

CHARLESTON, W. VA.
GAZETTE AUG 27 1973

M - 63,294
GAZETTE-MAIL
S - 106,775

Approved For Release 2005/07/01 : CIA-RDP91-00901R000700100001-2

Editorials

Editorials

Which Watergate Story Will Nixon Tapes Tell?

During his Aug. 15 speech in relation to hearings being conducted by the Senate Watergate committee, President Nixon had this to say:

"In all of the millions of words of testimony, there is not the slightest suggestion that I had any knowledge of the planning for the Watergate break-in. As for the coverup my statement has been challenged by only one of the 35 witnesses who appeared—a witness who offered no evidence beyond his own impressions, and whose testimony has been contradicted by every other witness in a position to know the facts."

Mr. Nixon obviously was referring to his former White House counsel, John W. Dean III, who had told of coming away from a meeting last Sept. 15 "with the impression that the President was well aware of what had been going on..."

But, somehow, the President overlooked or chose to ignore L. Patrick Gray III.

Mr. Nixon, in his Aug. 15 speech on Watergate, also had this to say:

"From the time when the break-in occurred, I pressed repeatedly to know the facts, and particularly whether there was any involvement by anyone at the White House."

Gray testified before the Senate committee about a telephone call he received from the President on July 6, 1972, at a time when Gray was acting director of the FBI. He said he told the President at that time that he and Lt. Gen. Vernon A. Walters, deputy director of the CIA, believed that persons on Nixon's staff were trying to "mortally wound" the President by confusing the question of CIA interest in persons the FBI wanted to investigate in its Watergate probe.

Did the President, so solicitous about pressing repeatedly to know the facts, press Gray for more information as to the persons who were trying to mortally wound him?

No. After a slight pause, said Gray, the man who knew the question of being taped simply said: "Pat, you just continue to conduct your aggressive and thorough investigation."

There followed, during Gray's Watergate testimony on Aug. 6, this exchange between Sen. Herman E. Talmadge and Gray:

Talmadge: "Did you think that your conversation with the President on July 6, 1972, was sufficient to adequately put him on notice that the White House staff was engaged in obstructing justice?"

Gray: "I don't know that I thought in terms of obstruction of justice, but I cer-

tainly think there was, it was adequate to put him on the notice that the members of the White House staff were using the FBI and the CIA."

Talmadge: "Do you think it adequate, do you think a reasonable and prudent man, on the basis of the warning that you gave him at the time, would have been alerted to the fact that his staff was engaged in something improper, unlawful and illegal?"

Gray: "I do because frankly I expected the President to ask me some questions for two weeks after that..." And Gray went on to explain that the President never told him anything except to pursue his investigation.

President Nixon, in his Aug. 15 speech on Watergate, had this to say:

"Because I trusted the agencies conducting the investigations, and because I believed the reports I was getting, I did not believe the newspaper accounts that suggested a coverup because I was convinced that no one had anything to cover up."

"It was not until March 21 of this year that I received new information from the White House counsel that led me to conclude that the reports I had been getting for over nine months were not true."

Dean, testifying before the Senate Watergate committee, told of a meeting he had with Mr. Nixon in the President's Oval Office on Sept. 15, 1972, and he concluded with this observation:

"I left the meeting with the impression that the President was well aware of what had been going on regarding the success of keeping the White House out of the Watergate scandal, and I also had expressed to him my concern that I was not confident that the coverup could be maintained indefinitely."

What story would the White House tapes tell?

Approved For Release 2005/07/01 : CIA-RDP91-00901R000700100001-2

The Key Questions

"To most of us, 'Watergate' has come to mean not just a burglary and bugging . . . but a whole series of acts that either represent or appear to represent an abuse of trust. It has come to stand for excessive partisanship, for 'enemy lists,' for efforts to use the great institutions of government for partisan political purposes . . . Because the abuses occurred during my Administration, and in the campaign for my re-election, I accept full responsibility for them. I regret that these events took place."

As a summation for the defense in the Watergate case Richard Nixon's report to the nation last week came to little more than a replay of his past speeches and statements. Once again, Mr. Nixon accepted a sort of distant responsibility for the scandals and assigned the real blame to overzealous aides; otherwise, he spoke largely in generalities about the charges accumulated against him over the 37 days of Sam Ervin's Senate inquiry into the Watergate raid and its corollary "White House horrors." Even Mr. Nixon's accompanying White Paper—a document billed in advance as his definitive response to the case—turned out to be sparse at 2,800 words, repetitive and determinedly unspecific. "It would be neither fair nor appropriate for me to assess the evidence or comment on specific witnesses," the President said. Thus, he did almost nothing to settle the maze of conflicts and contradictions in the hearing record—and so left behind more questions than answers about his own role in those abuses of trust called Watergate.

4 The Initial Investigation

"In the summer of 1972, I had given orders to the Justice Department and the FBI to conduct a thorough and aggressive investigation of the Watergate break-in . . . My only concern about the scope of the investigation was that it might lead into CIA or other national security operations of a sensitive nature."

Whatever their motives, the President and some of the men closest to him did take steps that helped to frustrate the original Watergate investigation. Assistant Attorney General Henry Petersen, who directed that first inquiry, testified that the President himself warned him to steer clear of previous plumbing missions by Gordon Liddy and E. Howard Hunt. And it was on orders from the President that Haldeman and Ehrlichman met in June 1972 with CIA director Richard Helms and his assistant, Maj. Gen. Vernon Walters, to get them to dissuade Pat Gray from doing anything that might expose possible agency operations in Mexico. The CIA, as it happened, was not concerned about Gray's poking around south of the border. What the FBI eventually did expose in Mexico was a political money-laundering operation through which Nixon campaign funds flowed to the Watergate gang.

The inquiry was narrowed in other ways, on signals relayed by Petersen from the White House to the investigators. Dem. advised Petersen not to let the investigation turn into a "fishing expedition" into campaign activities at the White House; Petersen passed that along. Ehrlichman applied pressure to allow campaign finance chairman Man-
 gett Stein among other things to testify outside the presence of the grand jury; Petersen went along with that, too.

NEW YORK TIMES
23 AUG 1973

Transcript of President's News Conference on Foreign and Domestic Matters

Special to The New York Times

Following is a transcript of President Nixon's broadcast news conference from San Clemente, Calif., yesterday, as recorded by The New York Times:

OPENING STATEMENT

First, gentlemen, I have an announcement before going to your questions.

It is with the deep sense of not only official regret but personal regret that I announce the resignation of Secretary of State William Rogers, effective Sept. 3.

A letter which will be released to the press after this conference will indicate my appraisal of his work as Secretary of State.

I will simply say at this time that he wanted to leave at the conclusion of the first four years.

He agreed to stay on because we had some enormously important problems coming up including the negotiations which resulted in the end of the war in Vietnam, the Soviet summit, the European Security Conference as well as in other areas, Latin America and in Asia where the Secretary of State as you know has been quite busy over these past eight months.

As he returns to private life we will not only miss him in terms of his official service but I shall particularly miss him because of his having been through the years a very close personal friend and adviser. That personal friendship and advice, however, I hope still to have the benefit of and I know that I will.

Kissinger to Be Named

As his successor I shall nominate and send to the Senate for confirmation the name of Dr. Henry Kissinger.

Dr. Kissinger will become Secretary of State, assume the duties of the office after he is confirmed by the Senate.

I trust the Senate will move expeditiously on the confirmation hearings because there are a number of matters of very great importance that are coming up. There are, for example, some matters that might even involve some foreign travel by Dr. Kissinger that will have to be delayed in the event that the Senate hearings are delayed.

Dr. Kissinger's qualifications for this post I think are well known by all of you ladies and gentlemen as well as those looking to us and listening to us on television and radio.

He will retain the position, after he becomes Secretary of State, of assistant to the President for national security affairs. In other words

somewhat a parallel relationship to the White House which George Shultz has. George Shultz as you know is Secretary of the Treasury but is also an assistant to the President in the field of economic affairs.

The purpose of this arrangement is to have a closer coordination between the White House and the departments and in this case between the White House and the National Security Affairs, the N.S.C. and the State Department, which carries a major load in this area.

Another Purpose

And also another purpose is to get the work out in the departments where it belongs and I believe that this change in this respect of Dr. Kissinger moving in as Secretary of State and still retaining the position as Assistant to the President for National Security Affairs will serve the interest not only of coordination but also of the interests of an effective foreign policy.

I will simply say finally with regard to Secretary Rogers that he can look back on what I think and I suppose it is a self-serving statement, but I will say it about him rather than about myself at the moment, one of the most successful eras of foreign policy in any Administration in history, an era in which we ended a war, the longest war in America's history, an era in addition in which we began to build a structure of peace, particularly involving the two great powers, the People's Republic of China and the Soviet Union, where before there had been nothing but ugly and at sometimes very, very difficult confrontation.

We still have a long way to go. There are trouble spots in the area of the Middle East, others, Southeast Asia which we could go into in detail. But as Secretary Rogers looks back on his years, four and a half years of service as Secretary of State, he can be very proud that he was one of the major architects of what I think was a very successful foreign policy.

And now we'll go to the question. I think, A.P.

2. Why Gray Was Ignored

Q. On July 6, 1972 you were warned by Patrick Gray you were being mortally wounded by some of your top aides. Can you explain why you didn't ask who they were, and why, what was going on?

A. Well, in the telephone conversation that you refer to that has been, of course, quite widely reported in the press as well as on television, Mr. Gray said that he was concerned that as far

as the investigation that he had responsibility for, that some of my top aides were not cooperating. Whether the term used was mortally wounded or not, I do not know. Some believe that it was. Some believe that it wasn't. That is irrelevant. He could have said that.

The main point, however, I asked him whether or not he had discussed this matter with General Walters because I knew that there had been meetings between General Walters representing the C.I.A. to be sure that the C.I.A. did not become involved in the investigation and between the director of the F.B.I. He said that he had. He told me that General Walters agreed that the investigation should be pursued and I told him to go forward with a full press on the investigation, to which he has so testified. It seemed to me that with that kind of directive to Mr. Gray that that was adequate for the purpose of carrying out the responsibilities. As far as the individuals were concerned, I assume that the individuals that he was referring to involved this operation with the C.I.A.

That's why I asked him the Walters question. When he cleared that up, he went forward with the investigation and he must have thought that it was a very good investigation because when I sent his name down to the Senate for confirmation the next year, I asked him about his investigation and he said he was very proud of it and he said it was the most thorough investigation that had ever taken place since the assassination of President Kennedy, that he could defend it with enthusiasm and that under the circumstances, therefore, he had carried out the directive that I had given him on July 6. So there was no question about Mr. Gray having direct orders from the President to carry out an investigation that was thorough.

Mr. Jerrold.

Watergate I: The Evidence To Date

Misuse of the CIA and FBI

- **UNDISPUTED FACTS.** Shortly after the Watergate arrests, Nixon ordered Haldeman and Ehrlichman to meet with top officials of the CIA. They did so. Later that same day, newly installed Deputy CIA Director Vernon Walters told Gray that FBI attempts to trace money used by the wiretappers through Mexico might interfere with a covert CIA operation there. This slowed the FBI probe. Later Dean asked Walters whether the CIA might provide bail money and support the wiretappers if they were imprisoned. Both Walters and CIA Director Richard Helms decided that the White House was trying "to use" the agency. Walters, after checking further on what the agency was actually doing in Mexico, told Gray that there was no CIA operation in Mexico that could be compromised by the FBI. Gray concluded that there had been an attempt to interfere with the FBI investigation, and he warned the President on July 6, 1972, that "people on your staff are trying to mortally wound you." Nixon asked no questions, but told Gray to continue his investigation.

IN DISPUTE. Haldeman contended that he merely asked the CIA officials to find out whether the CIA had been involved in Watergate and whether they had some operation in Mexico that might be exposed. Both Helms and Walters claimed that Haldeman had introduced the subject as a potential political embarrassment, not a security matter. Walters said he was not asked to determine facts, but was told by Haldeman to tell Gray to hold back the FBI's investigation in Mexico.

WEIGHT OF EVIDENCE. This is among the earliest and clearest instances of a White House effort to impede the investigation. The past CIA service of several of the arrested wiretappers made it seem logical at first that the CIA could provide a convenient cover for the Watergate operation, but Helms' instant denials to Haldeman of any CIA involvement promptly squelched any such notion.

WHAT DID NIXON KNOW? Nixon said on May 22 that he had no intention of impeding any Watergate investigation, but was concerned about an FBI probe interfering with matters of national security. If his intent really was only to protect national security secrets, he failed to convey that to Haldeman or, through Ehrlichman, to Dean. As these aides relayed the President's instructions to Gray, Helms and Walters, the White House interest impressed those officials as highly political. The fact that Nixon asked no questions when Gray warned him about his aides' activities suggests that Nixon might well have known what those aides were trying to do.

Magruder Enters Guilty Plea, Pledges to Assist Prosecution

Admits to Joining Massive
Conspiracy; Will Testify
at Future Watergate Trials

BY RICHARD T. COOPER
Times Staff Writer

WASHINGTON—Former Nixon campaign official Jeb Stuart Magruder pleaded guilty Thursday to joining a massive Watergate conspiracy that federal prosecutors said began with bugging plans and went on to perjury, pay offs, coverups, and misuse of the CIA.

Magruder, tanned and relaxed after a vacation in West Germany with his family, was allowed to plead guilty to one count of conspiracy to eavesdrop, obstruct justice and defraud the United States in return for the limited charge, he agreed to testify for the government at the future trials of other alleged conspirators.

U.S. Dist. Judge John J. Sirica, who has presided over Watergate prosecution matters here from the beginning, released Magruder on his own recognizance and left him free to travel within the United States.

Viewed as Single Conspiracy

Documents outlining the case against Magruder revealed for the first time that Archibald Cox's special prosecution force views Watergate as a single, though many-tentacled conspiracy that appears likely to embrace most of the major figures implicated thus far.

The prosecution charges that the conspiracy began in the fall of 1971 and continued through March 23, 1973, embracing those general areas of illegal activity:

--Attempts "to unlawfully obtain and use, for illegal means and for illegal ends" information from the Watergate offices of the Democratic National Committee. Federal wiretap statutes were cited.

--Efforts "to conceal, cover up, hinder, frustrate, impair, impede and corruptly endeavor to in-

fluence" the investigation and prosecution of "certain of the individuals involved" in planning and carrying out the conspiracy. Violations of statutes

forbidding obstruction of justice were alleged.

--Violations of the federal conspiracy statute, which makes it a separate crime for two or more people to plan illegal activities and take action in furtherance of the plans. In this case Magruder and the "coconspirators unnamed" were accused of hindering the Justice Department's operations "by craft, deceit and dishonest means."

The allegations were contained in a "criminal information," a legal document used with Magruder's consent in place of an indictment returned by a grand jury.

Planning Meetings

As part of the conspiracy, Magruder and others "would meet at divers places in the District of Columbia and elsewhere" to plan and finance the Watergate burglary and bugging, the information said.

That was apparently a reference to the series of meetings in January, February, and March, 1972, attended variously by Magruder, former Atty. Gen. John N. Mitchell, former White House counsel John W. Dean III, Watergate burglar G. Gordon Liddy, and campaign aide Frederick C. LaRue.

Magruder and others have testified that proposals by Liddy for burglary and bugging were discussed. Magruder testified that on March 31 Mitchell approved the plan, but Mitchell testified that he did not.

The June 17, 1972, Watergate break-in was alleged to be part of the conspiracy.

"To conceal the scope and magnitude of the conspiracy" after the Watergate burglars had been ar-

leged, the original conspirators embarked on a coverup that included influencing witnesses to give false and misleading testimony, concealing evidence and the giving of perjured testimony.

Magruder has admitted that he gave false statements to investigators and perjured himself in his first grand jury appearance last year, as well as at the Watergate trials.

Rehearsed Testimony

In addition, he has testified before the Senate Watergate committee that he rehearsed his grand jury testimony with Dean, Mitchell and others.

"It was a further part of the conspiracy that certain coconspirators would misrepresent that the Central Intelligence Agency had an interest in limiting the investigation," the information said.

That allegation appeared to touch former White House chief of staff H. R.

Haldeman and former domestic affairs adviser John D. Ehrlichman, among others.

Haldeman and Ehrlichman testified before the Senate committee that they had instructed Lt. Gen. Vernon A. Walters, then deputy director of the CIA, to warn acting FBI Director L. Patrick Gray III soon after the break-in that CIA interests could be jeopardized if the FBI pursued its Watergate leads in Mexico.

Delayed Investigation

Gray has testified that Walters' message, which was not labeled as coming from the White House, delayed the FBI's investigation.

Ehrlichman and Haldeman, denying that they meant to slow down the FBI inquiry, testified that President Nixon had told them to meet with Walters because of legitimate concern for accidental exposure of unrelated CIA activities.

16 AUG 1973

Text of Nixon's Statement on Watergate Scandal as Issued by the White House

Special to The New York Times

WASHINGTON, Aug. 15—Following is the text of President Nixon's statement on the Watergate scandal as issued by the White House tonight just before the President began speaking to the nation:

On May 17 the Senate Select Committee began its hearings on Watergate. Five days later, on May 22, I issued a detailed statement discussing my relationship to the matter. I stated categorically that I had no prior knowledge of the Watergate operation and that I neither knew of nor took part in any subsequent efforts to cover it up.

I also stated that I would not invoke executive privilege as to testimony by present and former members of my White House staff with respect to possible criminal acts then under investigation.

Thirty-five witnesses have testified so far. The record is more than 7,500 pages and some two million words long. The allegations are many, the facts are complicated, and the evidence is not only extensive but very much in conflict.

It would be neither fair nor appropriate for me to assess the evidence or comment on specific witnesses or their credibility. That is the function of the Senate committee and the courts. What I intend to do here is to cover the principal issues relating to my own conduct which have been raised since my statement of May 22, and thereby to place the testimony on these issues in perspective.

I said on May 22 that I had no prior knowledge of the Watergate operation. In all the testimony, there is not the slightest evidence to the contrary. Not a single witness has testified that I had any knowledge of the planning for the Watergate break-in.

It is also true, as I said on May 22, that I took no part in, and was not aware of, any subsequent efforts to cover up the illegal acts associated with the Watergate break-in.

Aggressive Investigation

In the summer of 1972 I had given orders for the Justice Department and the F.B.I. to conduct a thorough and aggressive investigation of the Watergate break-in and I relied on their investigation to produce the facts. My only concern was the scope of the investigation and that it might lead into C.I.A. or other national security operations or activities. When Mr. Gray, a former member of the F.B.I., told me by telephone on July 17 that he had met with General Walters, that General Walters had told him the C.I.A. was not involved, and that C.I.A. activities would not be compromised by the F.B.I. investigation. As a result, any

problems that Mr. Gray may have had in coordinating with the C.I.A. were moot. I concluded by instructing him to press forward vigorously with his own investigation.

During the summer of 1972, I repeatedly asked for reports on the progress of the investigation. Every report I received was that no persons, other than the seven who were subsequently indicted, were involved in the Watergate operation. On Sept. 12, at a meeting attended by me, and by the Cabinet, senior members of the White House staff and a number of legislative leaders, Attorney General Kleindienst reported on the investigation. He informed us that it had been the most intensive investigation since the assassination of President Kennedy, and that it had been established that no one at the White House, and no higher-ups in the campaign committee, were involved. His report seemed to be confirmed by the action of the grand jury on Sept. 15, when it indicted only the five persons arrested at the Watergate, plus Messrs. Fiddy and Hunt.

Those indictments also seemed to me to confirm the validity of the reports that Mr. Dean had been providing to me, through other members of the White House staff—and on which I had based my Aug. 23 statement that no one then employed at the White House was involved. It was in that context that I met with Mr. Dean on Sept. 15, and he gave me no reason at that meeting to believe any others were involved.

Not only was I unaware of any cover-up, but at that time, and until March 21, I was unaware that there was anything to cover up.

Full Faith in Reports

Then and later, I continued to have full faith in the investigations that had been conducted and in the reports I had received based on those investigations. On Feb. 16, I met with Mr. Gray prior to submitting his name to the Senate for confirmation as permanent director of the F.B.I. I stated to him that he would be questioned closely about the F.B.I.'s conduct of the Watergate investigation, and asked him if he still had full confidence in it. He replied that he did, that he was proud of its thoroughness, and that he could defend it with confidence.

