The First Watergate Memos

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The story of the Watergate scandal begins with a set of political memorandums addressed to H. R. (Bob) Haldeman, the White House chief of staff.

From a pay raise for G. Gordon Liddy to searching Navajo reservations for Republican converts, the documents show, no snippet of information about the 1972 campaign was so trivial that it failed to command top-level attention.

Prepared by one of Haldeman's key deputies, former White House aide Gordon Strachan, the first memo, dated Dec. 2, 1971, mentions Liddy's enlistment almost as an aside. Operation Sandwedge — an earlier plan — had fallen through. It was designed to provide security and covert intelligence through a private detective firm that White House special investigator John Caulfield had wanted to form.

As a result, Strachan reported succinctly:

"The attorney general discussed with John Dean the need to develop a political intelligence capability. Sandwedge has been scrapped. Instead, Gordon Liddy, who has been working with Bud Krogh, will become general counsel to the Committee for the Reelection of the President, effective Dec. 6, 1971. He will handle political intelligence as well as legal matters. Liddy will also work with Dean on the ; 'political enemies' project."

The brief paragraph, tucked into the middle of a five-page report to Haldeman on "political matters," represents the House Judiciary Committee's first piece of evidence concerning the Watergate scandal. The Strachan memo and three others that followed were disclosed in the impeachment inquiry's account of the events leading up to the June 17, 1972, break-in at Democratic National Committee headquarters here.

The 271-page volume sets out the now familiar episodes and allegations from

Attorney General John N. Mitchell's purported approval of the break-in during the spring of 1972 to the bugging of some 200 conversations and on to the discovery of the spy work at the Watergate Office Building here.

The Strachan memos, however, have not been made public before. They trace not only Liddy's hiring, but also the origins of the \$350,000 cash fund that was eventually diverted to help pay for the defense of the Watergate burglars at their original trial. But they are significant primarily for what they tell of the White House's consummate attention to every detail of the President's re-election.

Strachan followed up the announcement of Liddy's hiring with an awkwardly compressed reminder that "our political types working the precincts in the ghetos (sic) and Navajo Reservations for Republican converts would do well to focus their attention upon the Holy Name Society, the Women's Sodality, and the Polish-American Union."

Even Liddy's insistence on a pay raise — when he moved over from his niche with the White House "Plumbers" — required Haldeman's personal approval. The Nixon Administration had imposed a nationwide freeze on salaries in those days. The White House had a standing rule that no one assigned to the re-election committee should get a higher salary than he had been getting on the White House staff.

Strchan reported the problem in his next "political matters memo to cal matters" memo to Haldeman on Dec. 6, 1971. Liddy was supposed to start working at the CRP that day, but he had been expecting a raise when he was still working under Krogh as a member of the "plumbers" squad.

"Liddy is paid \$26,000 by the Domestic Council," Strachan reported. Strachan said both Dean and Krogh felt Liddy ought to get \$30,000 at the reelection committee "because of his age (41), experience and prior sacrifice."

Underneath the entry were the options Strachan drafted for Haldeman's signature:

"Grant exception, Liddy to receive \$30,000 per annum at Committee.

"Deny exception, Liddy accept job at \$26,000 or find someone else.

"Other."

Haldeman initialed his approval of granting an exception for Liddy.

The \$350,000 cash fund topic popped up in a Feb. 6, 1972, exchange between Haldeman and Strachan. Haldeman, former Nixon campaign finance chairman Maurice Stans and others have testified that it was commandeered by the White House out of surplus funds from the 1968 campaign to pay for the costs of "special private polling" that might need to be conducted in addition to the regular polls ordered by the CRP.

The Strachan memos suggest that the secret fund was to be used for anything but polling. The cash account grew out of a report to Haldeman about more than \$900,000 that Mr. Nixon's personal attorney and chief behind-the-scenes fundraiser, Herbert W. Kalmbach, had on hand — some in cash, some in checking accounts.

Strachan recommended that \$690,000 be put into "legal committees" and that Kalmbach retain control of just the \$230,000 in "green" that he had. At the same time, Strachan pointed out that "Stans is opposed to paying for any polls other than through a correct committee; the risk of using green is just too high." As a result, Strachan recommended that "any polling would be paid for by regular Nixon finance committees.

Haldeman approved the recommendation—with the scribbled caveat that the cash fund be made larger, presumably for other purposes, "Make it 350 green and hold for us," the White House chief of staff wrote on the memo.

Ten days later, on Feb. 16, 1972, Strachan reported back: "Kalmbach cleared with the attorney general and Stans the 350 in green under your unquestioned personal control. A separate box of green is being developed for the campaign."

It was campaign "green" that paid for the Watergate break-in. The "350 in green" remained largely intact until the winter of 1972-73 when, the Watergate grand jury has charged, Haldeman approved its use "for the benefit of the defendants" at the original Watergate trial.