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WATERGATE REVISITED

Did the press — and the courts — really get to the bottom of history's most famous burglary?

by PHIL STANFORD

When Jim Hougan's new Watergate book, *Secret Agenda*, was published last winter, it caused a brief but intense flurry of interest. Writing for *The New York Times Book Review*, Pulitzer Prize-winner J. Anthony Lukas faulted Hougan in several instances for jumping to what he considered unwarranted conclusions, particularly when it came to Hougan's theory that the real reason behind the Watergate burglary was a secret sex scandal. However, he also found that Hougan had presented some "valuable new evidence." "If even half of this is true," wrote Lukas — whose word carries particular weight in this instance because his own book on Watergate, *Nightmare*, is considered the definitive work on the subject — "*Secret Agenda* will add an important new dimension to our understanding of Watergate.

"But," Lukas added, "it may be months before reporters can sort through this material, check Mr. Hougan's sources, and decide which of these revelations is solid gold, which dross."

Reviewing the book for *The Washington Post Book World*, Anthony Marro, himself an old Watergate hand and now managing editor of *Newsday*, criticized Hougan for mixing "diligent information gathering with questionable, even reckless, assumptions about motive and purpose." Nevertheless, he wrote, "Hougan has attacked the official record of Watergate with . . . considerable skill, pointing up scores of questions, flaws, contradictions, and holes."

"It likely will take some time for Hougan's reporting to be absorbed, cross-checked, challenged, and tested," Marro added, "and whether this proves to be an important book or simply a controversial one will depend on how well it survives the scrutiny that it is sure to receive."

Another review, by Robert Sherrill,

appeared in the *St. Petersburg Times*. Sherrill, who has a reputation for being a hard-nosed investigative writer, found that Hougan "builds a compelling case even though some crucial parts, as he readily concedes, are based on circumstantial evidence." "If nothing else," Sherrill concluded, "*Secret Agenda* has raised enough questions to remind the press that no matter how conscientiously it tries to unravel scandalous riddles of government, it should wait a few years before boasting that the solution is complete" — and, like Lukas and Marro, he left no doubt that he expected the press to get to work.

That, of course, was more than a year ago — and to date, apparently, no one from any of the major news organizations has made an effort to test any of Hougan's findings. This seems odd, if only because the Watergate affair is one of the most important political and journalistic events of our time, and because, if Hougan is right, our knowledge of it is seriously flawed.

What Hougan presents in *Secret Agenda* is not so much a totally new version of Watergate as it is, to use Marro's words, "a significant new dimension and perspective." There is nothing in his account to suggest that Richard Nixon was not guilty of impeachable offenses. Nor does Hougan dispute that the break-in was planned in the White House, or that when the burglars were caught, the president and his men conspired to cover up their involvement. What he does say is that all the while this was going on, the CIA, quite without the knowledge of the White House, was pursuing an agenda of its own. Hougan says that at least two of those involved in the break-in were actually spying on the White House for the CIA and conducting their own illegal domestic operations; that one of these domestic operations involved spying on the clients of a call-girl ring operating out of an apartment complex near the Watergate;

and that when the White House-planned bugging of the Democratic National Committee's headquarters threatened to expose this operation — as it might have, since some of the clients for the call girls were being referred from the DNC — it was sabotaged in order to protect the CIA's role. "Watergate," Hougan writes, "was not so much a partisan political scandal as it was . . . a sex scandal, the unpredictable outcome of a CIA operation that, in the simplest of terms, tripped on its own shoelaces."

Now, this is clearly a mind-boggling scenario, and there is a natural tendency for some to simply laugh it off. However, considering the published statements of journalists such as Lukas, Marro, and Sherrill, as well as Hougan's own reputation as a serious writer and investigator — he is a former Washington editor of *Harper's* magazine and the author of *Spooks*, a well-documented study of the use of intelligence agents by corporations and other private entities — Hougan's findings cannot be so easily dismissed. What's needed is a careful look at his facts: either they are correct or they aren't. And the logical place for such an investigation to begin is with Hougan's account of the break-in, since that is the keystone of his entire argument. My own inquiries indicate that Hougan is right on several crucial points.