The pattern in Watergate rose in February and March as the Senate committee was organized and the hearings were held. On the day of my meeting with Mr. Gray, I had a number of conversations with those matters. At that time, on a number of occasions, I urged my staff to identify that full disclosure of the facts

would show that persons in the White House and at the Committee for the Re-election of the President were the victims of unjustified innuendoes in the press. I was searching for a way to disclose all of the facts without disturbing the confidentiality of communications with and among my personal staff, since that confidentiality is essential to the functioning of any President.

It was on March 21 that I was given new information that indicated that the reports I had been getting were not true. I was told then for the first time that the planning of the Watergate break-in went beyond those who had been tried and convicted, and that at least one, and possibly more, persons at the re-election committee were involved.

It was on that day also that I learned of some of the activities upon which charges of cover-up are now based. I was told that funds had been raised for payments to the defendants, with the knowledge and approval of persons

both on the White House staff and at the re-election committee. But I was only told that the money had been used for attorneys' fees and family support, not that it had been paid to procure silence from the recipients. I was also told that a member of my staff had talked to one of the defendants about clemency, but not that offers of clemency had been made. I was told that one of the defendants was currently attempting to blackmail the White House by demanding payment of \$120,000 as the price of not talking about other activities, unrelated to Watergate, in which he had engaged. These allegations were made in general terms, they were portrayed to me as being based in part on supposition, and they were largely unsupported by details or evidence.

These allegations were very troubling, and they gave a new dimension to the Watergate matter. They also reinforced my determination that the full facts must be made available to the grand jury or to the Senate committee. If anything illegal had happened, I wanted it to be dealt with appropriately according to the law. If anyone at the White House or high up in my campaign had been involved in wrongdoing of any kind, I wanted the White House to take the lead in making that known.

When I received this distressing information on March 21, I immediately began new inquiries into the case and on several days of the next means to me to the grand jury or Senate committee when we then knew and what was done later. On March 21, I promised to meet the following day with Messrs. Haldeeman, Helms, and

HOUSTON POST
16 AUG 1973

FBI declines sharply in public favor

By GEORGE GALLUP

PRINCETON, N.J. — Newly-selected FBI director Clarence M. Kelley faces a difficult task if he is to restore his organization to the high level of public esteem in which it was held until the late '60s.

The percentage of Americans who give the FBI a "highly favorable" rating has declined from 84 per cent in a 1965 survey to 71 per cent in 1970 and finally to 52 per cent in a survey conducted in early July.

While enthusiasm for the FBI has declined over the last eight years, it still commands the broad respect of the population as a whole.

Overall favorable opinions outweigh negative responses by nearly a nine-to-one ratio.

Ratings in this report were obtained by means of a sensitive attitude scale called the Stapel Scalemeter, which consists of 10 squares or boxes. The person being tested was given a card showing the squares and told the top square represents the highest degree of liking, the lowest square the lowest degree. He was then asked to indicate how far up or down the scale he would place the organization he was asked to rate.

Highly favorable attitudes are considered to be the responses in the top two scale positions.

In the latest survey, a sample of the public was asked to rate two organizations that have figured prominently in the Watergate investigations, the FBI and the CIA.

Here are the latest nationwide results on the FBI:

Highly favorable	52%
Mildly favorable	33
Mildly unfavorable	7
Highly unfavorable	4
No opinion	4

The decline since 1965 in "highly favorable" attitudes has come about among all major population groups but is most pronounced among younger adults, persons living in the West and in the East and those who have a college background.

The view that the FBI is a bulwark of the "establishment" and that it has been too closely allied with the Nixon administration are factors which have contributed to a decline in "highly favorable" attitudes.

The FBI receives a considerably better public rating than does the CIA, another organization which has figured prominently in the Watergate investigations.

Only 23 per cent in the latest survey give this organization a "highly favorable" rating, although overall favorable opinion outweighs negative opinion by nearly three-to-one.

Little difference is found on the basis of age or political affiliation, as well as on the basis of other major population groups.

The national findings from the latest survey:

Highly favorable	52%
Mildly favorable	44
Mildly unfavorable	12
Highly unfavorable	7
No opinion	14

To provide a comparison between the FBI and law enforcement at the local level, all persons in the current survey were asked to rate the police in their communities.

As in the case of the FBI, a slight majority give their local police a "highly favorable" rating.

The national findings:

Highly favorable	53%
Mildly favorable	31
Mildly unfavorable	8
Highly unfavorable	5
No opinion	3

The findings for the latest survey are based on interviews with 1,544 adults, 18 and older, in more than 600 scientifically selected localities across the nation during the period July 6-9.

Interviewing was conducted before the appearance before the Ervin committee of Richard Helms, former CIA director; Gen. Vernon Walters, present deputy director of the CIA; and Gen. Robertushman, former deputy director of the CIA.

	Dec. 1965	Aug. 1970	Latest	Point Change since 1965
NATIONAL	84%	71%	52%	-32
Under 30 years	85	62	42	-43
30-49 years	84	73	52	-32
50 & over	84	73	61	-23
Republicans	87	73	57	-30
Democrats	81	74	51	-33
East	83	63	48	-40
Midwest	83	74	56	-27
South	82	76	59	-23
West	85	69	45	-40
College background	78	57	38	-40
High school	85	75	58	-27
Grade school	81	75	57	-25

BATTLE CREEK, MICH.
ENQUIRER & NEWS

E - 40,908
S - 44,235
AUG 15 1973

Some didn't go along

In all the discussion of the Watergate and related horrors, one point, it seems to us, has not been emphasized enough — that there were several men who refused to go along with the misuse of executive power, who found it possible to distinguish between right and wrong, and who were as much devoted to their duties as to the reelection of the President.

Two of these were the director and deputy director of the CIA, Richard Helms and Lieut. Gen. Vernon Walters, who resisted White House pressure to have the agency take responsibility for the Watergate break-in. Walters swore he would resign, if any attempt to blame the CIA were made.

Another of these men was Hugh Sloan Jr., treasurer of the Finance Committee to Re-Elect the President, who suspected committee involvement as soon as news of the break-in broke. Told to "take a vacation" when he expressed his concerns to superiors, he resigned his job and testified truthfully that thousands of dollars in Nixon cam-

paign funds were turned over to G. Gordon Liddy, who organized the burglary. Unfortunately, he was not believed.

A fourth was J. Edgar Hoover, the late FBI director, who opposed the secret 1970 White House plan for domestic spying. It was his opposition, President Nixon says, which caused the plan to be abandoned.

And then there were Randolph Turner and Johnnie Walters, appointed by Nixon in succession to head the Internal Revenue Service. They resisted repeated White House attempts to use the IRS to persecute political enemies of the administration.

Certainly there were others who similarly refused to go along with the flagrant abuses of power which were the essence of what is broadly termed the Watergate affair. And that is extremely fortunate, for the number of future Watergates will surely be in inverse proportion to the number of such highly principled men who enter politics and government.

3

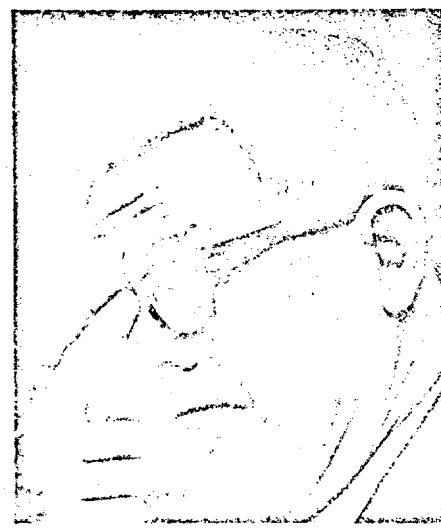
TIME

STAT

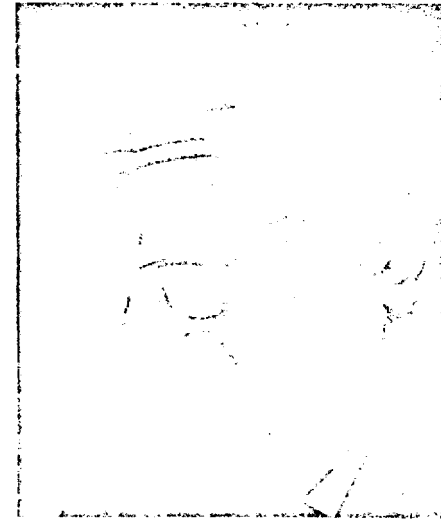
STAT



FORMER CIA DIRECTOR HELMS



FORMER DEPUTY CIA DIRECTOR CUSHMAN



DEPUTY CIA DIRECTOR WALTERS

Hinder FBI. Moving with unusual dispatch, the Ervin committee next turned to witnesses who could deal with one of the earliest and clearest instances of the cover-up: efforts by the President, Haldeman, Ehrlichman and Dean to get the CIA to hinder or halt the FBI's probe of Nixon campaign funds that had been channeled through Mexico to obscure their source. Those moneys wound up in the pockets of the Watergate burglars. The pretext was that some CIA operation in Mexico might be compromised by the FBI investigation. Nixon had said in his May 22 statement that he had ordered Ehrlichman and Haldeman to talk to the CIA about this only for "national-security" reasons, not to impede a Watergate investigation. Both Ehrlichman and Haldeman said that they merely asked CIA officials to find out 1) if there had been any CIA involvement in the Watergate break-in itself and 2) whether there was any covert CIA activity that could be exposed by an FBI probe.

In their testimony before the Ervin committee, neither former CIA Director Richard Helms nor the deputy CIA director, Lieut. General Vernon Walters, saw it that way. Pounding the witness table and nearly shouting, the normally cool Helms declared: "The agency had nothing to do with the Watergate break-in." He said he had told that to FBI Acting Director L. Patrick Gray before he was summoned to a White House meeting with Ehrlichman and Haldeman on June 23, 1972, shortly after the break-in. He said that he emphatically told the same thing to the White House aides.

Both Walters and Helms contended that Haldeman, who did most of the talking at the meeting, had put the matter in a political rather than a national-security context by describing how Watergate "was creating a lot of noise and might lead to some important people." Nevertheless, Walters was told by Haldeman, according to the deputy CIA chief's testimony, to go to Gray and tell him that "further pursuit of this investigation in Mexico could jeopardize some assets of the Central Intelligence Agency." Dutifully, Walters did so. Both Helms and Walters promptly checked, however, and found that no Mexican operation could be jeopardized. Walters informed Dean of this and assumed that Dean would tell Gray.

Meanwhile, some FBI interviews about the Watergate money were held up by Gray under this pressure. Both Gray and Walters were getting insistent inquiries from Dean. When Dean tossed out "feelers" on whether the CIA could supply bail for the arrested burglars and salaries for them if they were convicted, the CIA men decided that the agency was about to be "used." Walters told Helms would never approve.

Under ever, take full responsibility for some of the CIA aid given to Hunt, the White House "plumber." This included a tape recorder, camera, wig, voice-alteration device and false identification. Ervin saw these as rather sinister "undercover" aids and asked whether the wig was designed to "improve the pulchritude of Mr. Hunt" and the voice disguiser to help him "sing a different part in the choir." Helms said they were consistent with Hunt's contention that he needed them for a "one-time" interview. The wig was apparently used by Hunt to visit ITT Lobbyist Dita Beard in a Denver hospital, and the other gear was used to disguise himself in directing a raid on the Los Angeles psychiatric files of Pentagon Papers Defendant Daniel Ellsberg.

Helms readily admitted furnishing the White House with "a psychological profile" on Ellsberg compiled in 1971 from nonpsychiatric data by CIA experts. White House Plumber David Young found this so unsatisfactory that another one was requested. That was also rejected, and eventually Ellsberg's psychiatrist's office was burglarized by a plumbers' team. A copy of the first study indicated why the White House probably was dissatisfied: it portrayed Ellsberg as "extremely intelligent and talented" and said that he released the Pentagon papers mainly in response "to what he deemed a higher order of patriotism."

The brunt of responsibility for supplying Hunt with gear was borne by another witness, General Robert Cushman, now commandant of the Marine Corps. A CIA official at the time, Cushman promptly shifted the blame to John Ehrlichman. Earlier memos by Cushman had been unclear on the point, and Ehrlichman had protested—erroneously—that he was out of town at the time. But a taped conversation between Cushman and Hunt and minutes of a CIA staff meeting clearly indicated that Ehrlichman had called Cushman to seek the help for Hunt. Both Cushman and Helms rebelled, however, when Hunt's requests rose to the point of wanting a New York office and a particular CIA woman stenographer from Paris.

The week's final witness, Pat Gray, disputed some Walters memos about the precise nature of their conversations about holding back the Mexican money investigations. The differences in each case seemed mainly self-protective; there was no doubt that both finally realized that they were being used by White House aides. Yet on the basis of his opening statement, Gray's veracity is in great doubt, and his questioning this week may be rocky.

Backing Dean against Ehrlichman, two aides gave him some documents from Howard Hunt's safe, he had no doubt "that

Hearings Reflect the Arcane Rituals of White House Staff

By Peter A. Jay

Washington Post Staff Writer

It took 10 weeks and nearly 2 million words of recorded public testimony, 35 witnesses and thousands of questions and maybe half as many answers, but the Senate select Watergate committee accomplished something unprecedented before it recessed last week.

It gave the millions of people who followed the hearings on television or in the newspapers something they had never seen before and may never see again—a look of the White House, a mysterious place with an arcane language and rituals all its own, and the activities of the men who worked there for Richard M. Nixon.

As witness followed witness, certain themes began to emerge from the testimony. One of these was power, how it was exercised and how delegated: how lines of authority traveled vertically within the White House and horizontally outward to the rest of the government.

Former presidential counsel John W. Dean III, whose testimony became a benchmark against which the versions of other witnesses were constantly compared, described the men who worked directly for the President as a "do-it-yourself White House staff."

But Dean and other younger staff members made it clear that while they might indeed do things themselves, it was firmly established custom to check with a superior first. The chain of command was plain, at least within the White House.

It was between the White House and other agencies that lines of authority sometimes blurred, the testimony before the committee indicated. Examples of friction abounded.

Lt. Gen. Vernon A. Walters, the deputy director of the Central Intelligence Agency, spoke with some coolness about the three times in the two weeks following the June 17, 1972, break-in at Democratic

headquarters in the Watergate when he was summoned to the White House by Dean, a staff man hitherto unknown to him and 20 years his junior.

Walters let his indignation bubble over during a conversation with acting FBI Director L. Patrick Gray III, Gray recalled. The general said he had come into an inheritance and, in Gray's words, "wasn't going to let these kids kick him around any more."

Richard G. Kleindienst, the former Attorney General, told the committee how angry he became—to the point of threatening to resign—when he learned that former presidential domestic adviser John D. Ehrlichman had sought to give a direct order to one of Kleindienst's key assistants at the Justice Department.

Gordon C. Strachan, the young White House aide to whom deputy director Jeb Stuart Magruder of the Committee to Re-elect the President was nominally supposed to report, described his frustration as Magruder consistently bypassed him and reported directly to White House chief of staff H. R. (Bob) Haldeman.

Harry S. Truman said of the presidency that "the buck stops here"—but the Watergate hearings showed that under the White House staff system, as in any large and hierarchical organization, the buck could be passed in two directions.

Illegal activities on the part of their subordinates, both Ehrlichman and Haldeman testified, simply did not come to their attention until last April.

Ehrlichman, particularly, described Dean as an able staff man who could act with considerable independence. It was because he believed Dean was handling the Watergate affair at the White House, he said, that he did not involve himself with it until asked to do so by the President on March 30 of this year.

Dean, for his part, maintained that he always re-

ported to Ehrlichman. And two witnesses, Walters and Herbert W. Kalmbach, the President's personal lawyer who distributed clandestine payments to the Watergate defendants, told the committee how when they dealt with Dean they first checked to make sure that it was with Ehrlichman's approval.

The White House described by the witnesses before the Senate committee was at once exciting and forbidding, different things to different people.

To Haldeman, it was an organization that existed to serve Richard Nixon, "one of America's greatest presidents," and to do it with flawless efficiency—"a zero-defect system," he said was his objective.

"I'll approve whatever will work, and I'm concerned with results, not methods," he wrote on a memorandum.

Though to Ehrlichman the question of White House rank was "a metaphysical concept," those who worked for Haldeman were reminded often and forcefully where authority lay.

Strachan, who came to the White House at 27 and appeared before the Watergate committee the day before his 30th birthday, said he at first found it "a pretty awe-inspiring experience" to work in such rarified surroundings, but it could be terrifying, too, he said.

He said he was "scared to death" when Haldeman summoned him to his office shortly after the Watergate burglary; he said he knew little about the incident at that point and expected Haldeman to ask him about it.

Ehrlichman appears to have frightened fewer people than Haldeman, the Watergate testimony indicates, but may have made more of them angry since the scandal exploded this spring.

His penchant for recording in the notes of the people with whom he spoke on the telephone, without tell-

ing them about it, has not been viewed with charity by the witnesses who were among those taped.

Gray, Kalmbach and Kleindienst—who called the taping "reprehensible"—were recorded by Ehrlichman and had transcripts of their conversations read to them by the committee. Transcripts of Ehrlichman's recordings of Dean, former White House special counsel Charles W. Colson and White House aide Ken Clawson have also been placed in evidence.

"Loyalty is the name of the game," Haldeman's former deputy Alexander Butterfield wrote in a memorandum, and the White House described in the Watergate hearings appears to have been staffed with strong Nixon loyalists. Many, though not all, of the witnesses said so.

Haldeman and Ehrlichman have praised the President in unequivocal terms. So, from a perspective outside the White House, have Kleindienst, Walters and former Attorney General and Nixon campaign manager John N. Mitchell.

Gray, whom the President according to Dean in a conversation taped by Ehrlichman said he doubted was "smart enough to run" the FBI, has been non-committal. And Dean, though he has spoken kindly of Mr. Nixon, implicated him by his testimony in the official cover-up that followed the Watergate burglary.

The hearings helped to focus the way the White House staff divided its time between matters that were political and those that weren't.

Though in 1972 there was a fully staffed, well-funded and separate organization—the Committee for the Re-election of the President—to run Mr. Nixon's campaign, regular White House staff members still involved themselves deeply in politics.

Such was their main duties

KOKOMO, IND.

TRIBUNE

AUG 9 1973
E - 29,358
S - 29,561

FBI and CIA

The sterling defense of the Federal Bureau of Investigation and the Central Intelligence Agency made by representatives of those two agencies in the Watergate hearings must have impressed everyone who followed the testimony.

Former Attorney General Richard Kleindienst and Henry Petersen, chief of the Justice Department's criminal division, and L. Patrick Gray, former acting FBI director, eloquently defended the FBI's integrity, while Gen. Vernon Walters of the CIA and Richard Helms, former CIA director, were just as fervent in their insistence that the intelligence agency was untarnished.

The testimony pretty well established that the CIA was not in-

involved in the Watergate burglary and that it firmly and successfully resisted alleged attempts to shoulder it with blame for the breakin.

Likewise, the integrity of the FBI emerged unscathed despite the fact that Gray admitted erring in allowing raw files to be seen by White House aides and then admitted burning other files that were embarrassingly sensitive. Gray was a proud and able man caught in a mistake of judgment which he made under highly unusual circumstances in which he thought he was receiving orders from the highest executive office in the land. He was an unwitting victim of circumstances, and it is regrettable that a bizarre situation cost the country the ser-

vices of this competent man.

Kleindienst, Petersen, Gray, Gen. Walters and Helms all were alarmed by the Watergate breakin and the subsequent events, and sought to warn President Nixon.

The significance of their testimony is that the FBI and the CIA are being operated by dedicated and incorruptible men. Another important evidence that this is true was the fact that the FBI refused to engage in political espionage, and this led to the formation of a special intelligence group - "the plumbers" - in the White House. Unable to persuade the FBI to participate in political activities, the White House aides created a cadre of their own to pursue these operations.

