing their composure. Woodward couldn't contact Deep Throat until that night at the earliest. Bernstein couldn't reach Sloan. A pall descended over the newsroom. Bradlee and Simons occasionally came out of their offices to tell the reporters to stay cool, touch all bases.

At 3 p.m., Bernstein and Woodward left the office to find the FBI agent who had confirmed the Haldeman story two nights before. They found him in a corridor outside his office. Bernstein approached him and attempted to ask if the reporters had misunderstood.

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The man read them hurriedly. They could see his anger building. "You realize that it's against the law for one person to monitor a call that goes across a state line," he told them.

The reporters said they would readily ac-
cept the consequences if they had violated the law. But the immediate issue was Haldeman and whether they had been wrong.

The superior marched off without saying another word.

In a few minutes, the agent came rushing down the hall toward the reporters. "I'm or-
dering you two to stay in this building," he said, pointing and waving a finger in the air.

As he went raclng off, Bernstein and Woodward agreed that the agent had no au-
tority to order them to stay unless he ar-
rested them. The decided they had better call Sussman and get some advice.

They walked out of the building to a pay phone. Sussman suggested that they return to the Post, observing that it was absurd that the agent should order them around.

The reporters decided to ignore the advice and went back to the agent's boss. Maybe there was a way to straighten it out. He was in his office. "Now, exactly what is this all about?" he asked.

Unless they could determine the accuracy or inaccuracy of the Haldeman story, they might have to use the name of any source who had knowingly misled them. They were obliged to defend themselves. They wanted to know if the agent had purposely given them false information.

More important, Bernstein said, they had to know how they had made such a mistake. Was Haldeman one of the five, or wasn't he? Had Sloan said he was, or hadn't he? They thought that their problem was not the substance of the report, but the mention of Sloan's grand-jury testimony.

"We're not discussing the case," the boss said.

The reporters tried again. If they were wrong, a correction and an apology were re-
quired. Whom should they apologize to? What should they say?

"You're getting no answers from here," the man said.

Half an hour later, the reporters were in Bradlee's office again, with Sussman, Rosen-
feld and Simons.

"What happened?" Bradlee asked? They explained that they still did not know.

Woodward observed that they had the op-
tion of naming their sources because any agreement with a source was broken if he

had given bad information. Rosenfeld was unsure. Bernstein was against it.

Bradlee signaled for quiet. "You're not even sure whether you've got it right or wrong." He was agitated, but displayed no anger. "Suppose you name sources—they'll just deny it and then where are you? Look, fellas, we don't name our sources. We're not going to start doing that.

The reporters said they were virtually cer-
tain that Sloan must not have given testi-
mony about Haldeman before the grand jury. Woodward suggested writing that much, at least, and acknowledging their er-
or.

Bradlee grimaced. "You don't know where you are. You haven't got the facts. Hold your water for a while. I don't know whether we should believe Sloan's attorney even now. We're going to wait to see how this shakes out."

Bradlee then turned to his typewriter to write such a front-page story on the statement by Sloan's attor-
ney and the White House denial.

At 8:45 p.m., Bernstein finally reached Sloan by telephone. Bernstein explained their dilemma: They realized they were in error, but they weren't sure where.

Sloan was sympathetic. "The problem is that I do not agree with your conclusions as you wrote them."

Haldeman had indeed controlled the fund, but the matter had not come up in the grand jury, right? "Bob Haldeman's name has never come up in my interviews with the grand jury. Our denial is strictly limited to your story. It just isn't factually true. I never said it be-
fore the grand jury. I was never asked. I'm not trying to influence your pursuit of the story. The denial was strictly low-key, pur-
posely low-key."

Sloan's message seemed clear, though not explicit. Haldeman had controlled the fund; the matter had not come up during his grand-jury testimony. Either the reporters had misunderstood what Sloan had told them about the grand jury earlier that week or Sloan had misinterpreted their question.

The telephone conversation with Sloan was at least a hopeful sign; if the reporters could re-establish beyond any doubt that Haldeman controlled the fund, and could ex-
plain the error, their credibility might not be totally destroyed. Bernstein and Wood-
ward were exhausted. They tried to analyze the steps that had led them to such a monu-
mental blunder.