According to the generally accepted account of the break-in, the reason the Watergate burglars entered the headquarters of the Democratic National Committee on June 17, 1972, was to replace a defective bug on the telephone of the secretary of DNC chairman Larry O'Brien. As this version goes, in the course of a break-in two weeks earlier, James McCord had installed two bugs — one on the phone belonging to O'Brien's secretary, the other on the phone of another official, R. Spencer

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Oliver. The Oliver bug worked, and for two weeks, we are told, a fellow named Alfred C. Baldwin III, sitting in a room in the Howard Johnson motor lodge across the street from the Watergate complex, monitored conversations from it. Baldwin passed on summaries of those conversations — which he and others described as sexual in nature — to McCord, who passed them along to G. Gordon Liddy, who passed them on to Jeb Magruder. When the bug on O'Brien's phone failed to function, the Plumbers went back in to replace it, and that is when they were arrested. In any case, that is the standard version.

According to Hougan, however, the DNC was never bugged in the first place; when FBI technicians arrived on the scene later in the morning of the arrest they couldn't find a single bug in the DNC. And where does Hougan get this startling information? Hougan says it comes from FBI documents obtained through a Freedom of Information suit. According to the documents he cites,

neither FBI nor telephone company technicians were able to find the bugs that had supposedly been planted by the Watergate burglars — despite three top-to-bottom searches, which included the dismantling of every phone on the premises, and some urgent pleas from the prosecutor, assistant U.S. attorney Earl J. Silbert, who understood that the failure to find a bug could have serious consequences for his case. Furthermore, when an antiquated bug was actually discovered on a secretary's phone some three months later, the FBI tested it and concluded that it would have been incapable of transmitting outside the Watergate. They pronounced it a phony, probably a plant, and assigned it an entirely different case number.

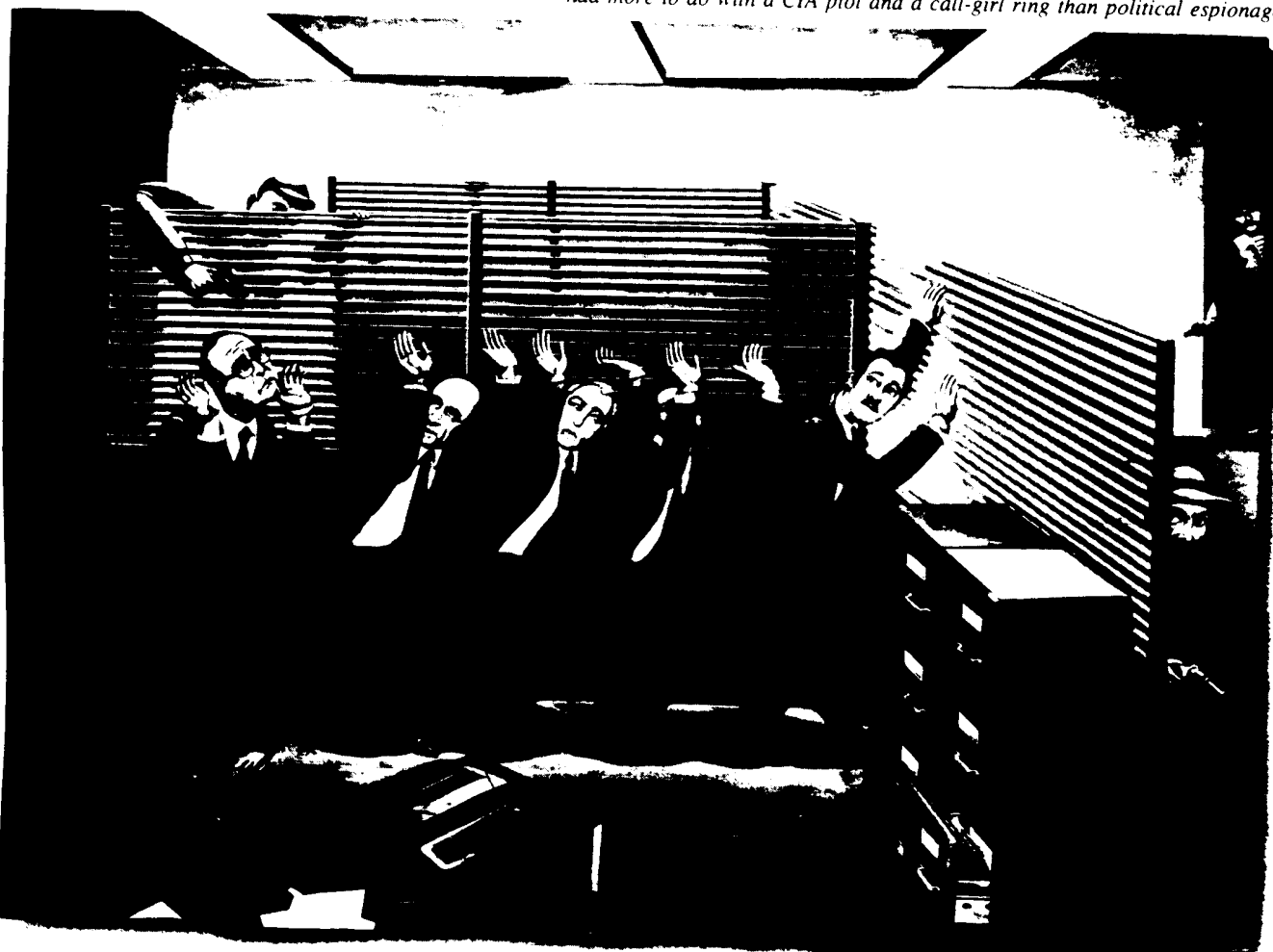
Now, quite obviously, this raises some questions that demand answers. For example:

□ *Are the documents that Hougan cites genuine?* Yes. They are on file at the FBI reading room in Washington, D.C., and I have examined them.

□ *Well, isn't it possible that these reports are merely interim reports, and that the FBI later reversed itself?* Apparently not. I spoke with retired FBI special agent Wilbur G. Stevens, who was supervisor of the FBI Laboratory during Watergate. He confirmed (a) that the FBI was never able to find a bug in the DNC and (b) that when one was later discovered after a call from a secretary at the DNC, the FBI considered it a fake. "There's nothing that I know of that would change [these findings]," he said.

□ *Then why haven't we heard of these FBI documents before?* As Hougan points out in his book, the Justice Department under Nixon refused to release any of these reports to the Senate Watergate Committee. This is confirmed by Terry Lenzner, former assistant chief counsel for the committee. "We were concentrating on the cover-up," Lenzner told me. "It would have been useful to our investigation to have the documents in order to check them against any

What were these burglars really after? According to a new theory, the Watergate break-in, shown here in this 1974 New York magazine reconstruction, had more to do with a CIA plot and a call-girl ring than political espionage.



Richard Hess

conflicts that might have arisen." Nor were the documents given to the defendants in the Watergate trial, as noted in a pre-release story on *Secret Agenda* by *The New York Times*. Hougan, who obtained a total of 16,000 documents through the FOIA in 1980, was presumably the first person outside the Justice Department to examine them.

□ *But wasn't the prosecutor required by law to hand over material that might be exculpatory to the Watergate defendants?* Anthony Lukas raises this question in his review for *The New York Times*, pointing out that, under the Brady rule, the prosecution is required to give all such evidence to the defense. In this case, the application of the rule seems especially obvious, because the government had charged the Watergate burglars with planting a bug that its own investigators said was a fake. When I asked the Watergate prosecutor, Earl Silbert, about this, he said he recalled the documents but had no clear recollection of whether they had been available to the defense. He went on to say that the Brady rule is only a "legalism," and that the prosecutor is required to turn over such material only if asked to do so by the defense. "And, frankly, I just can't say that they asked," Silbert said. "If the memos weren't turned over to the defense, that was the reason."

"But how could they request them if they didn't know they existed?" I asked.

"I can see your point," Silbert said, "but some Brady requests are overbroad."

□ *What do the defense lawyers say about that?* I sent copies of the FBI reports to one of them, Ellis S. Rubin. A prominent Miami trial lawyer, Rubin was retained to represent the four Cuban members of the burglary team — Eugenio Martinez, Frank Sturgis, Bernard Barker, and Virgilio González — after they had pleaded guilty and been sentenced to prison.

When I called Rubin a few days later he expressed astonishment, stating categorically that his clients had never been given the information. "This is a definite violation of Brady versus Maryland," he said, "and it could be cause for a new trial." He said he would take the matter up with his clients.