The Rebozo Connect

Covering up the cover-up

by Lucian K. Truscott IV

In the days immediately following the break-in of Democratic National Party Headquarters at the Watergate in June 1972, Richard M. Nixon met repeatedly with the one man to whom he would turn time and time again as the scandal surrounding what he would call "this very bizarre occurrence" unfolded. And yet it is only now, more than a year after the burglary and bugging attempt, that the complicity of this most secretive individual in the events surrounding Watergate is being exposed.

Presidential counsels Ehrlichman and Haldeman have been forced out of government; John Mitchell and former Commerce Secretary Maurice Stans have been disgraced and indicted; in all, more than 20 top-level officials in the first Nixon administration have left their jobs because of Watergate. But the man who has interests closest to those of the President with regard to the Watergate scandal survives. Should the Senate Select Committee ever succeed in obtaining the tapes of Presidential conversations they seek, his name will not be on them, nor will he be a participant in any of them. He had no job in the first Nixon administration, nor does he have a

President's constant companion when he is out of Washington, a circumstance which has seemed the rule rather than the exception since June 17, 1972. In fact, according to one veteran Nixon watcher, who has traveled with the Presidential party nearly everywhere it has gone over the past four and a half years, last weekend was the first time he could recall that Nixon went to his retreat in Camp David, Maryland, without the ubiquitous Rebozo.

It may be just a coincidence job in the current one. He did not meet with the President in the bug-ridden councils of government. But little by little the name of the President's closest friend and most steady business associate over the years is seeing the light at the end of the Water-tunnel.

His name is Charles G. "Bebe" Rebozo. He lives within the Presidential compound in Biscayne, Florida, and he is the

that Nixon went Rebozoless last weekend, at the end of a week which saw his name raised twice in the press with respect to Watergate: First in a story by Carl Bernstein and Bob Woodward in the Washington Post which reported that Rebozo received secret reports from Tony Ulasewicz, the retired New York City policeman, regarding the accident of Senator Edward M. Kennedy at Chappaquiddick which resulted in the death of Mary Jo Kopechne. The second report, from sources inside the Senate Select Committee on Watergate, revealed that the committee has subpoenaed records of Rebozo's Key Biscayne bank as part of a probe of his possible involvement in the "laundering" of secret campaign donations to Nixon's re-election campaign.

And it may be yet another coincidence that Rebozo's name was raised for the first time in connection with alleged laundering of campaign funds one week after testimony was given by former Presidential counsel John D. Ehrlichman which, according to Voice sources in Washington, implicates Rebozo behind the scenes in a cover-up behind the cover-up of Watergate.

The apparent reference to Rebozo came in answer to a question regarding a June 23, 1972, meeting between Ehrlichman, Haldeman, CIA Director Richard Helms, and his deputy, General

Vernon E. Walters. Nixon, as he has admitted in his May 22 statement on Watergate, had ordered his two top aides "to insure that the investigation of the break-in not expose either an unrelated covert operation of the CIA or the activities of the White House investigations unit."

The President gave Ehrlichman and Haldeman examples of CIA operations which might possibly be compromised by an "all-out" FBI investigation of Watergate. The two mentioned by Ehrlichman were the \$35,000 Mexican money which ended up in

the bank account of Watergate defendant Bernard Barker, and the Bay of Pigs. Ehrlichman went on to say that in a July 6 meeting with the President, he "became convinced" that the President's concern about the possible compromising of CIA activities came "from an outside source." Voice sources in Washington have confirmed speculation that the "outside source" of the President's concern was C. G. "Bebe" Rebozo. And in fact, in both the "Mexican money" and the peculiar raising of the spectre of the Bay of Pigs more than 10 years after the fact, Rebozo had an interest. So did Nixon.

The interest of the two friends and business partners is complicated, and goes back many years, to the early days of the development of Key Biscayne, among other matters. But the pressures both men must have felt in the days immediately following the arrest of four Cuban Americans and James McCord in the offices of the Democratic National Party had their roots in these facts:

- Rebozo, Nixon, and former Florida Senator George A. Smathers owned undisclosed interests in pre-Castro Cuba in the 1950s, according to a former high law enforcement official close to investigations which touched on the holdings of American citizens in Caribbean countries. When Castro ousted Cuban dictator Batista, the three partners were forced to liquidate their holdings, and according to the same source, transferred them to interests in the Dominican Republic. Smathers has told syndicated columnist Jack Anderson that President Kennedy believed the CIA to be responsible for the assassination of Rafael Trujillo in 1961. Smathers's willingness to talk on this subject is peculiar in two respects: first because the assassination of Trujillo doubtlessly affected his, Nixon's, and Rebozo's holdings in the Dominican Republic, and second, because neither Robert nor Ted Kennedy was known to be aware of their brother's alleged belief of CIA involvement in the assassination. Smathers's invocation of Kennedy

DES MOINES, IOWA
REGISTER
AUG '8 1973

M - 250,261

S - 515,710

Not a Heroic Figure

Several members of the Ervin committee lavished praise on CIA Deputy Director Vernon Walters for keeping the agency free of implication in the Watergate cover-up.

The praise is undeserved. The testimony last week of Walters and former CIA Director Richard Helms shows that both men allowed themselves to be used by the White House in a cover-up attempt.

They testified that on June 23, 1972, White House Chief of Staff H.R. Haldeman, accompanied by John Ehrlichman, directed Walters to get the FBI to drop its inquiry into money traced to the Watergate burglars on the ground that this would compromise CIA activities in Mexico.

Walters did Haldeman's bidding though he and Helms knew of no CIA activity in Mexico that could be uncovered. Walters testified he "presumed Mr. Haldeman had information that I did not have."

The deputy director said that after telling Acting FBI Director L. Patrick Gray about the non-existent CIA involvement in Mexico, Walters checked with CIA officials and found no such CIA activity. But Walters did not tell Gray the truth until July 6, and then

only because Gray was pressing Walters to put in writing his request that the FBI curtail its probe in Mexico.

Between June 23 and July 6 Walters did rebuff efforts by John Dean to get the CIA to put up bail money and to further involve it in a Watergate cover-up. It seems clear that these efforts were made after it became evident from Haldeman's success in using the CIA that the agency was susceptible to being used.

It is shameful that Helms and Walters followed Haldeman's order and allowed the FBI to be told a phony story. How could the two top men in the CIA assume that Haldeman knew more than they did about CIA activities? Their testimony raises a serious question whether Gray ever would have been told the truth if White House aides hadn't overreached and attempted to drag the CIA deeply into the Watergate scandal.

After hearing a succession of witnesses tell of their participation in seamy goings-on, the Ervin committee members perhaps were eager to find someone to praise. But Walters was a poor choice. His part in misleading the FBI makes him a considerably tarnished hero.

Excerpts From Testimony Before the Senate

Special to The New York Times

WASHINGTON, Aug. 6 — Following are excerpts from testimony by L. Patrick Gray 3d, former acting director of the Federal Bureau of Investigation, on the 36th day of hearings on the Watergate case before the Senate Select Committee on Presidential Campaign Activities:

SENATOR TALMADGE: Let's read some more of General Walters' statement now and see where the conflict is between you and he. I am quoting further General Walters and he is reporting your telephone conversation to the President. "Any attempt to involve the F.B.I. or the C.I.A. in this case would only prove a mortal wound. He used my words. And would achieve nothing." Did you tell the President that?

A. I told the President that Dick Walters and I feel that people on your staff are trying to mortally wound you by using the F.B.I. and the C.I.A. and by confusing the question of whether or not there is C.I.A. interest in or not in the people that the F.B.I. which he is to interview.

Q. Who did you have reference to when you mentioned members of his staff?

A. Had the President asked me I would have mentioned Mr. Dean and Mr. Ehrlichman because I was still smarting a little bit under the cancellation of the June 28 meeting.

Q. Let me read further now, still quoting General Walters. The President said then, and I quote, "Then I should get rid of whoever is involved no matter how high, Gray replied, that was his recommendation." Did that conversation take place?

A. Senator Talmadge, I have no, absolutely no memory of that, and my recollection of my conversation with the President is as I have testified to. And I have also submitted to this committee some exhibits, some response with regard to General Walters' statements. I don't believe we are that far apart but I believe that he is talking about things that we talk about at that time and put them in there in improper context, not direct context.

The Presidential Alert

Q. Let me ask you something that I think is very important. The only evidence

Committee Investigating Watergate

that this committee has had to date implicating the President of the United States is that of John Dean and you and General Walters. Did you think that your conversation with the President on July 6, 1972, was sufficient to adequately put him on notice that the White House staff was engaged in obstructing justice?

A. I don't know that I thought in terms of obstruction of justice but I certainly think there was, it was adequate to put him on the notice that the members of the White House staff were using the F.B.I. and the C.I.A.

Q. Do you think an adequate, do you think a reasonable and prudent man on the basis of the warning that

you gave him at that time, would have been alerted to the fact that his staff was engaged in something improper, unlawful, and illegal?

A. I do because I frankly expected the President to ask me some questions and for two weeks thereafter, I think it was on the 12th and again on the 28th, I asked General Walters if the President had called him and when I heard nothing, you know, I began to feel that General Walters and I were alarmists, that we had abided of nothing here and it is true that I just say that I called Clark McGregor with some fear and trepidation because I didn't have all of the specifics. I had General Walters continued reiteration that if he was directed to write such a letter to me he would resign and we did discuss his resignation and I even mentioned to him I had already said this to my people.

SENATOR INOUE: Now, on March 23 of this year you had a conversation, a telephone conversation with the President, and you have just testified that when the President said, "Pat, remember, I told you to conduct a thorough investigation," you said you had an eerie feeling. What did you mean by that?

A. Yes, I thought he was trying to put that on the record, so to speak, relating all the way back to the July 6th conversation.

Q. Are you suggesting that the President was putting this

nevertheless, I had that eerie feeling that the President is reminding me of something and why. That was my reaction. But at that time I didn't know that these were on tape.

AFTERNOON SESSION

SENATOR MONTOYA: What did Mr. Helms tell you when you called him?

Mr. Gray: I told Mr. Helms that I was calling to tell him of the thought that we may be poking into a C.I.A. operation in connection with the Watergate burglary, and he told me that he had been meeting with his men on this every day and that, although we know the people, we cannot figure this one out, but there is no C.I.A. involvement.

Q. All right. Then, that evening you met with Mr. Dean, A. That is correct, sir.

Q. Did you tell Dean about Helms's statement previously that there was no C.I.A. involvement? A. I either told Mr. Dean in that evening meeting or I told him in a telephone call the following morning, yes, sir.

Q. Mr. Dean called you approximately 18 times between June the 22d and July 6th when you talked to the President. Now, most of these calls were concentrated on Mr. Dean trying to prevail on you not to go through with the inquisition of Mr. Ggarrio or Mr. Dahlberg. Didn't this indicate to you, Mr. Gray, that there was an attempted coverup emanating from the White House?

A. No, sir, it did not because all along we in discussing our various theories had considered that there was the possibility that this was a C.I.A. covert operation, a C.I.A. money change, a political operation, a political money change, and if I had any thought at all on this thing it was zealous counsel trying to avoid political embarrassment to his President, but I did not really have any suspicion on that.

SENATOR ERVIN: We have been furnished, the committee has been furnished two tapes by John Ehrlichman with taped conversations between you and Ehrlichman. Did John Ehrlichman notify you of the existence of this conversation? A. No, sir, I had no knowledge of that.

Hunt's Job Authority

Q. We have been trying—this committee has been trying to find out who kept Mr. Hunt on the White House payroll after Mr. Ehrlichman admitted that he had learned about his participation in the burglary [of the office of Dr. Daniel Ellsberg's psychiatrist] but thus far neither the F.B.I. nor this committee has been able to discover that.

A. I cannot testify with any certainty to that but I think in our F.B.I. investigative file there are indications that his timesheets were initiated by Mr. Colson. I do not know whether you have those FD 302's, but I think that there is an indication in there to that effect.

Q. Now, did the F.B.I. ever make any investigation to determine whether or not the \$10,000 in \$100 bills which Mrs. Hunt had in her possession when she was killed in the airplane accident were things that came from the Nixon—I mean the Committee to Re-Elect the President?

A. Mr. Chairman, I do not know. I wish I could answer that question but I do not know the answer to that, sir.

SENATOR BAKER: What was the relationship between you and General Walters, were you friendly and cordial, were you antagonistic or hostile toward each other, why did you have such varying viewpoints?

A. I thought the relationship was friendly and cordial and I have no reason to believe it is other than that today.

Q. You suspect it may be less friendly and cordial after disputing him on 27 major issues?

A. I don't think so because I told him this in the assistant U.S. Attorney Office, "Dick, this isn't the way it happened and this is not my recollection or memory of it at all." And my outrage when I first saw a newspaper article commenting on his testimony was very genuine and very real.

Q. Your outrage? A. Yes, sir.

Q. Is there any one or two, are there a few examples of what caused that outrage? A. Yes, sir, that these men had apparently had a meeting at the White House and no one called me and told me about

continued

Approved For Release 2005/07/04 : CIA-RDP91-00901R000700100001-2

'Toughing It Out'

By William V. Shannon

WASHINGTON, Aug. 6—President Nixon has been "toughing it out" for more than four months since, according to his own statement, he was told the facts about Watergate on March 21. H. R. Haldeman and John D. Ehrlichman, his two principal aides, have now told their version of events to the Senate Watergate Committee.

Where does the case for Mr. Nixon now stand?

The most striking feature of the situation is that Mr. Nixon's public statements and the Ehrlichman-Haldeman testimony are contradicted by the testimony of most of the other witnesses. The weight of the evidence is that regardless of what Mr. Nixon may have known prior to the Watergate break-in, he was aware of the subsequent cover-up and, in a broad sense, directed it.

He knew, for example, that his senior aides were engaged in an effort to contain the Watergate case and prevent the exposure of higher-ups in the White House and in his campaign organization. Even more important than protecting those individuals, perhaps, was Mr. Nixon's desire that Gordon Liddy and Howard Hunt, two of the Watergate defendants, not reveal the burglaries and other illegal acts which he, the President, had authorized when they were working as "the White House plumbers."

In his May 22 statement, Mr. Nixon said, "Within a few days [of the break-in] I was advised that there was a possibility of C.I.A. involvement in some way."

He has never been willing to explain who advised him. He presumably means that Mr. Haldeman or Mr. Ehrlichman pointed out to him that since several of the Watergate burglars had past C.I.A. connections, it might be possible to pass off the Watergate burglary as some super-secret C.I.A. operation.

✓ Fearing that C.I.A. Director Richard Helms would not cooperate, the President directed his aides to use Gen. Vernon Walters, formerly the President's interpreter and only six weeks in his job as No. 2 man at C.I.A., as their agent to head off the F.B.I.

✓ Fortunately, General Walters could not be used in that way. He did convey the White House warning to Acting F.B.I. Director L. Patrick Gray. But when the White House followed up with pressure on the C.I.A. to put up bail for the burglars and pay them salaries, General Walters backed away. He and Mr. Gray agreed they would

phony basis that C.I.A. activity in Mexico might be exposed.

Mr. Gray communicated their concerns in his now-famous telephone conversation with the President on July 6, 1972. He borrowed General Walters' phrase that Mr. Nixon's own senior aides might "mortally wound" the President if they persisted in trying to prostitute the C.I.A. and the F.B.I. to cover up a domestic political scandal. Mr. Nixon did not ask the innocent Mr. Gray who those White House aides were since he knew very well who they were and that they were acting on his instructions.

In view of the resistance put up by Mr. Gray and General Walters, the President and his aides abandoned the C.I.A. ploy in mid-July. But any notion that an innocent President was misused by his own subordinates is untenable. As Senator Talmadge's questioning of Mr. Gray brought out, the President had received a warning on July 6 that any "prudent and reasonable" person would regard as sufficient, presuming that person had been in the dark up to that time.

Mr. Ehrlichman has testified that he was aware in the summer of 1972 that Mr. Kalmbach, the President's private attorney, was raising money for the defendants. It is inconceivable that he withheld this information from the President.

On April 30, in his televised address to the nation on Watergate, Mr. Nixon stated that "on March 21, I personally assumed the responsibility for coordinating intensive new inquiries into the matter and I personally ordered those conducting the investigations to get all the facts and to report them directly to me right here in this office."

But, as Senator Weicker demonstrated in his questioning, the President never called Mr. Gray to press for a wider or more vigorous investigation during the weeks between March 21 and April 27 when he resigned as Acting Director of the F.B.I.

The Haldeman-Ehrlichman testimony tried repeatedly to portray John W. Dean as the archvillain of the whole affair, misleading all his superiors. But in the tight hierarchical arrangements of the Nixon White House, a middle-rank figure such as Mr. Dean could not have conducted an extensive cover-up on his own authority. Word of it would soon have reached his bosses.

The burden of the Dean testimony remains unmet. If the tapes of White House conversations do not clearly put on the President, then it is difficult to see what Mr. Nixon could say in yet another public statement
ows from his Administration.

Approved For Release 2005/07/04 : CIA-RDP91-00901R000700100001-2

NEW YORK TIMES

5 AUG 1973

Watergate

Haldeman

Amiable, Loyal, Blameless

WASHINGTON—From H. R. Haldeman, the crew-cut former straw boss of the Nixon White House, came general denials but forgetfulness on key points. From defenders of the Central Intelligence Agency and the Federal Bureau of Investigation came evidence of early warnings to President Nixon. And from Mr. Nixon himself came renewed determination not to bend the line behind which he has encamped himself and his declared Constitutional prerogatives.

So passed another week when the Watergate case eclipsed all other news, even the once-unthinkable prospect of an American beef shartage. The ultimate questions of guilt moved no closer to resolution; in fact, as has so often been the case, more questions were raised than answered. The old controversy about influence-peddling in an International Telephones and Telegraph antitrust suit was reopened and a new partisanship marred the deliberations of the Senate Watergate Committee. And the committee was shocked by the almost casual disclosure of its star witness that he had been given several key, secretly made tape recordings by President Nixon—the very evidence the President is guarding in a legal confrontation with the Senators.

The committee was approaching the end of the first of its three investigatory phases; it will probably recess late next week for a rest the investigators, and perhaps the nation, clearly need. There is much more to come, enough to feed a steady stream of new developments through the rest of 1973.

Last week belonged to Bob Haldeman; and if his earned reputation as the powerful, demanding, exacting No. 2 man of the Nixon Administration was to be believed, the spotlight was an illumination he could have done without. His testimony had long been awaited, because he was closer to Mr. Nixon than any other aide: the last man to see him at night, the first to see him in the morning, as the saying around the White House had it. But the public he also served

saw little of him. Before Mr. Haldeman took the witness stand, there remained a few more moments with the other half of the Nixon's former first team, John D. Ehrlichman. Mr. Ehrlichman, surely the feistiest witness the committee has heard to date, ended as he had begun with professions of loyalty to the President.

The President's Man

Mr. Haldeman was different—from his reputation as well from his old colleague. From the moment he began reading his opening statement, it was clear that Mr. Haldeman had no intention of emulating Mr. Ehrlichman's behavior. His voice was mellow and calm, his demeanor deferential; indeed, it seemed to some that he and Mr. Ehrlichman had exchanged personalities. Arguing that he and Mr. Nixon had been "badly misled" by John Dean and others, he totally identified himself with the President. He sounded his tonic note early: "I have full confidence that when the entire truth is known, it will be clear to the American people that President Nixon had no knowledge of or involvement in either the Watergate affair itself or the subsequent effort of a 'cover-up' of the Watergate."

But as the questioning proceeded, Mr. Haldeman was unable to recall the important details about a large number of key incidents described by other witnesses. He had no clear memory, for example, of when he first learned of the Watergate incident itself (he admitted that that was "incredible"); of Mr. Dean's alleged warning about G. Gordon Liddy, one of the convicted conspirators.

Perhaps most significant for the criminal investigation now being conducted by Special Prosecutor Archibald Cox, Mr. Haldeman also professed ignorance of two other matters: the ultimate use of a \$350,000 cash fund he controlled in the White House, and an order to his youthful aide, Gordon Strachan, to make sure Mr. Haldeman's files were "clean." Mr. Strachan swore he got the order from Mr. Haldeman after the Watergate scandal broke and shredded documents that would otherwise have been key evidence in the investigation.