They had assumed too much. Persuaded by their sources, and by their own deduc-
tions, that Haldeman loomed behind "Watergate," they had grasped a slim reed—
the secret fund. The decision had some justi-
fication. The Nixon campaign's cash had been the tangible key that had unlocked the secret activities. But they had taken short-
cuts once they had themselves come to be convinced that Haldeman controlled the fund. They had heard what they wanted to hear. The night Sloan confirmed that Haldeman was one of the five, they had not even asked whether Haldeman had exercised his authority, whether he had actually approved any payments. They had not asked Sloan specifically what he had been asked before the grand jury, or what his response had been. Once Sloan mentioned the magic words, they had left and not called back. In
H. R. Haldeman

By Bob Burchette—The Washington Post

dealing with the FBI agent, they had compounded their mistakes. Bernstein's questioning should have attempted to get the agent to mention the name himself, in his own context. Bernstein had not dealt with the agent enough to know how reliable he was, or how he would react.

They had realized that confronting the agent's boss was unethical as soon as they had done it. They had endangered the agent's career, betrayed his trust and risked their credibility with other sources.

There were other miscalculations. Bernstein should not have used the silent confirm-or-hang-up method with the Justice Department lawyer. Indeed, they learned, the attorney had gotten the instructions backward and had meant to warn them off the story.) With Deep Throat, Woodward had placed too much faith in a code for confirmation, instead of accepting only a clear statement.

The next afternoon, Oct. 26, Clark MacGregor entered the Washington studios of the National public Affairs Center for Television to be interviewed.

MacGregor confirmed the existence of a CRP cash fund for clandestine activities, though he insisted that disbursements from the fund had not knowingly been spent for illegal activities. He named five persons who had authorized or received payments: Mitchell, Stans, Magruder, Porter and Liddy.

MacGregor's remarks seemed to salvage some of the credibility the reporters had lost in the Haldeman debacle. The day before, Ziegler had denied the fund's existence.

He walked 15 blocks, found a cab and made it to the parking garage shortly before 3 a.m. Deep Throat was waiting in a dark corner, huddled against the wall. The reporters needed help badly, Woodward told him, then spilled out all of his feelings of uncertainty, confusion, regret and anger. He talked for 15 or 20 minutes.

Deep Throat asked an occasional question, and appeared to be deeply concerned—more sad than remorseful. Woodward wanted him to know how desperate their situation was. The mistake had jeopardized all of their earlier reporting, he believed. The stories had been building. Eventually the White House would have had to yield. Now the pressure was off the White House because the burden of proof had shifted back to The Post.

"Well, Haldeman slipped away from you," Deep Throat stated. He kicked his heel at the garage wall, making no attempt to hide his disappointment. The entire story would never become known now; the Haldeman error had sealed the lid.

"Let me explain something," he said. "When you move on somebody like Haldeman, you've got to be sure you're on the most solid ground. Shit, what a royal screw-up!"

He stepped even closer, speaking in a whisper. "I'm probably not telling you anything you don't know, but your essential facts are right. From top to bottom, this entire business is a Haldeman operation. He ran the money. Insulated himself through those functionaries around him. Now, how do you get at it?"

Deep Throat described the Haldeman operation. "This guy is bright and can be smooth when necessary ... but most of the time he is not smooth. He is Assistant President and everyone has access to him if they want to take it. He sends out the orders; he can be very nasty about it."
Haldeman had four principal assistants to whom he delegated orders but not responsibility: Lawrence Higby—"a young-punk nobody who does what he is told"; Chapin—"smarter and more urbane than Higby. Also a dedicated yes-man"; Strachan—"soldierly and capable"; and Alexander Butterfield—"an ex-Air Force colonel who knows how to push paper and people."

"Everybody goes chicken after you make a mistake like you guys made," Deep Throat continued. "It contributes to the myth of Haldeman invincibility, adds to the fortress. It looks like he really stuck it in your eye, secretly pulling the strings to get even The Washington Post to F—it up."

The story had been "the worst possible setback. You've got people feeling sorry for Haldeman. I didn't think that was possible."

Deep Throat stamped his foot. "A conspiracy like this ... a conspiracy investigation ... the rope has to tighten slowly around everyone’s neck. You build convincingly from the outer edges in, you get 10 times the evidence you need against the Hunts and Liddy. They feel hopelessly finished — they may not talk right away, but the grip is on them. Then you move up and do the same thing at the next level. If you shoot too high and miss, then everybody feels more secure.

Lawyers work this way. I’m sure smart reporters must, too. You’ve put the investigation back months. It puts everyone on the defensive — editors, FBI agents, everybody has to go into a crouch after this."

Woodward swallowed hard. He deserved the lecture.