"You may have a bigger scoop than you imagined," Rubin added.

f, as my own abbreviated investigation shows. Hougan's facts on the break-in check out, this is obviously an important story in itself, as Rubin's comments would suggest. But, beyond this, even if Rubin and his clients decide not to seek a new trial, Hougan's version of the burglary is important because of the questions it raises about the rest of the Watergate affair. For example:

Since Alfred Baldwin was obviously listening to something in his room at the Howard Johnson, just what was he listening to? Hougan's answer — and this is where the sex-scandal theory begins to emerge — is that Baldwin was listening to transmissions from a bug that was planted elsewhere. Hougan concludes that the bug was situated in a prostitute's quarters in the Columbia Plaza, which is located near the Watergate complex. As Hougan himself points out, the evidence for this is circumstantial.

Another question posed by the new break-in evidence, however, is a bit easier to deal with: *If much of what we know about the break-in and bugging is false, then where did we get our original version of those events?* Hougan's answer, supported in this instance by the records of the Watergate Commission, is — James McCord. If the standard version of the break-in is false, McCord was apparently lying. But why?

According to Hougan, both McCord and E. Howard Hunt "were secretly working for the CIA while using the White House as a cover for domestic intelligence operations." Once again, this assertion is so contrary to what Hougan calls the "received version" of Watergate that we are tempted to dismiss it out of hand. However, Hougan's conclusions in this regard would seem to be based on the same kind of verifiable information as his break-in scenario, so that if anyone is interested it should be possible to check it out.

According to the received version of Watergate, Hunt is the somewhat buffoonish member of the White House Plumbers, a former CIA agent in disrepute, whose ineptitude contributed mightily to the bungling of the "third-rate burglary" at the DNC. As we have come to believe, Hunt left the agency in the spring of 1970 to take a job with a Washington p.r. firm called the Robert

R. Mullen Company. He continued in his employment there after he got his job as a White House consultant, working as a publicity writer.

Marshaling information from several sources, Hougan argues that Hunt never really retired from the CIA. He presents evidence that "two previous "retirements" by Hunt were acknowledged fakes; that shortly before Hunt ostensibly left the agency in 1970 his top-secret security clearance was actually extended in anticipation of his continued "utilization" by the CIA; that the Mullen Company was no ordinary p.r. firm but a CIA front with active CIA agents working out of its offices; and that during the Watergate period the president of the Mullen Company, Robert Bennett, reported to his case agent at the CIA on his efforts to divert attention from any agency involvement in Watergate.

So, if Hunt was still working for the CIA, what was he doing at the White House? Hougan says he was there as an undercover agent, spying on the White House for the agency. In support of this, he introduces an internal CIA memorandum, written by an agency employee who worked at the White House CIA liaison office. According to the memo — which had been previously published as an addendum to House hearings, but in a vague, summary version, with the names of the author and its two addressees deleted — Hunt regularly used the office to send sealed envelopes back to CIA headquarters. On one occasion, according to this memo, a member of the liaison staff opened one of the envelopes and found it to contain "gossip" material.

Hougan found out the name of the author of the memo, Rob Roy Ratliff, and gave him a call. According to Ratliff, the gossip alluded to was about White House officials and other members of the administration. Hougan found another source, who described the gossip as "almost entirely of a sexual nature." He also discovered that the recipients of Hunt's missives, whose names had been deleted for reasons of "national security," were CIA director Richard Helms and the CIA's Medical Services division — the staff of which,

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as Hougan points out, uses such material to construct psychological profiles.

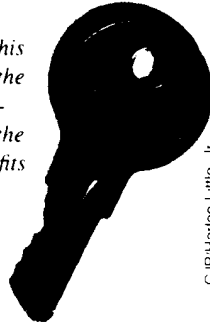
Hougan also succeeds in shedding new light on McCord, the chief Watergate burglar. Contrary to the popular conception of him as a plodding ex-agency gumshoe, Hougan writes, McCord was for years a high-ranking (GS-15) official in the CIA's Office of Security, which was responsible at various times for the agency's mind-control programs, plots to assassinate foreign leaders, and a variety of illegal domestic operations, such as the mail-opening project, the infiltration of the antiwar movement, and Operation Chaos. It is worth keeping in mind that at the time of Watergate none of these programs had been exposed.

As Hougan shows, McCord's supposed retirement from the CIA, which occurred in 1970, just three months after Hunt's, was also quite dubious. McCord's ostensible reason for retiring was to make more money than he earned on his GS-15 salary. However, before he signed on with the Republican National Committee and the Committee to Reelect the President, McCord's only apparent sources of income were his pension, a part-time teaching job at a community college in Maryland, and a private security firm, McCord Associates, which had no clients until he was hired by the RNC.