In his opening statement, Mr. Haldeman had almost off-handedly pictured the Democrats as having been involved in far more serious political sabotage, including burning of Republican offices and harassment of candidates' families, than the Republicans last year. Two days later, on Wednesday, his assertions were hotly challenged by Senator Lowell P. Weicker, a Connecticut Republican.

Senator Weicker produced a memo, dated the morning after Mr. Dean directing him to put out the

story that money supplied by foreigners or Communists had financed demonstrations engaged in by supporters of Mr. Nixon's opponent, George McGovern.

The Tapes

But nothing Mr. Haldeman had to say so astounded the Senators as what he disclosed about the tape recordings made by equipment secreted in the various Presidential offices in the spring of 1971. The members of the committee have come to view the recordings as well-nigh indispensable in their effort to extricate themselves from the Sargasso Sea of contradiction the witnesses have left them in, and when Mr. Haldeman said on Monday that he had listened to some of the tapes, in one case long after leaving the White House, they were astonished.

Although Mr. Nixon had insisted that the tapes were under his "sole personal control," Mr. Haldeman told of keeping several of them at his house for 48 hours earlier this month while listening to one key recording at Mr. Nixon's request. His lawyer, John J. Wilson, read a White House letter asking Mr. Haldeman not to discuss what he had heard, but Mr. Haldeman seemed curiously ready not to comply, and he testified freely on the tapes' contents when the committee instructed him to. He said, among other things, that the tapes of meetings between the President and Mr. Dean in September, 1972, and March, 1973, disproved Mr. Dean's argument that Mr. Nixon had known of the cover-up and, in effect, participated in it during discussions of executive clemency and big-money payoffs to silence those arrested in the break-in at Democratic National Headquarters.

Senator Sam J. Ervin Jr., the committee chairman, was openly skeptical; he suspected, he said, that there had been little "canoodling together" by the White House and Mr. Haldeman to leak a laundered version of the key tapes while keeping the recordings themselves from the committee.

Other Senators had other questions. Mr. Weicker wondered how, in all fairness, the White House could permit Mr. Haldeman to hear the tapes while denying that privilege to Mr. Dean and others involved in the case. Senator Daniel K. Inouye, Democrat of Hawaii, wondered how anyone could be sure that the tapes had not been altered while in Mr. Haldeman's possession, unguarded, earlier this month. And Samuel Dash, the chief counsel, wondered how Mr. Nixon could continue to claim that the tapes were confidential when he permitted Mr. Haldeman, a private citizen, to keep some of them in a box in his closet

EDITORIAL

Straight From the Shoulder

Lt. Gen. Vernon A. Walters is an authentic American hero. He was commissioned a second lieutenant in the United States Army in 1941 and served in North Africa and Italy in World War II. He advanced through grades to his present high rank.

He has earned the Distinguished Service Medal and the Legion of Merit and has been decorated by France with the Legion of Honor and the Croix de Guerre. Brazil conferred on him the Combat Cross, and Italy honored him with its Bronze Medal of Valor.

Lt. Gen. Walters, a multi-talented man who speaks eight languages fluently, has served three American presidents with distinction. He was trusted as an interpreter in important international conferences by Harry S Truman,

Dwight D. Eisenhower and Richard M. Nixon. He now is deputy director of the Central Intelligence Agency.

Appearing before the Senate Watergate committee, Gen. Walters testified straight from his three-star shoulders.

With no evasion, he said that John W. Dean III, the dismissed White House counsel, is the person who tried to make Watergate look like a CIA operation. Walters' statement agreed with testimony by Richard Helms, former CIA director, and Marine Gen. Robert E. Cushman, who preceded Walters as deputy director.

Thus has John Dean been identified as author of the attempted cover-up by a man who wanted no part of it, and has not been tainted in the least by the scandal.

Gen. Walters is clean. How clean is Dean?

CIA came in from Watergate cold

By ADAM CLYMER

Washington Bureau of The Sun

Washington—The Watergate committee finished with the real spics yesterday, and heard with a bit of disappointment that the Central Intelligence Agency did not want to take the risk of exposing the Watergate coverup months ago.

✓ Lt. Gen. Vernon A. Walters, USA, the CIA's deputy director, had testified about being asked in June, 1972, by John W. Dean 3d, the former White House counsel, if the agency would finance bail and pay salaries for arrested Watergate burglars.

The general said he had refused and threatened to go to President Nixon if he were ordered to do it.

Why, asked Senator Herman E. Talmadge (D., Ga.), since he had evidence of a conspiracy to obstruct justice by at least one "of the closest confidants and advisers to the President," did he not tell Mr. Nixon, whom he had known for 15 years?

"His word against mine"

In "the climate of this time," the general said, "the agency was under attack with various unjustified accusations. My interviews with Mr. Dean were alone. It was his word against mine.

"If I had gone out and simply accused him of trying to involve me in something and he said no, the environment in the United States at that time

would not necessarily have been favorable to my unsupported word. I would simply have involved the agency in further publicity . . .

"I believe that an effective CIA is essential to the United States and had I gotten us involved in a donnybrook which I could not prove other than by my unsupported word, I would not have served the purpose that I was attempting to serve."

"At a distance"

He echoed the words of his former boss, Richard M. Helms, who told the committee Thursday that he had not told Mr. Nixon because "My preoccupation at that time and all through these months was to keep the agency at a distance from this whole problem . . . And since we had stood firm it seemed to me that that was adequate under the circumstances."

Mr. Helms had told the committee he never thought of telling the senior congressional overseers of the CIA. "I do not recall having thought that that was an obligation I had at the time. I thought that my job was to keep the agency clear of all this and as long as I succeeded . . . that was my job and my business."

They did not want to get involved either in the publicity, or, perhaps, in a conflict with the White House if they could help it. Once General Walters had persuaded L. Patrick Gray 3d, then acting FBI director,

that the CIA was untroubled by the FBI inquiry in Mexico, the CIA did nothing.

—o—
 Mr. Helms was also pressed Thursday by Senator Howard H. Baker, Jr. (R., Tenn.) about why he had not at least investigated what the spy equipment given E. Howard Hunt was used for. Mr. Baker also wondered why the CIA didn't launch an investigation when it learned all five men arrested in the Democratic national headquarters had CIA links.

"FBI's job"

Mr. Helms answered, "I thought frankly, that when those individuals had been arrested, that that was the FBI's job."

And Senator Baker, who frequently explains to the television audience that he is reserving his judgment until all the evidence is in, said with resignation "and so did the White House."

—o—
 A social note: General Walters' acquaintance with the President dates back to 1958 when he acted as translator during Mr. Nixon's famous trip to Latin America in which the vice presidential car was stoned in Caracas, Venezuela.

Anniversary party

Thereafter, said the general, he used to see Mr. Nixon on the anniversary of that event at a party given by Mr. Nixon

during "his reigning years when he was Vice President."

—o—
 Senator Edward J. Gurney (R., Fla.), who is not as reserved in his judgments as Senator Baker, reached one conclusion in public yesterday. General Walters had testified about Mr. Dean's request in February for the return from the FBI of CIA information on the burglars' CIA connections. The general said he thought the reason for the request was to point an "arrow at Langley," [the CIA's headquarters] but Senator Gurney thought Mr. Dean had something else in mind.

"Motivation to me looks like he wanted that material out of there so that it wouldn't be seen by prosecutors or somebody in charge of prosecuting the case. It was definitely a part of the coverup."

—o—
 But they weren't only saying things that look bad for Mr. Dean. General Walters, like Mr. Helms and John D. Ehrlichman, former White House domestic adviser, flatly contradicted H.R. Haldeman at one key point about their June 23, 1972, meeting that led to General Walters going to see Mr. Gray and warning him to go slow on the Mexican money investigation. All but Mr. Haldeman have said the Mexican money was discussed at that meeting.

All four were under oath.

CIA.01 Helms, RICHARD

A Dedicated Deputy of the C.I.A.



His other talents kept him from a field command
 (General Walters, center, with President Nixon in the Azores in 1971)

Vernon Anthony Walters

Special to The New York Times

WASHINGTON, Aug. 3—An angry, jeering mob surrounded the limousine, beating on the roof and chanting anti-American slogans. Inside the car that hot May afternoon in Caracas 15 years ago was Richard M. Nixon, Vice President of the United States, who was on a "good will" tour of Latin America. Sitting in the front seat was an American Army colonel, Dick

Walters, who was serving as his interpreter. Recalling his harrowing experience four years later, Mr. Nixon wrote in his book "Six Crises": "One of the ringleaders—a typical tough thug—started to bash in the window next to me with a big iron pipe. The shatterproof glass did not break, but it splattered into the car. Walters got a mouthful, and I thought for an instant, 'There goes my interpreter.'"

Relationship Minimized

Vernon Anthony Walters survived what Mr. Nixon would call the fourth of his "Six Crises" and now finds himself, as deputy director of the Central Intelligence Agency, playing a major role in Mr. Nixon's seventh crisis, the Watergate scandal.

Today, Mr. Walters, now a lieutenant general, testified before the Senate Watergate committee and was asked

why he had not made use of his long acquaintance with President Nixon to warn him about the attempts to involve the C.I.A. in the Watergate cover-up.

General Walters sought to minimize the relationship that John D. Ehrlichman had reportedly said made him a "good friend of the White House" within the intelligence agency.

As a linguist fluent in eight languages, General Walters has served a range of prominent political figures. He was in Paris as an aide to W. Averell Harriman in the early years of the cold war, with President Truman at his historic meeting with General of the Army Douglas MacArthur and with President Eisenhower at Geneva in 1953.

More recently, he won the respect of Democrats like Lincoln Gordon and Sargent Shriver for the grasp of local conditions that he acquired as military attaché in the Rio de Janeiro and Paris Embassies.

The career of the husky 6-foot-3-inch general has been unorthodox in many ways. He is not a West Point graduate and has never had a field command. Much of his success seems based on his ability as an interpreter and as a military attaché who could cultivate extensive contacts in any country that he was assigned to.

Hard-Working Officer

This background has reportedly been the object of considerable criticism by C.I.A. career officials who feel that General Walters's experience as an attaché is insufficient qualification for the agency post President Nixon chose from for on March 2, 1972.

"His reputation," said one person familiar with the C.I.A. yesterday, "is that of a guy who speaks in four or five languages and thinks in none."

But that assessment would

be vehemently contested by his friends and supporters, who say that the 56-year-old general is an aggressively brilliant man with a sophistication and perception rare for a soldier.

These people describe him as a hard-working and dedicated officer who looks on his skills as an interpreter with mixed emotions, because they have prevented him from attaining the field command that he has always wanted.

In many ways, the course of the C.I.A. official's career was set by his childhood. Born in New York on Jan. 3, 1917, Vernon Walters was the youngest of a wealthy insurance agent's three children. After suffering a series of financial reverse, his father, decided in 1923 that the family could live better in France.

Enlisted in 1941

The family moved there, and during vacations traveled in Europe. Vernon Walters learned Spanish and Italian as well as French.

After graduating from a French lycée, Mr. Walters attended Stonyhurst college in England, where a cousin of his mother's, a Jesuit priest, was the rector.

General Walters enlisted in the Army as a private in 1941. Within a year he was made an officer in intelligence. By the end of the war he was a major. He decided to make the Army his career.

A bachelor, General Walters cared for his mother for many years until her death.

As military attaché in Paris, he entertained frequently. He lives more quietly now in the officers' club at Fort Myer, Va.

'CIA general's 'mind boggled' a risks taken in bugging caper

Senate select committee on presidential campaign activities.

LIEUTENANT-GENERAL VERNON WALTERS, deputy director of the Central Intelligence Agency, said Mr H. R. Haldeman (the former White House chief of staff) directed the CIA to warn the FBI that investigations in Mexico about the Watergate break-in would jeopardize covert CIA operations south of the border.

He told the committee that Mr Haldeman's request "was put in a directive form".

General Walters said he and Mr Richard Helms (the former CIA director) were summoned to the White House on June 23; five days after the break-in at the Democratic Party headquarters. The meeting was also attended by Mr Haldeman and Mr John Ehrlichman (President Nixon's former chief domestic affairs adviser).

Mr Haldeman did most of the talking: he told them the bugging was "creating a lot of noise, the opposition was attempting to maximize it, that the Federal Bureau of Investigation inquiries might lead to some important people, and he asked what the CIA connexion was".

General Walters said Mr Helms was emphatic that there was no CIA connexion in the affair. But Mr Haldeman said that "nevertheless there is concern that these (FBI) investigations in Mexico may expose some CIA covert activity in Mexico".

The general said Mr Haldeman told them: "It has been decided that you (Walters) will tell this to acting FBI director (Patrick) Gray."

"It was put in a directive form. I understood that to be a direction. And since Mr Haldeman was very close to the top of the Governmental structure of the United States, and as the White House has a great deal of information that other people do not have. . . . I found it quite conceivable that Mr Haldeman had access to some information that was not available to me."

General Walters told the committee that he met Mr Dean on June 26 and was told that he was handling the Watergate affair for the White House. Mr Dean repeated that the affair was causing a great deal of embarrassment and trouble and that FBI leads were leading to important people.

According to the general, Mr Dean kept pressing the point that the five people found inside the Democratic Party headquarters in the Watergate had worked for the CIA in the past.

"It seemed to me that he was exploring the options and seeing whether he could put some of the blame on us. I said to him: 'Mr Dean, any attempt to involve the agency in the stifling of this affair would be a disaster. It would destroy the credibility of the agency with the Congress, with the nation, it would be a grave disservice to the President. I will not be a part of it and I am quite prepared to resign before I will implicate the agency in this matter'."

General Walters said this seemed to shock Mr Dean but he "somewhat reluctantly seemed to accept this line of argument".

The general said he began making notes and memoranda of his meetings on Watergate after Mr Dean suggested the CIA might help the defendants with bail, family support or legal fees.

In one memorandum, written on June 29, the general said he told Mr Dean: "My mind boggled at such risks as those involved in this caper could have been taken for such an unremunerative bargain."

"Involving the (Central Intelligence) agency would transfer what is now a medium-sized conventional explosive into a multi-megaton explosion and simply was not worth the risk to all concerned."

A memorandum on the June 23 White House meeting stated: "Haldeman said the whole affair was getting embarrassing and that it was the President's wish that Walters call on acting (FBI) Director L. Patrick Gray and suggest to him that, since the five suspects had been arrested, this should be sufficient and that it was not advantageous to have this inquiry pushed, especially in Mexico."

GENERAL WALTERS said Mr Dean did not indicate at any time the origin of the case.

He recalled that he had read a newspaper article at the time to the effect that the Cubans might be involved in order to find out the policy of the Democratic Party if elected in 1972.

He added that Mr Dean obviously understood this as a suggestion that he should try to blame the Cubans.

"In retrospect", said General Walters, "I should have corrected him. . . . Just as I believe the agency's involvement could not be hidden, the false implication of the Cubans could not be sustained."

MR SAM DASH (chief counsel of the committee) introduced copies of memoranda which General Walters had written concerning conversations he had with Mr Dean at various times in June and July, 1972.

These reported Mr Gray as saying that pressures were mounting for

him to continue the investigation and, unless he received a letter from the CIA that the further investigation in Mexico would uncover CIA efforts, he would have to go ahead.

GENERAL WALTERS said he told Mr Gray that he could not tell him or write to him that pursuit of the investigation would in any way jeopardize CIA activities in Mexico.

Mr Gray said he had told Mr Haldeman and Mr Ehrlichman that he could not possibly suppress the investigation into the matter.

The general added that he told Mr Gray that, whatever the unpleasant implications of Watergate, to involve the CIA would not serve the President's interests.

He had told Mr Gray he would write such a letter as requested only under the direction of the President and if pushed would be prepared to resign.

General Walters quoted Mr Gray as saying that he had agreed to press the FBI investigation and had

told Mr Haldeman and Mr Ehrlichman he would be prepared to resign. He had also said his resignation would raise many questions and would be detrimental to the President's interests.

Mr Gray said further that he did not see he should act to protect some middle White House figures who had acted imprudently.

Finally, said General Walters, he had said that if he were directed to write the letter and to jeopardize the interests of the United States he would ask to see the President and tell him the disservice this would do to his interests.

On July 6, General Walters said Mr Gray told him of a telephone call he had received from President Nixon congratulating him on the FBI action which had frustrated the hijacking of an aircraft in San Francisco. The President had also asked him about the Watergate case and Mr Gray replied that he had conferred with General Walters about the matter.

The President then asked him what his recommendation was. Mr Gray had replied that the case could not be covered up and would lead quite high and that he felt the President should get rid of the people that were involved.

Any attempt to involve the FBI and the CIA would only prove a mortal wound and would achieve nothing, Mr Gray further told the President.

The President replied: "Then I should get rid of whoever was involved, no matter how high."

Mr Gray replied that was his recommendation.

Mr Nixon then asked what General Walters thought and Mr Gray told him their views were the same. "The President took it well and thanked Gray", the memorandum added.

Later that day, Mr Gray had talked to Mr Dean and reported the conversation to him. Mr Dean had said "Okay".

General Walters also read from another memorandum of a conversation with Mr Gray respecting a proposal by Mr Dean to remove from the Justice Department the package containing all the material on the Watergate case given to it by the agency, as it was no longer needed for investigation, and leaving simply a card in the file. The package included photographs taken with the camera which Mr Hunt had obtained from the agency.

Mr James Schlesinger (who came into the CIA early this year as the new director) was not familiar with the package but General Walters went over with him the various approaches so that he was generally familiar with the background.

General Walters said he believed he and Mr Schlesinger agreed that simply to leave a card in the file, as suggested, would be pointing an arrow to the CIA. It was decided it would be out of the question and to tell Mr Dean so.

MR FREDERICK THOMPSON, (the committee's chief Republican counsel), asked General Walters why he had not been more forthcoming about the meetings he

attended with White House figures after the Watergate break-in.

GENERAL WALTERS: "Mr Dean's exploration of whether the CIA could produce bail and pay the salaries of the (Watergate) defendants while they were in jail. I was struck by his insistence that the CIA was somehow involved, his insistence on trying to drag us into it."

SENATOR JOSEPH MO'FOYA (Democrat, New Mexico) asked General Walters: "Is it your feeling that the White House—those individuals with whom you were talking—were trying to use you for some ulterior motive?"

GENERAL WALTERS said he had no reason to doubt that the White House had information which he did not have. He said he did not ask for more clarification because he did not see anything improper going on.

SENATOR MONTOYA asked General Walters, in view of "attempts by some people at the White House" to involve the CIA in tasks outside its scope, "what recommendations do you have to make to this committee so that it might not occur in the future?"

GENERAL WALTERS said it

would be presumptuous to tell the committee its job. He did not know how one could legislate honesty and decency—"you have got to get the right people for posts of trust".

SENATOR MONTOYA: "Do you feel there should be some provision in the law governing the CIA requiring its director or deputy director or any employee to report to an oversight committee in Congress when someone in the executive or any other department tries to use the CIA for political purposes?"

GENERAL WALTERS replied that could be one solution.

SENATOR HERMAN TALMADGE (Democrat, Georgia) asked General Walters why, if he felt there was a conspiracy under way among close associates of the President to obstruct justice, did he not inform Mr Nixon.

GENERAL WALTERS: "I don't quite take the same assumption that you do, but, to go back to the climate at that time, the agency was under attack with various unjustified accusations."

"My interviews with Mr Dean were alone—it was his word against mine", he said. "If I had gone out and simply accused him of trying to involve me in something and he had said 'no', the environment in the United States at that time would not necessarily have been favourable to my unsupported word."

"I would simply have involved the agency in further publicity in support of something I could not prove other than by my statement. . . ."

"Had I gotten us (the CIA) involved in a Donnybrook which I could not prove other than by my unsupported word, I could not have served the purpose that I was attempting to serve."

SENATOR HOWARD BAKER (Republican, Tennessee, the committee's vice-chairman) said that three thick volumes of classified documents sent by the CIA to the Senate appropriations committee were now in possession of the Watergate investigating committee. From them he read a series of letters addressed to Mr Paul Gaylor, identified as a CIA official, by Mr James McCord (one of the principals in the Watergate break-in).

