

La Rue Links Mitchell to Payments to Seven

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SPECIAL — WASHINGTON, Nov. 13—The jury at the Watergate cover-up trial heard lengthy testimony today that linked former Attorney General John N. Mitchell with secret payments of thousands of dollars to the seven Watergate burglary defendants.

The payments, according to earlier testimony, were to keep the seven men from telling the truth about Watergate.

The testimony about Mr. Mitchell came from Fred C. LaRue, a former White House and Nixon re-election campaign official, who is waiting to be sentenced for his admitted role in the cover-up.

Mr. LaRue described himself as a "close friend" of Mr. Mitchell, and he testified with obvious discomfort.

He hesitated on many questions. He replied that he did not recall on other questions. Pressed by the prosecution for perhaps the most damaging part of his testimony, he responded in such a way that Judge John J. Sirica allowed the prosecution to cross-examine him, in effect turning him into a hostile witness.

Mr. LaRue's testimony, if believed by the jury, seriously damaged a second defendant, Robert C. Mardian, a former Assistant Attorney General. Much of his testimony about Mr. Mardian appeared new.

Mr. LaRue also implicated two other defendants—H. B. Haldeman, the former White House chief of staff, and Kenneth Wells Parkinson, a lawyer for the Nixon re-election committee. The other defendant in the trial is John D. Ehrlichman the former White House adviser on domestic matters.

In another development, Judge Sirica appointed three doctors to examine former President Richard M. Nixon to determine whether he will be able to give testimony at the trial. Mr. Nixon has been subpoenaed by both the prosecution and the defense.

Mr. LaRue's testimony, much of it a repetition or an expansion of what he told the Senate Watergate committee hearings, touched on events that occurred months before the Watergate break-in and months afterward. The part that appeared most damaging to Mr. Mitchell and Mr. Mardian focused on the weeks following the break-in at Democratic headquarters in the Watergate complex on June 17, 1972.

Mr. LaRue's account supported the basic theory of the prosecution—that White House and campaign officials realized immediately after the break-in that a thorough investigation would uncover the link between the campaign and the burglary and that they conspired to obstruct the inquiry through such means as a "cover story" and payoffs to the seven men who participated in the break-in.

Mr. LaRue testified that, in the week after the break-in, he, Mr. Mitchell and Mr. Mardian had discussed the fact that the money found in the burglars' possession could be traced to the campaign committee.

He testified that in another

meeting with Mr. Mitchell, he reported that one burglar, G. Gordon Liddy, had told him and Mr. Mardian that "commitments" has been made to the seven men.

Under prodding from Richard Ben-Veniste, the assistant special prosecutor, Mr. LaRue testified that a directive from Mr. Mitchell had led to a meeting with Herbert W. Kalmbach, former personal attorney of Mr. Nixon, who testified yesterday about arranging cash payments to the original Watergate defendants.

Mr. LaRue said he did so, apparently at the arrangement of John W. Dean 3d, then Mr. Nixon's White House counsel and now a chief prosecutoin witness who is in a Federal prison.

"Mr. Mitchell asked me to work with Mr. Dean on this problem," Mr. LaRue said.

"What problem was that?" Mr. Ben-Veniste asked.

"The problem of meeting the commitments to the defendants," Mr. LaRue answered.

Mr. LaRue said that, at Mr. Mitchell's behest, he went to Florida in the fall of 1972 and collected \$50,000 from Charles G. Rebozo, a close friend of Mr. Nixon.

Mr. Ben-Veniste asked what Mr. Mitchell had told Mr. LaRue to do with the money. Mr. LaRue replied that Mr. Mitchell told him to give about \$25,000 to an unidentified candidates campaign and to keep the rest.

Mr. Ben-Veniste asked Mr. LaRue whether he had not told prosecutors earlier that Mr. Mitchell said the money was to be used for the Watergate defendants. Mr. LaRue said he had not.

The loudest argument of the day then erupted.

Mr. Mitchell's chief lawyer, William G. Hundley, objected to the prosecutor's questions. Mr. Ben-Veniste demanded to be allowed to cross-examine Mr. LaRue. Judge Sirica reprimanded the lawyers for speaking at the same time.

