How the Investigation of

Bob Woodward and Carl Bernstein Washington Post

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The current investigation into President Ford's congressional campaign finances was initiated in July by Attorney General Edward H. Levi and other senior Justice Department officials, it was learned yesterday.

The inquiry was begun when the Justice Department, acting on information given the FBI by an informant, formally referred allegations involving Mr. Ford's past campaigns to the office of the Watergate special prosecutor.

These disclosures were made yesterday by Deputy Attorney General Harold R. Tyler in an interview with the Washington Post.. Tyler's comments represent the first on-

the record discussion of the matter by any law enforcement official involved in the case.

Although Tyler refused to discuss the substance of the allegations in detail, other Justice Department sources continued to describe them as "significant" and "serious." These sources said the investigation involves allegations that Mr. Ford converted campaign contributions to his personal or improper political

Tyler would say only that, "to the extent I know about it, this involves President Ford."

Tyler's disclosure that the special prosecutor's inquiry was initiated by the senior officials of Mr. Ford's own Justice Department undercut suggestions by White House officials that the investigation might be politically motivated.

According to Tyler, the decision to refer the allegations to

Special Prosecutor Charles Ruff was made after discussions involving Levi, FBI Director Clarence M. Kelley, Associate FBI Director James B. Adams and Tyler himself.

Tyler said he sent the memo referring the matter to Ruff on July 12 or 13. "I didn't know I might be involving the President," Tyler said. "The allegation was that there might have been some violation of the election laws, some laundering of money that was used as contributions in Kent county or Grand Rapids (Mich.)."

Noting the unusual nature of such a decision, Tyler said only three matters have been referred by the department for investigation by the special prosecutor during the past 18 months.

He said that allegations which he described as "clearly spurious" and "patently false" have been made to the department about

Ford Began

Jimmy Carter. Those allegations, and many others about other political figures, have been disposed of without extensive investigation, Tyler said.

Despite the apparent seriousness of the allegations involving Mr. Ford, other Justice Department officials have emphasized that the special prosecutor's investigation is still in a formative stage and cautioned against predicting the outcome.

Since referring the matter to the special prosecutor, Levi has maintained an "arms-length attitude" toward the investigation, according to one official, and appears to be satisfied with the manner in which the special prosecutor is proceeding. "There is no feeling in the department, based on the facts known this far, that Ruff is doing anything irresponsible," he said

Except to say that an informant brought information to the FBI, neither Tyler nor other officials have been willing to explain how the allegations were called to their attention. Tyler did say that the informant "was scared to death about having his name revealed."

According to several sources, the special prosecutor is attempting to trace the disposition of contributions made to Mr. Ford's congressional campaigns by two powerful maritime unions, the Seafarers International Union and the Marine Engineers Beneficial Association.

Thus far, Special Prosecutor Ruff has subpoenaed the records of three Republican campaign committees in Mr. Ford's former district, seeking details of his congressional campaigns from 1964 to 1972. FBI agents, meanwhile, have interviewed at least eight former officials of the committees.

According to Tyler, the matters now under investigation are unrelated to previously published allegations made by an informant last year that Mr. Ford received improper contributions from a maritime union. "We tracked that down and the informant was lying—trying to save his own neck," Tyler said. "... It's not the same informant."

Tyler and other Justice officials declined to speculate on how long the special prosecutor's inquiry might last before there is some public disposition of the allegations. Special prosecutor Ruff has declined comment on the matter.