Several of the letters supported evidence he gave several weeks ago to the committee to the effect that "the outfit" had tried to lay the blame for the Watergate affair on the CIA, and charging that his telephones had been tapped illegally.

Asked his opinion why Mr McCord had written, he said McCord was a former CIA employee, who still had an intense feeling of loyalty to the agency and believed somebody was trying to blame it for the affair.

SENATOR SAM ERVIN (the committee's chairman) said the letters seemed to corroborate the testimony given by Mr McCord to the effect that there was a plan among some people to blame Watergate on the CIA and that he resented it and believed the CIA was not implicated.

SENATOR LOWELL WEICKER (Republican, Connecticut) referred General Walters to the memorandum in which he said that Mr Haldeman had asked him to tell the FBI director that the Watergate affair could become embarrassing and suggested that, with the original five suspects, this would be sufficient and not to have the inquiry pushed, especially in Mexico.

"Do you think that discussion was substantial enough so that a man of normal recall would remember it?" he asked.

GENERAL WALTERS: "The way I understood it was he felt that if the FBI continued its investigation in Mexico, in some way which was not clear to me, it could uncover either personnel or activities of the agency in Mexico."

SENATOR WEICKER: "So it did come up then in more than just a casual way?"

GENERAL WALTERS: "Oh, it was quite specific." He added that the request to the FBI, in a sense, not to rush the investigation was limited only to Mexico and nowhere else.

SENATOR WEICKER then read from the transcript a part of the questioning of Mr Haldeman earlier this week. Mr Haldeman was asked whether he recalled discussing at the meeting with General Walters that one of the concerns was that the CIA might want to have an investigation by the FBI with regard to the Mexican money. Mr Haldeman had replied: "No, I do not."

When asked if the meeting had discussed the Mexican relationship, Mr Haldeman responded: "I don't recall the Mexican question being raised either by the President that morning in his instructions to me to hold the meeting, or by me in the meeting."

The Senator asked: "Do you dispute Mr Haldeman's testimony on that point?"

GENERAL WALTERS: "I must stand on my own recollection of the matter."

General Walters was excused from the witness chair and the committee adjourned for lunch. Reuter.

FBI WARNED NIXON OF THREAT FROM HIS ASSISTANTS

By NIGEL WADE in Washington

GENERAL VERNON WALTERS, deputy director of the Central Intelligence Agency, told the Senate Watergate Committee yesterday how White House staff tried to involve the CIA in the Watergate cover-up.

There was so much White House pressure on the CIA and the Federal Bureau of Investigation after the Watergate burglary on June 17, 1972, that he and Mr. Patrick Gray, former acting FBI director, decided they should "protect the President from his would-be protectors."

General Walters said Mr Gray told President Nixon on July 6 last year that he was in danger of being wounded by people around him.

Mr Gray told the President that the FBI investigation would lead quite high and the Watergate case could not be covered up.

Recounting the conversation second-hand, Gen. Walters said Mr Nixon then asked Mr Gray: "Then I should get rid of whoever is involved no matter how high?"

Mr Gray said yes, according to Gen. Walters, and the President then told Mr Gray to proceed with the investigation.

Something wrong

Senator Herman Talmadge asked Gen. Walters if he was saying in effect that less than three weeks after the break-in at Democratic party headquarters Mr Nixon was told "there was something going on wrong in the White House staff and he ought to correct it."

General Walters: That would be my conclusion.

General Walters said that six days after the Watergate burglary, Mr H. R. Haldeman, then President Nixon's Chief of Staff, instructed him to urge Mr Gray to limit the FBI's Watergate investigations.

Mr Haldeman had said for unlimited FBI inquiry into Nixon campaign money "funnelled" through Mexico would uncover CIA operations in that country.

He said he began notes and memoranda of his meetings on Watergate after Mr. Dean's request.

In one, written on June 29, Gen. Walters said he told Mr. Dean: "My mind boggles at such risks as those involved in this caper could have been taken for such an unremunerative bargain."

"Involving the CIA would transfer what was now a medium-sized conventional explosive into a multi-megaton explosion and simply was not worth the risk to all concerned."

Important people

The General said he refused to allow the agency to become involved in the Watergate affair without direct order from the President.

At a meeting with Mr. Dean, "Dean said he was handling this whole matter of the Watergate. It was causing a lot of trouble, was very embarrassing. He said that the leads led to some important people and might lead to some other important people."

General Walters said he recalled that Mr. Dean told him the FBI was following theories that the Watergate burglary was instigated by the Republican national committee of the CIA.

"I said I don't know who originated it, but the CIA did not. I said anything that would involve any government agency like the CIA or FBI in anything improper in this way would be a disaster for the nation."

The General said neither he nor Mr. Richard Helms, the CIA director, knew of any CIA operation which might have been exposed, but Mr. Haldeman was insistent.

General Walters said he passed the message to Mr. Gray.

Mr. Haldeman has said that he merely inquired whether a vigorous FBI investigation might uncover some CIA secrets and that he told Gen. Walters to talk to Mr. Gray only after the CIA failed to give any flat assurance that no secrets would be exposed.

General Walters told the committee that Mr. Haldeman had specifically mentioned the Nixon campaign money from Mexico, but Mr. Haldeman said in evidence that the money had not been mentioned.

Bail request

General Walters said he passed met Mr. John Dean, the dismissed White House counsel, three times in late June, 1973. He confirmed earlier evidence from Mr. Richard Helms, former CIA director, that Mr. Dean asked him whether the CIA could pay bail for the seven Watergate burglars and put them on the CIA payroll while they served prison sentences.

WASHINGTON POST
4 AUG 1973

Gray Expresses 'Sense of Shame' At Burning Files

Felt Dean, Ehrlichman Expected It

By Lawrence Meyer
Washington Post Staff Writer

L. Patrick Gray III, who resigned in disgrace as acting director of the FBI last April, testified yesterday that he burned documents related to the Watergate investigation because White House aides John D. Ehrlichman and John W. Dean III had given them to him with "the clear implication" that they should be destroyed.

"It is true that neither Mr. Ehrlichman nor Mr. Dean expressly instructed me to destroy the files," Gray told the Senate Select Watergate Committee. "But there was, and is, no doubt in my mind that destruction was intended. Neither Mr. Dean nor Mr. Ehrlichman said or implied that I was being given the documents personally merely to safeguard against leaks."

Calling his destruction of the documents in late December, 1972, a "grievous misjudgment," Gray said he was left with a "sense of shame." And he added, "I shall carry the burden of that act with me always."

Gray resigned from the FBI on April 27, the day after it was first publicly re-

vealed that he had destroyed the documents, which consisted of two files from the White House safe of Watergate conspirator E. Howard Hunt Jr.

Gray described how and why he destroyed the documents, and how the FBI investigated Watergate, in a 90-minute statement he read yesterday afternoon to the Senate Watergate committee, which recessed until Monday without questioning him.

Gray's statement complicated an already tangled web of contradictions on many points of testimony heard by the committee in nine weeks of hearings on the Watergate investigation.

In significant, and perhaps crucial respects, Gray's description of conversations he had with Ehrlichman concerning the Hunt documents differs from what Ehrlichman had told the Senate committee. Ehrlichman, once President Nixon's top domestic adviser, resigned from the White House staff under fire on April 30.

Gray's statement also conflicts with the testimony of deputy CIA director Lt. Gen. Vernon A. Walters, who preceded Gray at the witness table. Both Gray and Walters testified about a series of meetings they had in June and July, 1972, to discuss the potential risks to CIA operations in Mexico posed by the FBI's investigation of the Watergate affair. They eventually concluded that no such risk or any other FBI-CIA conflict existed.

In addition, Gray's statement conflicts in some respects with the testimony of former White House counsel

Dean, who was fired by President Nixon on April 30.

Emerging clearly from the testimony of both Gray and Walters, however, was the fact that Dean separately, but simultaneously, was trying to restrain the FBI investigation of the Watergate affair by attempting to play Walters and Gray against each other.

According to Gray, the FBI restrained its full investigation of \$114,000 in Nixon campaign funds, which had passed through Watergate conspirator Bernard L. Barker's Miami bank account, because of Dean's persistent assertions that the money involved the CIA.

The FBI had traced \$89,000 of that sum to a Mexican lawyer, Manuel Ogarrio, and \$25,000 to Minneapolis industrialist Kenneth Dahlberg. Dean, according to Gray, continually linked the two men as being involved with the CIA.

At the same time, according to Walters, Dean also was talking to him, trying to persuade Walters that the CIA was somehow involved in the Watergate break-in and bugging. Even if the agency was not involved in the bugging, Walters said Dean was suggesting, it should assist in restraining the FBI.

When Dean was unable to get any assistance from the CIA, according to the testimony yesterday, Dean called Gray and told him that the Ogarrio and Dahlberg checks were unrelated to Watergate. In fact, however, the \$114,000 provided uncontroverted evidence that the Watergate break-in was financed by campaign funds

Re-election of the President.

In contrast to his admissions about his own acts, Gray continued to defend the FBI's investigation of the Watergate break-in and bugging, which he described as a "full-court press" in his abortive confirmation hearings to become permanent director of the FBI.

"Instructions were issued at the outset of the investigation and regularly thereafter," Gray said yesterday, "to ensure that this case was handled as a major case under the immediate supervision of the special agent in charge of each field office to which investigative leads were referred by the Washington field office or any other field office setting out leads to be pursued."

Gray's defense of the FBI and his assertion that he would have resigned rather than restrain the investigation posed a strange paradox in view of his admission that he had destroyed documents.

In human terms, Gray, who sat before the committee ramrod-straight like the ex-Navy captain that he is, must be added to the litany of names whose lives and careers have been shattered by their involvement in the Watergate affair.

Gray abandoned his effort to win confirmation by the Senate to succeed J. Edgar Hoover as FBI director when his handling of the Watergate investigation was questioned as being too responsive to demands by the White House. As Ehrlichman's earlier Senate testimony made clear, Gray was also abandoned during the confirmation procedure by his nominal sponsors in the Nixon administration.

Then Gray's personal reputation, the lifeblood of any lawyer—which Gray also is—was called into question by his admission that he had destroyed the Hunt documents. Although Gray asserted that these documents were not "evidence" in the Watergate case, that position may be contradicted by the federal Watergate grand jury.

CIA4 MEXICO

CIA202

Approved For Release 2005/07/01 : CIA-RDP91-00901R000700100001-2

(original by Jay)

WASHINGTON POST

4 AUG 1973

Orders to Restrict FBI Probe Detailed

By Peter A. Jay

Washington Post Staff Writer

The deputy director of the Central Intelligence Agency, Lt. Gen. Vernon A. Walters, testified yesterday he was ordered by presidential assistant H. R. (Bob) Haldeman to cite unspecified intelligence activities as a reason why the Watergate investigation should not be extended into Mexico.

Walters, appearing before the Senate select Watergate committee, said Haldeman told him on June 23, 1972, that the investigation of the Watergate arrests six days earlier could endanger covert CIA operations in Mexico and that Walters was to go immediately to L. Patrick Gray III, then the acting director of the FBI, and tell him so.

Walters testified before Gray at yesterday's hearing. His account of Haldeman's directive and subsequent pressure from then White House counsel John W. Dean III for CIA assistance in blunting the FBI's Watergate probe was similar in detail to Thursday's testimony by Richard M. Helms, director of the CIA and Walters' boss at the time of the Watergate investigation. Helms left the CIA and became ambassador to Iran.

Gray, in his opening statement, included a list of incidents about which his recollection differed from Walters'. But most of the differences appeared to be relatively minor, as were the few points at which Walters' testimony varied from that of Helms.

Walters, referring to memorandums he prepared at the time and has used in testimony earlier this year before another congressional committee in closed session, gave a detailed account of a series of three meetings he had with Dean on June 24, 27 and 28, 1972.

Dean, he said, asked him if the CIA could provide bail money for the five men arrested during the break-in at the Watergate

offices of the Democratic National Committee, or pay their salaries while they were in jail.

That conversation, he said, gave him "for the first time ... a clear indication that something improper was being explored." He said he told Dean he would have no part in any proposal that "would implicate the agency in something in which it is not implicated."

Walters said he had considered the original directive from Haldeman, given at a meeting also attended by Helms and presidential assistant John D. Ehrlichman, to be unusual. But he said he did not believe at that point that he was being asked to do anything improper.

"I presumed Mr. Haldeman had information that I did not have," Walters said, noting that at the time of that meeting he had only been with the CIA six weeks.

"Mr. Haldeman was a very well-informed man, close to the top of the American structure of government," he said, and it was possible Haldeman knew of "something in this investigation (that) would uncover assets of the CIA" in Mexico.

He said he thought it peculiar, however, that it was he and not Helms whom Haldeman asked to visit Gray. "I thought perhaps he thinks I am military, and a lot of people have the mistaken belief that military obey blindly," Walters said he thought at the time.

Walters, a graying, heavy-set man of 56, said that during his meetings with Dean he believes he might have inadvertently planted the idea that the Watergate burglary could perhaps be distributed as a "reaper ... (with) a strong Cuban flavor."

He said he advised Dean to remember that "scandals had a short life in Washington and that the ones soon replaced them. I

urged him not to become unduly agitated by this one."

When Dean asked him if he had any ideas, Walters said, he replied that "everyone knew the Cubans (four of the five men arrested at the Watergate were Cuban-Americans from Miami) were conspiratorial and anxious to know what the policies of both parties would be toward Castro. They therefore had a plausible motive for attempting this amateurish job which any skilled technician would deplore."

At this point, Walters recalled, Dean said something to the effect that "this was the best tack to take but it might cost half a million dollars."

From this remark, Walters said, he realized that Dean "obviously thought I was suggesting that he could buy the Cubans." But because he was "so relieved at seeing him apparently abandoning the idea of involving the agency" in the Watergate affair, Walters said, he did not correct him.

Throughout the period beginning with the June 23 meeting with Haldeman, Ehrlichman and Helms and continuing through the three meetings with Dean and several others with Gray, Walters said, he learned of no CIA activity that could be jeopardized by a thorough investigation of the Watergate affair.

He did say he told Gray, however, when he first went to see him on Haldeman's instructions, that "it would be best to taper off" the investigation in Mexico.

On June 23, the day of the meeting in Haldeman's office at the White House and the subsequent meeting between Gray and Walters, the Mexican implications of the Watergate case first began to appear publicly.

At a bail hearing for the five defendants that day, Assistant U.S. Attorney Earl Silbert alluded to checks drawn on a Mexican bank, totaling \$69,000, that had been deposited in the Miami bank account of Bernard Barker—one of the burglars.

The money was later found to be Republican campaign funds cycled through Mexico and Barker's accounts soon replaced them. I

Helms testified Thursday that as he and Walters were leaving the meeting with Haldeman, he told his deputy to make certain when he met with Gray that he simply advise the FBI director of existing agreements for cooperation between the FBI and CIA. Walters was to make sure, Helms said he told him, not to involve the CIA in any way with the Watergate affair.

Walters said yesterday that he does not recall that brief conversation with Helms as "being quite as limiting as Mr. Helms mentioned. At no time did he tell me I was not to deliver the message I had been given."

Gray, in his account of the meeting with Walters that followed, said Walters did not tell him he was coming from the White House. "I understood him to be stating a CIA position, not a White House message," he said.

Earlier yesterday, Walters had responded to questioning on this point by saying "I believe to the best of my recollection that I told him (Gray) I had come from the White House, that I had talked to some senior people there."

This contradiction was but one of many between Walters and Gray in their testimony yesterday.

A major difference between the two concerned Gray's attitude toward the FBI investigation of the Watergate, already well under way by the time of the June 23 meeting.

In his memorandum about the first meeting, Walters wrote that Gray's "problem was how to low-key this matter (the investigation) now that it was launched."

Gray said that while "I may have said words to this effect to let him know that we would handle the CIA aspects of this matter with kid gloves," he never suggested that "the FBI investigation would be other than aggressive and thorough."

Gray also sought to rebut in his opening statement to the committee various other assertions made by Walters in his various memorandums. (Several of the memos, given to congressional committees in closed-door testimony earlier this year, were subsequently published in newspapers.)

Approved For Release 2005/07/01 : CIA-RDP91-00901R000700100001-2

continued

WASHINGTON STAR

4 AUG 1973

Gray Raises a Question: Security or Politics?

By Oswald Johnston
Star-News Staff Writer

The administration's claim that "national security" was the key to White House moves to hinder the investigation of Watergate last year meets its strongest challenge to date in the testimony of former acting FBI director L. Patrick Gray.

Gray, left by the White House to "twist slowly, slowly in the wind" when his aborted Senate confirmation hearings last spring provided the first serious breaks in the case, yesterday gave the Senate Watergate committee some of its most provocative leads so far. He returns Monday to be questioned by the committee.

Taken together with the testimony in recent days of former CIA Director Richard M. Helms and Deputy Director Gen. Vernon A. Walters, Gray's testimony begins to form a pattern of circumstantial evidence which suggests:

○ That the White House had reason to fear five days after the Watergate break-in that FBI investigators would uncover direct links between the Watergate burglars and Nixon's campaign finances.

○ That the White House a day later tried to get the CIA to interfere with the FBI investigation of those links in the name of national security.

○ That the White House still persisted in those efforts up to a week after CIA officials told them—and told Gray—that there was no national security motive for holding up the investigation.

At one point, John D. Ehrlichman stepped in personally to cancel a meeting between Gray and Helms at which the matter could have been cleared up.

Specifically, the Gray testimony alleges that the White House, in the persons of Ehrlichman and John W. Dean III, tried to get Gray to keep FBI investigators from interviewing a Mexican lawyer who helped launder some GOP campaign funds in Mexico City and a Minnesota campaign operative who moved a cash donation through a Miami bank.

MONEY totaling \$114,000 from both sources was traced to the Miami bank account of Watergate defendant Bernard L. Barker less than a week after the break-in, and some of the money, in cash, was found on the burglary team.

From Gray's statement, taken together with the testimony of Helms and Walters, the following chronology emerges:

JUNE 17, 1972: The Watergate burglars, with their electronic gear and their hundred dollar bills and other paraphernalia were caught in Democratic National Headquarters in the Watergate complex.

JUNE 20: Ehrlichman informed Gray that Dean was handling the White House investigation of Watergate and told Gray to deal with Dean directly. The two met the next day to work things out, and Dean said he would be reporting directly to President Nixon.

JUNE 22: Gray telephoned Helms to check on the CIA antecedents of Barker, James W. McCord, E. Howard Hunt and two other defendants. He was assured there was no CIA involvement.

The same day, Gray was briefed by FBI officials and learned that Barker's Miami bank account contained \$114,000 of which \$89,000 was traced to a Mexico City lawyer named Manuel Ogarrio Daguerre, and \$25,000 to one Kenneth Dahlberg.

Later investigations revealed that Ogarrio handled Nixon campaign money which originated with corporate donors in Houston and passed through the control of campaign finance director Maurice Stans on the way to Barker. Dahlberg was Midwest campaign finance chairman, and he transferred \$25,000 given him in cash in Miami through a bank and thence to Washington before it reached Barker.

These details were unknown to investigators on June 22, and Gray recalled discussing the Ogarrio-Dahlberg money with Dean that evening. A possible CIA connection with the money was also discussed at that meeting.

JUNE 23: Gray discussed the Dahlberg-Ogarrio checks with Dean during a morning telephone conversation. Gray believes Dean then raised the possibility that investigating the Mexi-

WASHINGTON STAR

4 AUG 1973

GOULD LINCOLN**Committee Baites Witnesses**

The Watergate committee of the Senate, with its public hearings, has added to the dangers from abroad, has been responsible in large part for the devaluation of the American dollar and the loss of confidence abroad in the ability of the government to govern. It brings to mind the days of Cromwell and Charles I in England when it was: "We brook no criticism or off with your head."

★

The committee's treatment of two witnesses, John Ehrlichman and H. R. Haldeman, both former members of President Nixon's White House staff, and its line of questions seeking to make liars of them, has disgusted many of the hundreds of thousands and perhaps millions of viewers in this country and caused some of these to whom it was piped abroad at least to raise their eyebrows and wonder why the boast is made here that every man on trial is considered innocent until he is proved guilty.