At Mr. Ben-Veniste's request, Judge Sirica said that Mr. Ben-Veniste could cross-examine Mr. LaRue because he had been "surprised" by the witness's answer.

Mr. LaRue then said he had misunderstood. What Mr. Mitchell told him, he said, was to put the approximately \$25,000 balance in the fund from which he paid the Watergate defendants.

The jury also heard testimony from Anthony T. Ulasewicz, the one-time New York City policeman who, at the direction of Mr. Kalmbach, delivered more than \$200,000 in cash to the original Watergate defendants.

Mr. Ulasewicz corroborated the account that Mr. Kalmbach gave yesterday of the amounts and dates of the various payments, including several to Mrs. E. Howard Hunt, Jr., wife of one of the defendants, for disbursement to the others, and one to William O. Bittman, Mr. Hunt's attorney.

But he cast doubt on one aspect of Mr. Kalmbach's testimony, the part that Judge Sirica indicated yesterday that he found hard to believe: Mr. Kalmbach's insistence that he

did not realize for almost two months that the cash payments were illegal, designed to buy the silence of the burglars.

Mr. Ulasewicz told of two conversations he had had with Mrs. Hunt when Mrs. Hunt said that certain people might "blow" and tell the truth about Watergate. He said he had recounted these to Mr. Kalmbach. He also said he had told Mr. Kalmbach a number of times about his concern over the legality of what he was doing.

Mr. Ulasewicz said that Mrs. Hunt had told him on July 30, 1972, in asking for more money, that the wife of another of the original Watergate defendants, G. Gordon Liddy, might be on the verge of a nervous breakdown. She asked whether Mr. Ulasewicz could recommend a psychiatrist, the witness testified, and said, "If she goes, she might blow everything." *

* See two columns by Maxine Cheshire, WXP 2 and 9 Oct 73.

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"What did 'blow everything' mean to you?" Mr. Ben-Veniste asked.

"She would tell what she knew about the situation," Mr. Ulasewicz replied.

"What situation?" the prosecutor asked.

"The Watergate situation," Mr. Ulasewicz said.

Mr. Ben-Veniste later asked Mr. LaRue whether he had discussed with Mr. Kalmbach Mrs. Hunt's comments about Mrs. Liddy. Mr. LaRue said that he had.

What was the thrust of the discussion? Mr. Ben-Veniste asked.

"If this was not tended to, [Mrs. Liddy] might divulge everything she knew," Mr. LaRue replied.

Mr. Kalmbach said yesterday that it was not until mid-August that he realized the money-dispensing scheme and his role in it might be illegal.

Mr. Ulasewicz provided the

comic high point of the Senate Watergate committee hearings in 1973 with his descriptions of secret "drops" of cash, of complicated deliveries in which he put huge sums of money in brown paper bags, left the bags in lockers at airports and taped the keys to the lockers in phone booths.

He was much more restrained today, repeating his account in a flat voice with little emotion. But he drew smiles from some jurors and laughter from many spectators by his use of phrases and terminology of the classic police witness in a criminal case.

"I observed the telephone booths," he said in describing how he arranged to deliver cash to Mrs. Hunt. Describing his delivery of \$25,000 in cash to Mr. Bittman through a similar telephone booth scheme, he said: "He proceeded to the telephone booth," got the money, and on his way back, "some

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unidentified female spoke with him."

Mr. Ulasewicz told how he would stay at the scene of a delivery and watch from a distance to make sure that some stranger did not pick up the bag of money.

What was he prepared to do if someone else did pick up the money? the prosecutor asked.

"Well, I would say I would separate them very quickly from that envelope," Mr. Ulasewicz replied. "I would obtain it."

Mr. Ulasewicz went to the White House in 1969 as a consultant to do what he called "confidential" investigations. According to his testimony, he was hired after a meeting at LaGuardia Airport with Mr. Ehrlichman about "terms and salary."

Mr. Ulasewicz has been named an unindicted alleged co-conspirator in the cover-up case.