Hougan cites several examples of McCord's activities during his tenure as a Republican security adviser that are difficult to explain, including the purchase in Chicago of several telephone bugs that would broadcast only via classified CIA communications satellites. There was also a suspicious incident that occurred at McCord's home just five days after the Watergate burglary: all of McCord's records were thrown into the fireplace and burned. Present for the event were McCord's wife (McCord was still in jail) and one Lee R. Pennington, Jr., a deep-cover contract agent who worked for McCord's old outfit, the Office of Security, and received his pay in the form of "sterile" checks. A CIA memo, not made public until two years after the fire, indicates that Pennington went to McCord's home for the purpose of "destroying any indication of connections between the Agency and Mr. McCord." As Hougan points out, since

it had already been reported in the press that McCord was a former employee of the CIA — McCord had testified to that effect at his arraignment — the only possible connection that might have concerned the agency would have been one *subsequent* to his retirement. And what was McCord up to? Hougan says that, with the assistance of a down-and-out private investigator named Louis J. Rus-

Key to a mystery? *This key, found on one of the Watergate burglars — and now reposing in the National Archives — fits the theory that a sex scandal prompted the break-in.*



C. J. R. H. Little, Jr.

sell, he was involved in bugging some prostitutes at the Columbia Plaza Apartments near Watergate, possibly to collect information which the CIA could use for political blackmail. At this point — as Hougan turns toward his sex-scandal theory — the facts are somewhat sketchier.

However, even with the sex scandal there are plenty of intriguing leads that would seem to warrant further inquiry. To start with, there is the call-girl ring itself, which operated out of the Columbia Plaza, catering to an assortment of Washington types, including a U.S. senator and a clutch of foreign intelligence agents. Hougan knows this because he got the "trick books." When the call-girl ring was exposed in the weeks before the Watergate break-in, it created a minor scandal. But until Hougan came along no one ever saw any reason to connect it to the Watergate affair. Hougan finds several possible links, including evidence of high-level White House interest in the case.

More to the point, Hougan establishes through interviews with Phillip Mackin Bailey, the lawyer who pled guilty to running the call-girl operation, that clients for the prostitutes at the Columbia Plaza were being referred on a regular basis by a woman who worked in the DNC offices. Next, Hougan produces another of the FBI documents he obtained through the FOIA — which reveals that when the burglars were arrested at the DNC, one of them, Eu-

genio Martinez, was caught by the police trying to get rid of a key he had in his coat pocket. And the key? As the FBI quickly determined, it belonged to the desk of Ida "Maxie" Wells. Wells was the secretary of R. Spencer Oliver, who, it will be remembered, was the DNC official whose phone was supposedly bugged.

What does the key mean? Hougan takes it as additional evidence for his thesis that Watergate was not so much a political scandal as it was a sex scandal. Maybe he's right, and maybe not; and maybe he's partly right, which strikes me as more likely. At this point there's not enough information to come to any conclusion. However, the documents are on file at the FBI reading room for anyone interested in pursuing the matter. The key itself — along with copies of the FBI documents and other Watergate records — is to be found at the National Archives.

Without stopping to list several other evidentiary steps here, we can now go straight to Hougan's conclusion: that James McCord had been monitoring the prostitutes at the Columbia Plaza, possibly to obtain blackmail information for the CIA; that when the call-girl ring was busted, the White House saw a chance to collect some dirty stories of its own and launched the Plumbers on its own fact-finding mission; and that, in order to preserve the secrecy of this project, which amounted to nothing less than an illegal domestic operation by the CIA, McCord sabotaged the burglary, causing all hands to be arrested.

As should be clear, even from this brief summary, Hougan's sex-scandal scenario has some holes in it — the biggest being the lack of any positive proof that the CIA was involved in the call-girl operation, or that Baldwin was in fact listening in on the Columbia Plaza. However, it should be equally obvious that the real worth of *Secret Agenda* does not depend on this one rather sensational theory. Especially for journalists, the importance of Hougan's book lies in the questions it raises about all the old theories that we have accepted as fact. In *Secret Agenda*, Hougan makes a convincing argument that at least some of what we think we know about Watergate is wrong. It is high time that the press started facing up to that possibility. ■