They were men who refused to be hectorred and browbeaten by members of the Senate committee who were seeking to discredit their testimony, which denied many of the charges that have been brought against President Nixon, including those of John Dean III, a pet witness who

appeared earlier who alleged that Nixon was guilty of seeking to cover up all matters relating to the Watergate break-in of the offices of the Democratic National Committee, during the 1972 election campaign.

Neither Ehrlichman nor Haldeman was claiming executive privilege or asking the Senate committee to assure them they were not to be prosecuted, although some members of the committee were suggesting they might be tried for perjury.

Three other important witnesses were called and were put through the wringer by members of the committee and the committee's counsel. They were former C.I.A. (Central Intelligence Agency) director and now United States ambassador to Iran Richard M. Helms; Commandant of the Marine Corps Robert E. Cushman Jr. and Lt. Gen. Vernon E. Walters. All of them at one time or another had been involved with the C.I.A., either as directors of that agency or assistant directors, and all of them denied that they or the agency had been involved with the Watergate break-in.

★

Some of the testimony of these three witnesses corroborated that of Ehrlichman and Haldeman, and some of it clashed with their statements.

The committee has a string of other visitors which it proposes to hear in public, even if it has to remain here all during the August recess of Congress, which began yesterday and ends September 5. The committee is engaged in a duel with the President over its demand that Mr. Nixon release to them for inspection certain tapes which were made of the President's conversations with his visitors and his subordinates during his residence at the White House.

★

The President has declined to give them up, on the ground that they are his personal records. He stands on the ground that to yield to the Senate committee would be a breach of the separation of powers between the executive, legislative and judicial branches provided in the Constitution. The committee is threatening to take the matter to the Supreme Court, which is now in recess and not expected to return until its usual October term.

The President has said that he will answer the Watergate charges made against him when the proper time comes. In the meantime, he says, he is engaged with other important affairs of government, both foreign and domestic.

Gray Says He Thought Dean Ordered Burning

By Martha Angle and
Oswald Johnston
Star-News Staff Writers

L. Patrick Gray III, former acting director of the FBI, says he felt he was acting on "an order from the counsel to the President" when he destroyed politically sensitive files taken from the White House safe of Watergate conspirator E. Howard Hunt.

Gray, in an opening statement prepared for delivery before the special Senate Watergate committee, said John W. Dean III gave him the files the night of June 23, 1972, in the presence of John D. Ehrlichman, then President Nixon's domestic affairs adviser.

"I distinctly recall Mr. Dean saying that these files were 'political dynamite' and 'clearly should not see the light of day,'" Gray said.

HE SAID neither Dean nor Ehrlichman "expressly instructed me to destroy the files. But there was, and is, no doubt in my mind that destruction was intended."

Contradicting earlier testimony by Ehrlichman, Gray said neither Dean nor Ehrlichman "said or implied that I was being given the documents personally merely to safeguard against leaks."

Gray said he took the files to his Washington residence, placed them in a briefcase and left them "on a closet shelf under my shirts" for about three weeks, when he then took them to his office and put them in his personal safe.

In the fall of 1972, he said, he took the files to his home in Stonington, Conn., and later "burned them during Christmas week with the Christmas and household paper trash."

Just before burning the documents, Gray said, "I opened one of the files" and read what appeared to be a copy of a "top secret" State Department cable implicating the Kennedy administration in the assassination of President Diem of South Vietnam.

Testifying today, CIA deputy director Vernon Walters maintained he did not find it improper

when top White House aide H. R. Haldeman last year ordered him to try to slow down an FBI investigation related to watergate.

Speaking before the Watergate investigating committee, Walters, an Army lieutenant general, put in the record his detailed account of White House contacts with him in June and July 1972. The account, set forth in a series of memoranda which have already been made public, agrees closely with the testimony yesterday of former CIA director Richard M. Helms.

Walters, an Army lieutenant general, put in the record his detailed account of White House contacts with him in June and July 1972. The account, set forth in a series of memoranda which have already been made public, agrees closely with the testimony yesterday of former CIA director Richard M. Helms.

In Walters' view, the key episodes in the CIA-White House-FBI triangle last summer were these:

• The much-reported June 23 meeting at which Haldeman, with Ehrlichman and Helms present, directed Walters to warn the FBI away from an investigation it was conducting in Mexico on the ground that covert CIA operations there would be exposed.

• A June 27 meeting with former White House counsel Dean, whom Ehrlichman appointed as White House contact with the agency, at which Dean tried to persuade Walters to use secret

CIA funds to pay bail and salaries for the Watergate defendants.

Looking back, Walters concluded that the Dean suggestions were leading to "something improper." He thereafter began to keep memos of White House contacts, and today continued to look back on Dean with suspicion and dislike.

Recalling the Haldeman meeting, however, Walters said that "presumably his power derives" from the President himself. And he drew this conclusion: "My interpretation was that Mr. Haldeman has information I did not have. I had no thought of doubting a senior officer of the United States Government."

In fact, Walters testified today, a check of CIA records disclosed within a few days of Haldeman's directive that there was no covert CIA operation in Mexico that an FBI probe could possibly jeopardize.

THE WALTERS memos of his conversations with Haldeman, Ehrlichman and Dean also included conversations with then-acting FBI director Gray, whom he had been instructed to approach on the Mexican investigation.

GARDEN CITY, N.Y.
 NEWSDAY

Approved For Release 2005/07/01 : CIA-RDP91-00901R000700100001-2

E - 427,270

AUG 3 1973

Testimony Tarnishes CIA Image

By Pete Bowles

Newsday Washington Bureau

Washington—Two former top executives of the Central Intelligence Agency blew their image as politically neutral spymasters yesterday as they testified that they had acceded to requests from White House officials for CIA support.

Although they said they resisted White House pressure, the testimony of former CIA director Richard Helms and his former deputy, Gen. Robert E. Cushman Jr., seemed to cloud the reputation of the CIA as a powerful investigative body which by its charter is prohibited from engaging in domestic operations.

They admitted that the CIA—at the request of the White House—had provided undercover equipment and false identification cards to convicted Watergate burglar E. Howard Hunt, but emphatically denied that the CIA had any role in the Watergate affair and the cover-up. His voice rising to a shout, Helms said: "The CIA had no involvement with the break-in. No involvement whatever. It was my preoccupation consistently, from then to this time, to make this point and to be sure everybody understands it. It doesn't seem to get across very well for some. But the agency had nothing to do with the Watergate break-in." Helms said he did not know how Hunt had used the CIA equipment.

Helms also revealed for the first time that one of the four Cuban-Americans arrested inside the Watergate, Eugenio Martinez, was being paid a "retainer" of \$100 a month by the CIA at the time of the break-in. "But that doesn't mean the agency was involved," Helms said. He said Martinez was "cut off" as soon as the CIA learned of his involvement. Four of the other six men arrested in the Watergate affair, including Hunt, were past CIA operatives.

Helms, now ambassador to Iran, and Cushman, the Marine Corps commandant, were the 27th and 28th witnesses to appear before the Watergate committee.

Helms said he resisted White House "feelers" to get the CIA involved in the Watergate cover-up. Helms said that the CIA, at the request of White House aide David R. Young, a member of the "plumbers" crew, provided the White House with a "psychological profile" on Daniel Ellsberg, who leaked the Pentagon papers. Cushman testified that President Nixon's domestic affairs adviser, John D. Ehrlichman, asked him to provide assistance to Hunt shortly before the 1972 break-in at the office of Ellsberg's psychiatrist.

In telling how the CIA had prepared the profile and a report on Ellsberg—both of which were rejected by the White House—Helms said: "I'm not proud of that one. On Monday a lot of football games are played again." Asked why he had agreed to the request, Helms said: "Well, it was a high-level White House official

asking for this help and it didn't seem like it would do any harm."

Secret memos introduced at yesterday's hearing showed that Cushman had omitted Ehrlichman's name from a revised summary report concerning a visit by Hunt to Cushman's office on July 22, 1971. Cushman said that in preparing the summary last January for Ehrlichman, he had originally recalled that Ehrlichman had telephoned him to request that Cushman see Hunt on that date. After sending the report to Ehrlichman, he said he immediately received a call from Ehrlichman, who said he had been out of town on July 22, 1971. "This shook up my recollection even worse," Cushman testified, adding that he offered to remove Ehrlichman's name from the summary report. The second version said: "I cannot recollect at this late date who placed the call, but it was someone with whom I was acquainted, as opposed to a stranger."

A transcript of a recording Cushman made at the July 22, 1971, meeting without Hunt's knowledge showed that Ehrlichman had asked Cushman to help Hunt.

At the meeting with Cushman, Hunt requested (and later received) false identification papers, a wig, a camera in a tobacco case, a recording machine resembling a typewriter case and a speech altering device. In explaining the purpose of the materials, according to the transcript, Hunt said: "I've been charged with quite a highly sensitive mission by the White House to visit and elicit information from an individual whose ideology we aren't entirely sure of."



Robert Cushman

Helms testified that he told Lt. Gen. Vernon A. Walters, the deputy director of the CIA, who was to testify today, to avoid pressures from Ehrlichman, former White House Chief of Staff H. R. Haldeman and former White House counsel John Dean to get the CIA involved in apparent cover-up activities. "I told him [Walters] that I wanted him to be absolutely certain that he permitted nothing to happen using the agency's name . . . that if he did something

Approved For Release 2005/07/01 : CIA-RDP91-00901R000700100001-2

Watergate burglar was on CIA payroll

Special to the Daily World

WASHINGTON, Aug. 2—Former CIA director Richard C. Helms reluctantly admitted today that one of the Watergate burglars was on his agency's payroll at the time of the June, 1972 break-in at the Democratic national headquarters.

Under questioning by Fred Thompson, Republican counsel to the Senate Watergate committee, Helms acknowledged that Eugenio R. Martinez, who pleaded guilty to the break-in, was being paid a "retainer" of \$100 a month by the CIA at the time of the bungled burglary.

Martinez' part-time job was to report to the CIA which emigres from Cuba were "worth interviewing," Helms testified.

While insisting that the CIA wanted nothing to do with domestic espionage, Helms admitted that it had given assistance to the 1971 break-in at the office of Dr. Lewis Fielding, psychiatrist for Daniel Ellsberg, Pentagon Papers defendant.

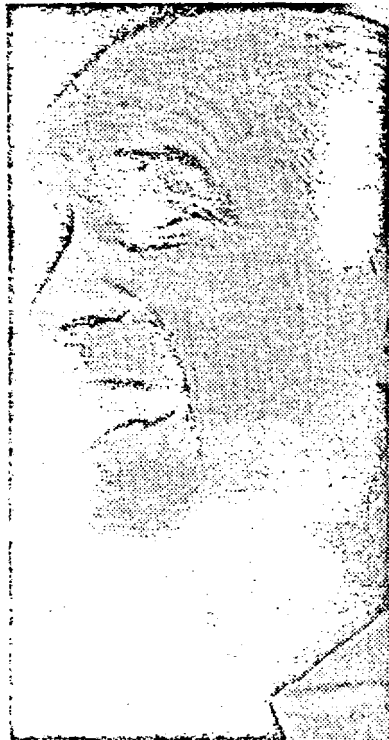
Helms told the committee that he had the "distinct impression" that a 1971 request to the CIA for a wig, a camera and other undercover equipment for E. Howard Hunt came from John D. Ehrlichman, Nixon's No. 2 aide at the time.

Hunt, ex-CIA agent and one of the seven Watergate defendants, who had helped lead the 1961 Bay of Pigs invasion against Cuba, used the equipment for the 1971 burglarizing of Dr. Fielding's office in search of medical records on Ellsberg.

Met with Haldeman

Helms testified that six days after the Watergate arrests he and Gen. Vernon Walters, deputy CIA director, met at the White House with H. R. Haldeman, Nixon's chief of staff. Helms said Haldeman expressed concern that a Watergate investigation might reach into clandestine operations in Mexico and uncover CIA cloak-and-dagger activities there.

The reference to Mexico arose from the revelation made early in the Watergate investigation that \$114,000 in Nixon campaign funds had been "laundered"



RICHARD C. HELMS

through a Mexican lawyer to conceal the identities of the donors and turn the checks into cash. Some of this cash financed the Watergate burglary-bugging.

Helms also swore that 10 days after the break-in Presidential counsel John Dean asked the CIA to put up bail for the arrested men and place them on the agency payroll while they served their jail terms. He said the proposal was rejected.

Diversion effort seen

The plan to shift the onus for the break-in to the CIA, revealed some time ago, was regarded here as an effort to shift attention away from the White House and the Committee to Re-Elect the President (CREEP).

As earlier schemes to deflect attention from the White House

ed to launch a counter-offensive against the Senate Watergate Committee's televised exposure.

One of these was exposed yesterday when a memorandum by Haldeman to Dean came to light during the hearings. In the memo, Haldeman urged that "we put out the story" that would link "Communist money" to peace demonstrations and Sen. George McGovern, the 1972 Democratic presidential candidate.

But more damaging to the White House plans for a counter-offensive was a memo placed in the record involving Nixon and former Attorney General John Mitchell with the out-of-court settlement of the International Telephone & Telegraph Company case. The memo, dated March 30, 1972, from former presidential counsel Charles W. Colson to Haldeman, said Nixon and Mitchell talked about the "agreed-upon ends" of the out-of-court settlement.

The memo also said that Mitchell knew about a \$400,000 pledge made by ITT to underwrite the 1972 Republican National Convention before three Justice Department antitrust suits against the giant conglomerate were settled.

Mitchell has testified that he had no such knowledge.

Committee chief counsel Samuel Dash, who released the memo, said flatly it appears to show "an act of perjury on the part of Mitchell."

Meanwhile, on a lower level, a memo was discovered in which the White House proposed to smear McGovern as the father of a child born out of wedlock.

Dean asked CIA to put burglars on payroll after break-in: Helms

By Arthur Siddon

Chicago Tribune Press Service

WASHINGTON, Aug. 2—The former director of the Central Intelligence Agency swore today the CIA had nothing to do with the Watergate break-in but said that fired White House Counsel John Dean II suggested

after the break-in that the CIA put the burglars on the payroll.

Richard Helms, now ambassador to Iran, did reveal that one of the five men arrested inside Democratic party headquarters June 17, 1972, was on a \$100-a-month CIA retainer at the time of his arrest.

The Senate Watergate committee also heard today from Gen. Robert Cushman Jr., former deputy CIA director and now Marine Corps commandant. Cushman acknowledged he supplied one of the Watergate trial defendants with CIA equipment in 1971 at the request of the White House.

Helms, who served as director from 1956 until last February, said two of the seven Watergate trial defendants, James W. McCord Jr. and R. Howard Hunt, were former CIA employes and the agency had had a "contractual relationship" with two others, Bernard Barker and Frank Sturgis.

HOWEVER, A FIFTH defendant, Eugenio Martinez, was still on a retainer at the time of the break-in, Helms said.

"When I learned he had a connection with this break-in, he was cut off," Helms told the Senate Watergate committee today.

Helms said Martinez had been paid the retainer to report on refugees who came in from Cuba and to alert the CIA of any individuals he thought the CIA might want to question. The job had nothing to do with the Watergate affair, Helms insisted.

HELMIS RAISED his voice and shouted into the microphones when he said:

"It doesn't seem to get across very well for some reason, but the agency had nothing to do with the Watergate break-in. I hope all the newspaper men in the room hear me clearly now!"

However, 10 days after the break-in, Dean called Helms' assistant, Gen. Vernon Walters, to the White House and asked if the CIA could pay bail for the men who were arrested and put them on the agency's payroll while they were in jail, Helms said.

BANGING HIS hand on the table for emphasis, Helms said the suggestion was rejected "out of hand" by Walters.

"He reported the meeting to me and told me that Dean raised with him the question of the Watergate burglary, that there were a lot of problems in connection with it, problems unidentified, was there any way in which the agency could help," said Helms.

"It was quite clear that some kind of feelers were being put out to see, [a] if there was any agency involvement, b) whether the agency was prepared to assist in some way which was not at all identified," Helms said.

WHEN DEAN suggested the CIA pay bail and salaries, Helms said Walters told Dean the agency could not possibly do it.

Walters told Dean he "could not conceivably imagine that a thing like that would remain secret for a long time," Helms told the committee.

Helms said the CIA had been approached first by former White House aides H. R. Haldeman and John B. Ehrlichman with the suggestion that the burglary was somehow related to its operations.

men that the CIA had nothing to do with the break-in, that it was not a CIA operation but that he would check whether an investigation might compromise other CIA operations.

The ambassador said he knew of no such problem but he agreed to let Gen. Walters meet with L. Patrick Gray, then acting director of the Federal Bureau of Investigation, to work out the matter.

It was Haldeman who suggested Walters rather than Helms meet with Gray, he said.

Sen. Lowell Weicker, [R., Conn.] asked Helms why Haldeman had not asked him to meet with Gray.

"ANY SENSIBLE person would have wondered, I think, why I was not asked to do this," he said. "Various interpretations could have been thought up... I think one is forced to the conclusion that for some reason they thought he would carry out the instructions more precisely than I might have..."

Helms said he simply instructed Walters to remind Gray of the arrangement the CIA and FBI had of informing each other when they ran across each other's operations during the investigation.

In his May 22 statement, President Nixon said he ordered the FBI to limit its probe into the Mexican aspect of its investigation because of concern it might uncover an independent covert CIA operation.

NIXON SAID he had been misinformed when he issued the order.

Helms said Gray told Walters he was concerned about the Mexican investigation because a Mexican lawyer connected with a Nixon campaign contribution might have a CIA connection.

Helms, probed repeatedly by members of the committee for his forthright testimony and apparent honesty, said he checked on the lawyer, found

no involvement, and so notified Gray.

"I ASSURED Mr. Gray that the CIA had no involvement with the break-in. No involvement whatever..."

Helms acknowledged that the CIA supplied electronic equipment, a camera, wig and other CIA materials to Hunt but said he had not authorized it. It was Cushman who authorized issuing the equipment at the request of the White House, he said.

Hunt, a longtime CIA employe who was then working for the so-called plumbers unit in the White House, told Cushman he wanted to conduct a one-time interview, Helms told the committee.

HELMIS SAID he was assured Hunt was given "perfectly routine and straightforward pieces of equipment" and no "tricky gear."

Later, Helms said, he learned Hunt was asking that a CIA secretary stationed in Paris be recalled and assigned to him in the White House.

"He wanted this to be done secretly and didn't want anyone to know about it," Helms said. "To me that was totally unacceptable. It seemed to me the agency was being used."

"I ASKED CUSHMAN to call Ehrlichman and tell him we wouldn't be doing these things anymore."

"The secretary was the straw that broke the camel's back?" asked Sen. Howard Baker [R., Tenn.], committee vice chairman.

"Yes, sir. You put that very well," Helms replied.

Helms said none of the equipment given Hunt would be useful for a break-in and doubted it was used by Hunt in the 1971 burglary of Daniel Ellsberg's psychiatrist's office.

FORMER CIA CHIEF SAYS HE RESISTED WHITE HOUSE DEMANDS

MR RICHARD HELMS, former director of the Central Intelligence Agency, said yesterday that he resisted "totally unacceptable demands" from the White House for assistance for E. Howard Hunt, one of the Watergate conspirators.

He told the Senate Watergate committee that Mr Hunt had obtained a camera and tape recorder from the agency in July, 1971, for an assignment at the White House behest.

Subsequently, Mr Hunt, a former CIA agent, who was then a White House security consultant, made other demands.

These included the transfer of a secretary from Paris to his White House office. "And that to me was unacceptable, I saw no reason for this."

Mr Helms said: "It seemed to me that the agency was being used. So I got hold of Gen. (Robert) Cushman (then deputy CIA director) and told him this was totally unacceptable and I wouldn't stand for it."

There were other various additional requests "and I asked Gen. Cushman to call Mr (John) Ehrlichman and tell him that we just were not going to do this any more."

Mr Helms, 60, now American Ambassador to Iran, was testifying for the fifth time before a Congressional committee on the break-in and bugging of the Democratic party's Watergate headquarters, Washington.

He was asked why he believed Mr Ehrlichman, then President Nixon's chief domestic affairs adviser, should be called.

"Because it was my distinct impression that he was the one who arranged with Gen. Cushman to have Hunt get these pieces of equipment," replied Mr Helms.

CIA equipment for break-in

Mr Hunt is alleged to have used CIA equipment, including a camera, for the break-in and burglary attempt at the office of a psychiatrist treating Dr Daniel Ellsberg, who was chief defendant in the Pentagon Papers case.

Mr Helms told the committee

Dawson, the Senate committee's deputy chief counsel, that he had been assured that equipment given to Mr Hunt was not used in the psychiatrist's office break-in.

The break-in was conducted by a White House group called "The Plumbers," which included Mr Hunt and was set up to "plug" leaks of classified information, such as the Pentagon papers on the Vietnam war. The aim was to draw up a "psychological profile" of Dr Ellsberg.

Rated as priority by Kissinger

Mr Helms said the "psychological profile" technique was a practice developed by the CIA for preparing a character image of foreign dignitaries and other personalities.

He said Mr David Young, an assistant to Mr Ehrlichman, had approached him in mid-1971 to ask CIA help in drawing up a profile of Dr Ellsberg.

"I remonstrated and told him we knew nothing about Dr Ellsberg, I've never laid eyes on him in my life, we have no records on him, we know nothing about him and I think it's an imposition to ask us to do this."

Mr Helms said Mr Young pleaded with him and told him the White House was very much interested in getting this material, that Mr Ehrlichman regarded it as highest priority and so did Dr Kissinger, Mr Nixon's chief foreign affairs adviser.

Mr Helms said the agency eventually put together two profiles on Dr Ellsberg.

He was asked if he knew whether the information used

to prepare the profiles was derived from the psychiatrist's office or from any other illegal sources.

"I have never heard that alleged," Mr Helms replied.

Mr Helms said that four days after the Watergate break-in he assured Mr Patrick Gray, acting FBI director, that the CIA had no involvement.

"It was my preoccupation consistently from then until this time to make this point and be sure that everybody understands it. It doesn't seem to get across very well."

Mr Helms added in a voice rising to a shout: "The Agency has nothing to do with the Watergate break-in."

Agency was not involved

On June 22, Mr Helms went to a meeting in the White House office of Mr Ehrlichman, Gen. Vernon Walters, his deputy, and Mr H. R. Haldeman, former White House Chief of Staff, were at the meeting.

Mr Helms said Mr Haldeman did most of the talking, saying there had been a "lot of flak" of the Watergate burglary and the opposition was capitalising on it. It was apparently causing some unidentified trouble.

Mr Haldeman asked whether the agency had anything to do with it and "I assured him the agency had nothing to do with it."

Mr Helms said Mr Haldeman stated that "they were concerned about FBI investigations in Mexico," Mr Haldeman, he said, also made what appeared to be an incoherent reference to a Mexico investigation "running into the Bay of Pigs" — the abortive CIA-supported invasion of Cuba in 1961.

"I assured him I had no interest in the Bay of Pigs all those years later," Mr Helms said. "I didn't care what they ran into in connection with that."

He said Mr Haldeman said it had been decided that Gen. Walters would talk to Mr Gray and indicated that the investigations might run into CIA operations in Mexico.

Mr Helms said he did not understand the reference to Mexico and thought it would be prudent to find out if it were possible that CIA operations might be affected in some way that he did not know about.

Money traced to fund

conspirators were former CIA

operatives and others involved also had connections with the agency. Large sums of money found on the burglars was traced to Nixon campaign fund that had been funnelled through Mexican bank.

Mr Helms said after leaving the meeting he told Gen. Walters that when he saw Mr Gray "You should confine yourself to reminding him that the agency and the FBI have delimitation agreement, that has been an understanding for many years, that if the agency runs into any FBI agents or operations the FBI should be immediately notified and that if the FBI runs into any agency agents or operations it should be immediately notified."

Mr Helms said Gen. Walters reported back to him later in the day and he learned that Mr Gray had told the CIA deputy chief about money being sent through Mexico, although his explanation did not say what the money was for.

He said he made a check through CIA records to see whether there was any record of a Mexican lawyer who was involved in the money transfer but found none. The FBI was told this.

Dean 'asked for help'

On June 26, Gen. Walters said he had been called by Mr John Dean, then White House counsel, and Gen. Walters confirmed with Mr Ehrlichman that it was right to talk with Mr Dean.

Mr Helms said Gen. Walters reported that Mr Dean said there were many problems with the Watergate burglary and asked if the CIA could help.

"It was quite clear that some kind of feelers were being put out to see whether there was any agency involvement whether the agency was prepared to assist in some way that was not at all identified," said Mr Helms.

'Simply not going to have it'

He said he told Gen. Walters "I wanted it to be absolutely certain that he permitted nothing to happen using the agency's name, facilities or anything else in connection with this business."

"I said I didn't care whether he wanted to be a scapegoat, I didn't care whether he was prepared to quit on the issue, I didn't care anything about that. I simply wanted him to do absolutely nothing."

continued

3 AUG 1973

Spurned White House Bid to Use CIA in Coverup, Helms Testifies

BY RUDY ABRAMSON and RICHARD T. COOPER

Times Staff Writers

WASHINGTON—Former CIA director Richard M. Helms told Senate investigators Thursday that he sidestepped White House "feclers" aimed at using the agency to aid the coverup of the Watergate scandal.

He said he had no question there was an effort in the wake of the June, 1972, Watergate burglary "to use" CIA, that he felt White House officials were by-passing him in the effort, and that his overriding concern "was to keep the agency at a distance from this whole problem."

Helms indicated that he even altered the instructions of top White House lieutenants H. R. Haldeman and John D. Ehrlichman after they allegedly ordered his deputy to go to the FBI and attempt to blunt an investigation of Nixon campaign funds deposited in a Mexican bank.

He described a White House meeting six days after the Watergate break-in when Haldeman directed Lt. Gen. Vernon A. Walters, CIA's deputy director, to meet with acting FBI Director L. Patrick Gray III.

Helms quoted Haldeman as saying it had been decided that Walters should tell Gray "investigations of the FBI might run into CIA operations in Mexico and that it was desirable that this not happen and that the investigation, therefore, should be either tapered off or reduced or something . . ."

But Helms said that after leaving the meeting, he told Walters only to remind Gray of a standing agreement between the CIA and FBI that each agency would inform the other if they happened to run into any agents or operations.

"I was asking him to make a legitimate request of the acting director of the FBI that if they ran into any CIA operations be warned or any other place else they were to notify us . . ."

Helms said, "and I thought Gen. Walters should restrict his conversation with acting Director Gray to that point."

The Mexican bank deposits totaled more than \$200,000, which investigators found its way to the men

arrested in the Watergate burglary.

Although Helms insisted that he had kept CIA out of the Watergate whirlpool, he acknowledged:

—That Eugenio R. Martinez, one of the five men arrested inside the headquarters of the Democratic National Committee, was receiving a \$100 a month "retainer" from the CIA for unrelated intelligence services at the time of the break-in.

—That he knew of and approved preparation of a CIA "psychological profile" on Daniel Ellsberg, the defendant in the Pentagon Papers case.

Now an Ambassador

Helms, who left the CIA early this year to become U.S. ambassador to Iran, testified that the Martinez retainer from the CIA had nothing to do with the Watergate case or related events.

He said Martinez, a Cuban refugee living in Florida, had been receiving the payments for several years for tipping CIA on Cubans entering the United States who might have valuable intelligence information.

The payments were ended as soon as Martinez' arrest in the Watergate case was disclosed, he said.

As for the Ellsberg profile, prepared at the request of David Young of the White House staff, Helms said, "I have genuine regrets about being pressured into that."

"On Monday morning there are a lot of football games which, if played again, may have been played differently; and you know I am not proud of that one," he said.

Member of 'Plumbers'

Young, a former member of the National Security Council staff at the White House, became in 1971 a member of the "plumbers" group organized to plug security leaks. The group was later linked with the break-in at the office of Daniel Ellsberg's psychiatrist. Two of its members—E. Howard Hunt Jr. and G. Gordon Liddy—were convicted as conspirators in the Watergate burglary.

After Haldeman and Ehrlichman suggested that the CIA help reduce the FBI investigation of the Mexican bank account, Helms said, there followed meetings on two successive days between Gen. Walters and presidential counsel John W. Dean III. The meetings were approved by Ehrlichman.

"It was quite clear," Helms told the committee, "that some kind of feclers were being put out to see, (A) if there was any agency involvement, or (B) whether the agency was prepared to assist in some way which was not at all identified."

During one of the meetings, he said, Dean asked whether secret CIA funds might be used to provide bail for the men arrested in the Watergate and whether the agency might pay salaries for those sentenced to jail.

Helms said he forcefully told Walters to be certain that neither the agency's name, facilities, nor anything else was used. Helms said:

"I told him point-blank even though he was a military officer and even though he was a presidential appointee, that if he did something wrong, it

would besmirch the name of the agency . . ."

"I wanted him to be abundantly clear on this in any conversation he had with Mr. Dean or anybody else, and as he reported to me on the two subsequent conversations with Mr. Dean, I not only reaffirmed this but I said, 'You hang in there, you are doing fine, but don't you yield an inch.'"

Before he got deep into the details of his actions, Helms shouted his declaration of CIA's noninvolvement in the burglary:

"I assured Mr. Gray that the CIA had no involvement in the break-in," he said.

Then with his voice rising to a shout, he told the committee: "No involvement whatever. And it was my preoccupation consistently from then to this time to make this point and to make sure that everybody understand that. It doesn't seem to get across very well for some reason, but the agency had nothing to do with the Watergate break-in. I hope all the newsmen in the room hear me clearly now."

Besides the suggestions of intercession in the FBI investigation, and the feclers on bail money and salaries for the Watergate burglars, Helms said a CIA official was asked to delete White House officials' names from an embarrassing memorandum in CIA files.

Written by Cushman

The memorandum, written by Gen. Robert A. Cushman, Jr., who preceded Walters as CIA deputy director, said it had been Ehrlichman, Haldeman, or then White House counsel Dean who asked the CIA to assist Hunt in undercover work.

The 1971 White House telephone call asking STAT for Hunt led the agency to provide him with a hidden

White House Tried to 'Use' CIA, Helms Says

By FRANK VAN RIPER and JAMES WIEGHART

Washington, Aug. 2 (NEWS Bureau)—Former Central Intelligence Agency Director Richard Helms told the Senate Watergate committee today that President Nixon's two top aides, H. R. (Bob) Haldeman and John D. Ehrlichman, tried to "use" the CIA to get the FBI "to taper off" its investigation into the break-in and bugging of Democratic Party headquarters.

The suave Helms, a career intelligence officer who is now ambassador to Iran, told the committee he also felt the agency was being used by the White House in providing spy equipment to E. Howard Hunt Jr., a former CIA agent who served as a White House consultant and later became involved in both the burglary of the office of Daniel Ellsberg's psychiatrist and the Watergate break-in.

Told It to Gray

The former spy chief also disclosed that one of the Watergate burglars, Cuban exile Eugenio R. Martinez, 49, of Miami, was drawing a \$100-a-month "retainer" from the CIA at the time of the June 17, 1972, Watergate break-in.

But Helms insisted that the CIA was in "no way" involved in the Watergate break-in, and he recalled he told this to then acting FBI Director L. Patrick Gray 3D on June 22, 1972.

He said that 10 days after the break-in, then White House counsel John W. Dean 3D asked whether the CIA could pay bail for the seven Watergate burglars and put them on the agency's payroll while they serve their jail terms. The request was rejected flatly, Helms said, by Army Lt. Gen. Vernon A. Walters, deputy director of the CIA.

Under generally friendly questioning by the Senate panel, Helms agreed that the White House appeared to be "talking around me" by dealing with Walters in efforts to involve the CIA in the Watergate scandal. Walters was named to the deputy's post by President Nixon.

Agreed to Resign

Helms said he agreed to resign his CIA post last November when Nixon indicated during a meeting at Camp David, Md., that he wanted to make a change.

When Sen. Bernard E. Talmadge (D-Ga.) asked, "Did you leave at your own initiative," Helms said that the director "serves at the pleasure of the President."

"In other words, the President makes a decision, you

don't have to make a determination whether you were being pushed, shoved or led," Talmadge said as Helms laughed, nodding his head in the affirmative.

A former TCIA deputy director, Gen. Robert E. Cushman Jr., now commandant of the Marine Corps followed his ex-boss to the witness table and testified that Ehrlichman gave clearance for Hunt to obtain CIA spy equipment in a telephone call on July 8, 1971.

Contradicts Testimony

The testimony of both Helms and Cushman contradicted on key points earlier sworn testimony before the committee by Haldeman, former White House chief of staff, and Ehrlichman, who was Nixon's top domestic affairs adviser.

Both Ehrlichman and Haldeman had denied that either of them had suggested that the CIA intercede with the FBI to curb

the Watergate investigation on the ground that it might uncover covert CIA operations.

Ehrlichman had also denied that he had called Cushman to vouch for Hunt's "bona fides" as a White House consultant charged with carrying out an important mission.

Helms said he and Walters were called to the White House on June 23, six days after the Watergate break-in. He said that Haldeman and Ehrlichman asked about the possibility of CIA involvement. Helms said that he assured them there was no such involvement and that he had already informed Gray of that.

When Haldeman asked him if an FBI investigation of Mexico might uncover something about the 1962 Bay of Pigs invasion of Cuba, Helms said he replied: "I don't care what they run into in connection with that."

Mr. Haldeman said there was a lot of flak on the Watergate burglars and that the opposition was capitalizing on it . . . that . . . it was apparently causing some sort of unidentified trouble.

"At some juncture in this conversation," Helms said, "Mr. Haldeman said something to

the effect that it had been decided that Gen. Walters will go and talk to Acting Director Gray of the FBI and indicate to him that these investigations by the FBI might run into CIA operations in Mexico and that it was desirable that this not happen—that the investigation be either tapered off or reduced or something.

There was no language saying "Stop," as far as I recall."

Under questioning by Sen. Howard H. Baker Jr. (R-Tenn.), Helms conceded that although he had said the CIA was not involved, it was known at that time that James W. McCord Jr., who was arrested in the Democratic Party headquarters, was a retired CIA employe; that Hunt was a retired CIA agent; and that three of the four Cuban Americans also arrested in the break-in had worked with Hunt on the CIA-sponsored Bay of Pigs invasion.

Excerpts From Testimony Before the Senate Committee Investigating Watergate

Special to The New York Times

WASHINGTON, Aug. 2—
 Following are excerpts from
 a transcript of testimony to-
 day by Richard Helms, Am-
 bassador to Iran and former
 director of Central Intelli-
 gence, on the 34th day of
 hearings on the Watergate
 case before the Senate Select
 Committee on Presidential
 Campaign Activities:

MORNING SESSION

Richard Helms

MR. DORSEN: Did you
 have a conversation with
 General Cushman concerning
 Howard Hunt in the summer
 of 1971?

MR. HELMS: Yes. I recall
 that General Cushman in-
 formed me that he had
 authorized giving to Howard
 Hunt a tape recorder and a
 camera, and I asked for what
 purpose and he said he
 wanted to conduct a one-
 time interview and that he
 had been properly authenti-
 cated by the White House
 and that he was working at
 their behest.

Q. Now you have indi-
 cated that in your conversa-
 tion with General Cushman
 that you indicated to Gen-
 eral Cushman that John
 Ehrlichman should be called.
 Why was it that John Ehr-
 lichman was to be called?

A. Because it was my dis-
 tinct impression that he was
 the one who had arranged
 with General Cushman to
 have Hunt get these pieces
 of equipment.

Q. Mr. Helms, I would like
 to move then to June 23,
 1972, and ask you if you re-
 call attending the meeting
 with Mr. Ehrlichman, Mr.
 Haldeman, and General Wal-
 ters. A. I do recall attending
 that meeting.

Q. Where was that meet-
 ing held? A. That meeting
 was held in Mr. Ehrlichman's
 office on the second floor.

Meeting Described

Q. Could you please de-
 scribe to us in substance
 what happened at that meet-
 ing.

A. General Walters and I
 arrived first and waited for a
 few minutes. Then Mr. Ehrlich-
 man and Mr. Ehrlichman
 came into the room as best
 I can recall what was said
 and Mr. Haldeman did most
 of the talking, so—and what-

ever Mr. Ehrlichman contrib-
 uted in the course of this was
 either to nod his head or
 smile or to agree with what
 Mr. Haldeman said. I just
 simply want to introduce it
 this way because it is a little
 easier for me to describe.

Mr. Haldeman said that
 there was a lot of flak about
 the Watergate burglary, that
 the opposition was capitaliz-
 ing on it, that it was going
 to—it was apparently caus-
 ing some sort of trouble, and
 he wanted to know whether
 the agency had anything to
 do with it. He then said that
 the five men who had been
 found in the Democratic Na-
 tional Committee headquar-
 ters had been arrested and
 that that seemed to be ade-
 quate under the circum-
 stances, that the F.B.I. was
 investigating what this was
 all about, and that they, uni-
 fied, were concerned about
 some F.B.I. investigations in
 Mexico.

He also at that time made
 some, what to me was an in-
 coherent reference to an in-
 vestigation in Mexico, or an
 F.B.I. investigation, running
 into the Bay of Pigs. I do not
 know what the reference was
 alleged to be, but in any
 event, I assured him that I
 had no interest in the Bay of
 Pigs that many years later,
 that everything in connection
 with that had been dealt with
 and liquidated as far as I was
 aware and I did not care
 what they ran into in con-
 nection with that.

Alleged Mexican Operation

At some juncture in this
 conversation Mr. Haldeman
 then said something to the
 effect that it has been de-
 cided that General Walters
 will go and talk to Acting
 Director Gray of the F.B.I.
 and indicate to him that
 these operations—these in-
 vestigations of the F.B.I.
 might run into C.I.A. opera-
 tions in Mexico and that it
 was desirable that this not
 happen and that the investi-
 gation, therefore, should be
 either toned off or reduced
 or something, but there was
 no language saying stopped,
 as far as I recall.

At this point, the refer-
 ences to Mexico were quite
 unclear to me. I had to re-
 cognize that if the White
 House, the President, Mr.
 Haldeman, somebody in high
 authority, had information
 about something in Mexico

which I did not have infor-
 mation about, which is quite
 possible—the White House
 constantly has information
 which others do not have—
 that it would be a prudent
 thing for me to find out if
 there was any possibility
 that some C.I.A. operation
 was being—was going to be
 affected and, therefore, I
 wanted the necessary time to
 do this.

I say this in explanation of
 the fact that there seems—
 that since I had consistently
 pointed out that no C.I.A. op-
 erations had been violated by
 an investigation up to then,
 that we had had nothing to
 do with the Watergate burg-
 lary, the fact of the matter
 was that if an investigation
 continued to go on it might
 run into something we were
 doing in Mexico. This possi-
 bly always had to exist. No-
 body knows everything about
 everything.

Walters and Gray

So at this point I think it
 was repeated a second time
 that General Walters was to
 go and see Acting Director
 Gray with this charge. It was
 then indicated that Acting
 Director Gray would proba-
 bly be expecting the call,
 that he was looking for some
 kind of guidance in this mat-
 ter, and that this should take
 place as soon as possible. I
 believe Mr. Ehrlichman at
 that point made his sole con-
 tribution to the conversation,
 which was that he should get
 down and see Gray just as
 fast as he could.

We left this meeting. Gen-
 eral Walters and I, and went
 downstairs to the automobile
 and I spoke to General Wal-
 ters along the following
 lines. I said when you go to
 see Acting Director Gray, I
 think you should confine
 yourself to reminding him
 that the agency and the
 F.B.I. have a delimitation
 agreement, an understanding
 for many years that if the
 agency runs into any F.B.I.
 agents or operations, the
 F.B.I. shall be immediately
 notified and if the F.B.I. runs
 into any agents or opera-
 tions, it shall be immediately
 notified.

I was not sure whether
 Acting Director Gray was
 familiar with this because he
 had not been acting director
 of the F.B.I. for long. I
 wanted General Walters to

understand about this be-
 cause he had been with the
 agency, I think, only about
 six weeks at that time, had
 been having briefings, and I
 was not sure whether this
 had ever come to his atten-
 tion.

In other words, I was ask-
 ing him to make a legitimate
 request of the acting director
 of the F.B.I. that if they ran
 into any C.I.A. operations in
 Mexico or any place else they
 were to notify us imme-
 diately and I thought General
 Walters should restrict his
 conversation with Acting Di-
 rector Gray to that point.
 Precisely whether he did or
 not, well, you will have an
 opportunity to ask him.

Meeting Took Place

Q. To your knowledge, did
 General Walters have a meet-
 ing with Patrick Gray?

A. Yes, he had one very
 shortly after this meeting in
 the White House because he
 reported to me later in the
 day about his meeting with
 Gray, that he had been to
 see him, that the general
 purport of what they had
 discussed, and then the first
 time I learned that Acting
 Director Gray had told Gen-
 eral Walters at this meeting
 about some money having
 been sent to Mexico. I was
 unaware of any money hav-
 ing been sent there at the
 time, and even that explana-
 tion did not say what the
 money was for.

But also floating around in
 this at the time was the
 name of a Mexican lawyer
 that we had been asked to
 check out by the F.B.I. to
 find out if this man was in
 any way connected with the
 C.I.A. His name was Ogarrio,
 I believe, and we had been
 running traces, going through
 the record to find out and
 check with our people in
 Mexico to see if they knew
 him, and so forth, and it was
 some day subsequent that we
 got the information back that
 he was indeed a lawyer in
 Mexico but we had never had
 any connection with him and
 I so notified the F.B.I.

Q. Now, on Monday, June
 26th, did General Walters
 receive a telephone call from
 John Dean?

A. General Walters told
 me that he had been called
 by a man he did not know in

3 AUG 1973

Helms Says He Resisted Pressure by White House For C.I.A. Cover-Up Aid

By JAMES M. NAUGHTON
Special to The New York Times

WASHINGTON, Aug. 2—The former head of the Central Intelligence Agency told the Senate Watergate committee today that he had to resist White House pressures in order to keep the agency clean of involvement in the Watergate cover-up.

Richard Helms, the former Director of Central Intelligence

Excerpts from the testimony will be found on Page 11.

who is now Ambassador to Iran, hammered his hand on the witness table as he recalled having warned another intelligence official last summer to disregard White House "feelers" for assistance that would "besmirch the name of the agency."

In testimony late today, Gen. Robert E. Cushman Jr., the Marine Corps Commandant who had been Mr. Helms' deputy in 1971, described a "request from John D. Ehrlichman that prompted him to rewrite a memorandum that would have linked the former White House aide to E. Howard Hunt, one of the Watergate conspirators.

Both former intelligence officials clung under oath today to testimony conflicting sharply with the sworn statements made earlier by Mr. Ehrlichman and H. R. Haldeman in their appearances before the Senate Select Committee on Presidential Campaign Activities.

Mr. Ehrlichman, President Nixon's former domestic affairs adviser, insisted in his testimony that he had no recollection of a 1971 telephone call to General Cushman to arrange for Hunt to get C.I.A. spying equipment and false identity papers.

But General Cushman, recounting a Jan. 10, 1973, memorandum in which he said he "cannot recall at this late date who placed the call," testified this afternoon that the official minutes of a July 8, 1971, C.I.A. staff meeting showed that he

"definitely stated" Mr. Ehrlichman had placed the call to him.

Ambassador Helms challenged testimony given earlier this week by Mr. Haldeman, the President's former chief of staff, about a meeting in the White House on June 23, 1972—six days after the Watergate break-in.

According to Mr. Haldeman's account of the meeting, Mr. Helms and the current deputy director of the C.I.A., Lieut. Gen. Vernon A. Walters, had been unable to assure him that the Watergate inquiry being conducted by the Federal Bureau of Investigation would not compromise intelligence activities in Mexico.

Mr. Helms said today, however, that Mr. Haldeman had made only "an incoherent reference" to a potential problem in Mexico and had not sought his judgment on it directly. Instead, Mr. Helms went on, Mr. Haldeman had turned to General Walters and instructed him to tell the F.B.I. that it would be "desirable" for the investigation in Mexico to be "either tapered off or reduced."

Request Countermanded

Mr. Helms said that when he and General Walters left the White House he told his deputy to disregard Mr. Haldeman's instructions and to confine himself to reminding L. Patrick Gray 3d, then the acting director of the F.B.I., that the two agencies had a long-standing agreement to notify each other if their investigations crossed paths.

Subsequently, Ambassador Helms said, he learned that funds contributed to President Nixon's re-election committee had been channeled to one of the Watergate burglars through a lawyer in Mexico City and that the intelligence agency had assured the F.B.I. that it had no connection with the lawyer.

Much of the testimony that Mr. Helms and General Cushman gave to the Senate committee today consisted of an oft-told tale. They had already testified in closed sessions before four separate Congressional committees with jurisdiction over the C.I.A.

Insight and Twists

This was the first appearance by the two men before the Watergate inquiry's national television audience, however, and they provided some new twists to their testimony and considerable insight into the world of professional intrigue.

Ambassador Helms, a cigarette chain-smoker at ease in front of the Senators and cameras in his diplomatic pin-stripes, called the Watergate burglary "amateurish in the extreme" and explained that breaking and entering without getting caught was something better left to those who did it full time.

General Cushman, his four silver stars gleaming on his Marine Corps olive drab uniform, spoke of a downtown Washington "safe house" where thespian tools were turned over to Hunt in secrecy. And he discussed the tape recording he had made secretly of a meeting with Hunt on July 22, 1971.

Some Ordinary Talk

According to the transcript of the meeting in the Central Intelligence Agency headquarters, old hands at the spying business engage in dialogue such as this:

MR. HUNT: If you pardon my saying so, you see to have lost a little weight.

GENERAL CUSHMAN: Yes, I've taken some off. I sort of go up and down. When I go down it's because I go on the

wagon and don't eat very much at all, and this is hell to pay when you're being entertained and going to embassies and dinners."

More importantly, the testimony at the Watergate hearings today produced some additional conflicts in a record already burdened with contradictory versions of the break-in and cover-up last year.

Mr. Helms told the Senators that he had "genuine regrets about being pressured" into assisting the White House in 1971 in developing a psychological profile of Dr. Daniel Ellsberg, who had made public the secret Pentagon papers earlier that year.

But he contradicted testimony by Mr. Ehrlichman that it had been necessary for a White House special intelligence unit—whose members included Hunt and G. Gordon Liddy, another Watergate conspirator—to try to obtain Dr. Ellsberg's psychiatric files. Hunt and Liddy directed a break-in at the office of Dr. Ellsberg's psychiatrist in September, 1971.

Mr. Helms said that the psychological profiles that the C.I.A. prepared on foreign officials were based almost entirely on general background information that might provide clues to the character of the individuals. He said that they were not based on psychiatric records and that he had not known of the 1971 burglary until this year.

Senator Howard H. Baker Jr. of Tennessee, the ranking Republican on the committee, sought at one point to challenge Mr. Helms for having failed to conduct his own investigation into the Watergate case.

Noting that several of the Watergate burglars had once worked for the agency and that one of them, Eugenio R. Martinez, was still on a \$100-a-month C.I.A. retainer at the time of the Watergate break-in, Senator Baker asked why Mr. Helms had not sought to determine the motive for the burglary.

Mr. Helms said that it would have been "improper" for the C.I.A. to intrude on a matter under investigation by the F.B.I.

"That's almost exactly what Mr. Haldeman and Mr. Ehrlichman said," Senator Baker shot back.

Mr. Helms said that the intelligence agency had turned over to the F.B.I. all the information it had on the former agents and that he had regarded the inquiry as the F.B.I.'s responsibility.

"And so did the White House," Mr. Baker declared.

Senator Sam J. Ervin Jr., Democrat of North Carolina, the committee chairman, interjected that he thought Mr. Helms had been correct in keeping the agency out of a domestic investigation.

Perhaps the most compelling part of Mr. Helms' testimony was his public intimation, in reply to several questions, that he had been forced to resign from the C.I.A. after having declined to assist on matters related to Watergate.

Asked at one point if he had considered resigning, he said, "I thought I could take care of the agency better if I stayed where I was."

He testified that General Walters had been called to the White House on three straight days in June, 1972, by John W. Dean 3d, the former White House counsel, to discuss possible assistance by the C.I.A. in the Watergate cover-up.

Mr. Helms said that his deputy had gone to the meetings only after obtaining assent from Mr. Ehrlichman that it would be appropriate to deal with Mr. Dean.

3 AUG 1973

Figures in Senate Inquiry

Special to The New York Times

WASHINGTON, Aug. 2—Following are the names of individuals who figured today in hearings by the Senate select committee on the Watergate case:

COMMITTEE MEMBERS

Sam J. Ervin Jr., North Carolina Democrat, chairman.
 Herman E. Talmadge, Democrat of Georgia.
 Daniel K. Inouye, Democrat of Hawaii.
 Joseph M. Montoya, Democrat of New Mexico.
 Howard H. Baker Jr., Republican of Tennessee.
 Edward J. Gurney, Republican of Florida.
 Lowell P. Weicker Jr., Republican of Connecticut.

COMMITTEE COUNSEL

Samuel Dash, chief counsel and staff director.
 Fred D. Thompson, chief minority counsel.
 Rufus L. Edmisten, deputy counsel.
 Terry F. Lenzner, assistant chief counsel.
 James Hamilton, assistant chief counsel.
 David M. Dorsen, assistant chief counsel.
 H. William Shure, assistant minority counsel.

WITNESSES

Richard Helms, Ambassador to Iran, who was C.I.A. director.
 Gen. Robert E. Cushman Jr., Marine Corps commandant and ex-C.I.A. aide.

PERSONS NAMED IN TESTIMONY

William E. Colby, Director of Central Intelligence.
 Charles W. Colson, former counsel to the President.
 John W. Dean 3d, former counsel to the President.
 John D. Ehrlichman, former White House domestic adviser.
 L. Patrick Gray 3d, former director of the F.B.I.
 H. R. Haldeman, former White House chief of staff.
 E. Howard Hunt Jr., ex-White House aide, pleaded guilty in the Watergate break-in.
 G. Gordon Liddy, former White House aide convicted in Watergate break-in.
 Lieut. Gen. Vernon A. Walters, deputy director of the Central Intelligence agency.

Helms Displays His Old Skills As a Diplomat

By Lou Cannon

Washington Post Staff Writer

When Richard McGarrah Helms ran the Central Intelligence Agency during its most difficult days he was known as a quiet and aristocratic professional who usually managed to keep on the best of terms with both hawks and doves.

Helms returned yesterday to a Washington divided not by war but by Watergate and once again displayed his diplomatic skills.

For defenders of the embattled Nixon presidency, Helms offered an account that did no flagrant damage to the testimony of pro-administration witnesses. For

Commentary

those critics who believe that the White House has misused the badge of national security to pursue its own political ends, Helms supplied a strange tale of persistent White House "feelers" that would have enmeshed the CIA in the Watergate coverup.

Helms' central account was of how he had resisted these "feelers" and fought to maintain the integrity of the agency he served from 1947 until President Nixon nudged him into an ambassadorship this year.

Speaking in a cool, low-key manner that featured flashes of sardonic humor, Helms suddenly surprised senators who had been straining to hear his soft-spoken responses by shouting out:

"It doesn't seem to get across very well but the agency had nothing to do with the Watergate break-in. I hope all the newsmen in the room hear me clearly now."

Helms' own account allowed for no such un-

cal conclusion about CIA involvement in the Watergate coverup, though it did seem clear that such conduct was personally repugnant to Helms.

The former CIA director related how John Ehrlichman and H. R. Haldeman had called him to the White House and "talked around him" to his deputy Vernon Walters in an apparent attempt to have L. Patrick Gray slow down the FBI investigation on spurious grounds that it would interfere with CIA operations.

Later, said Helms, John W. Dean III broached the subject of using CIA funds to provide bail for Watergate defendants and to pay their salaries while they were still in prison. Helms said he resisted, and the suggestion was finally dropped.

There was a strange sadness to Helms as he described these "feelers," almost as if he knew that the very presence of the top CIA officials in discussions about restraining the Watergate investigation had somehow compromised the agency he loved and his professional career.

At other times, Helms seemed annoyed at the slop-

piness of it all and discomfited at the insistence of Haldeman in not-so-subtly reminding Helms about the Bay of Pigs invasion during a post-Watergate White House meeting.

"I reacted to that very firmly," Helms recalled. "The Bay of Pigs is the rubric for a very unhappy event in the life of the CIA. It's been a dead cat that has been thrown at us over the years ever since."

The "dead cats" were

Though always polite, Helms proved unable to conceal his professional contempt for E. Howard Hunt, the CIA graduate who proved less successful as a master spy than as a White House consultant who coaxed the CIA out of a wig, a voice changer, phony identity cards and a camera concealed in a tobacco pouch.

Hunt visited Dita Beard, the talkative former ITT lobbyist, while dressed in a red wig but Helms insisted that the CIA had given him a brunette wig.

"Some of the CIA technicians rather resented the fact that the red wig had been tied into the CIA because it was such a lousy fit," Helms recalled.

Helms said that Hunt had a "good reputation" in the CIA but nothing that was said by Helms yesterday did anything to enhance it.

"Mr. Hunt was a bit of a romantic, he used to write books in his spare time, and I think there was a tendency sometimes for him to get a little bit carried away with some of the things he was involved in . . ." Helms testified.

While Helms thought more highly of James McCord, the Watergate burglar who blew the whistle on the coverup, he labeled the break-in of Democratic headquarters engineered by McCord as "amateurish in the extreme."

"The breaking and entering and not getting caught is a very difficult activity," Helms advised. "For it to be done properly one has to have trained individuals who do nothing else and who are used to doing this frequently and are trained right up to the minute in how to do it," Helms said.

"Was McCord in this category?" asked Sen. Howard Baker.

"Obviously not," Helms replied.

Though Baker wondered aloud why Helms hadn't been more vigorous in examining the role of former CIA agents in the Watergate case, the senators generally treated Helms with both kindness and respect. The committee was even kinder to the day's other witness,

Jr., the Marine Corps commandant who had been deputy under Helms and security adviser to Mr. Nixon during the last four years of the Nixon vice presidency.

In his CIA days Cushman saw nothing improper in furnishing Hunt with the disguises and other equipment he requested. But he labeled Hunt "a pain in the neck" when these demands were extended to include a stenographer, a New York office and an answering service.

Cushman, who disclosed that he taped Hunt without telling him, essentially supported Helms' account with minor differences.

The minor discrepancies didn't seem important to Committee Chairman Sam Ervin Jr. (D-N.C.), who earlier in the day dismissed an

important conflict in recollection between Helms and Walters by reading from his favorite crib sheet, the Holy Bible. Ervin observed that the four gospel accounts give different versions of the sign placed on Christ when he was crucified — and then read all of the versions for the edification of the television audience.

The difference in recollection concerns whether or not the President's name was invoked at a White House meeting with the CIA officials. Walters has said that it was, but Helms has no recollection of it.

There was, however, no doubt in Helms' mind that Mr. Nixon wanted him out of the CIA directorship when he called Helms up to Camp David last November and suggested that he become ambassador to Iran.

"When the President makes a suggestion, you said he resisted, and the suggestion — you're being pushed, shoved or led, do you?" asked Sen. Herman Talmadge of Georgia.

Helms said nothing, but he nodded emphatically. It was a gesture that spoke louder than many of his words.

WASHINGTON

3 AUG 1973

Officials Describe CIA Role

Helms Admits Lack of Probe After Break-In

By Lawrence Meyer and Peter A. Jay

Washington Post Staff Writers

Two former top officials of the Central Intelligence Agency gave their version before the Senate select Watergate committee yesterday of how the White House involved the agency in the Ellsberg break-in and the Watergate affair.

Former CIA Director Richard M. Helms admitted under questioning that although he knew that at least five of the seven arrested Watergate conspirators had been associated at one time or another with the CIA, he did not conduct a thorough internal investigation to determine their current relationship with the CIA, which is legally authorized to gather and evaluate information on foreign countries.

Specifically, Helms acknowledged that he knew that Watergate conspirator E. Howard Hunt Jr. had been given CIA equipment for an obscure White House purpose in 1971. But after the Watergate break-in occurred in June, 1972, Helms said, he did not inquire for what purpose Hunt had used the equipment.

Helms' testimony yesterday became the focal point of a subtle partisan struggle between committee chairman Sam J. Ervin Jr. (D-N.C.) and vice chairman Howard H. Baker Jr. (R-Tenn.).

Baker, seizing on Helms' explanation of why he was not suspicious in June, 1972, about the 1971 CIA assistance to Hunt, drew an analogy to President Nixon's assertions that he was, igno-

rant about the Watergate cover-up until March, 1973. Baker also offered an analogy, based on Helms' admission that he made no internal CIA inquiry, to the explanation by former top White House aides H. R. (Bob) Haldeman and John D. Ehrlichman as to why they had not personally investigated the Watergate affair.

Ervin, for his part, offered biblical citations to defend conflicting testimony that Helms had given in May before the Senate Armed Services Committee and yesterday before the select Watergate committee.

Helms' inability to remember precisely what was said a year ago, and hence his conflicting testimony before the Armed Services Committee, Ervin said, was similar to the disagreement among the four gospels over what Pontius Pilate had inscribed upon the cross used to crucify Jesus.

The four gospels disagree on the inscription, Ervin pointed out, "and so I just want to say these things because I do not attribute too much importance to the fact that human beings do not recall all conversations and even all written words exactly alike."

Ervin's intervention to defend Helms' faulty memory, a defense he did not present for previous witnesses friendly to President Nixon when they pleaded lack of memory, reflected a clearly emerging partisanship in the committee. At the same time, Baker, gentle in his examination of Haldeman and Ehrlichman, was aggressive with Helms, whose testimony could have damaged Mr. Nixon.

Easily the most elegant witness to testify before the committee in its nine weeks of hearings, Helms is still fit and slender at 60, his graying hair slicked back. He hunched over the microphone as he testified, smoking several Chesterfield cigarettes and fiddling with a matchbook while answering questions.

Helms was followed to the witness table by Gen. Robert E. Cushman Jr., now commandant of the Marine Corps, who was deputy director of the CIA during part of Helms' period as director.

Cushman gave a firsthand account of how in July, 1971, Ehrlichman had made a general request that the CIA give assistance to Hunt, who then worked in the White House.

Both Cushman and Helms testified that they were unaware at the time that the assistance given to Hunt was related to a clandestine White House "plumbers" investigation of Daniel Ellsberg. Both men also testified that they were unaware until this year that Hunt had participated in the 1971 burglary of the offices of Ellsberg's psychiatrist. And they said that they had quickly stopped giving Hunt CIA assistance when his demands became excessive.

Helms also conceded that he had authorized the CIA to prepare a psychiatric profile of Ellsberg after White House aide David Young "pled" with him, arguing that the profile was needed to stop leaks of classified government information.

Questioned about an August, 1971, memorandum sent to him by Cushman that said Hunt's activities were drawing the CIA "into a sensitive area of domestic operations against Americans," Helms replied that he did not know what the memorandum meant.

"Do you have any knowledge of domestic operations against Americans?" assistant committee counsel David Dorsen asked.

"No sir," Helms said, adding again that he did not know what the memorandum meant.

In his testimony, Helms described conversations and meetings he had with acting FBI Director L. Patrick Gray III, Haldeman and Ehrlichman immediately following the Watergate break-in.

Helms' version, although agreeing in broad outline with the Senate testimony by Haldeman and Ehrlichman about a crucial meeting on June 23, 1972, disagreed in significant detail and in emphasis from the testimony by the two former White House aides.

President Nixon has said he initiated the meeting through Haldeman and Ehrlichman out of concern that the Watergate investigation might risk exposure of CIA activities. Helms, who was a director Gen. Vernon E.

Walters at the June 23 meeting, testified, however, that the meeting and subsequent "feelers" put out by White House counsel John W. Dean III left him with a feeling that an attempt was being made to "use" the CIA.

A principal allegation being investigated by the Senate Watergate committee is whether the White House actually attempted to enlist the support of the CIA in restraining the FBI investigation to cover-up the Watergate affair, the Ellsberg break-in and other clandestine White House activities.

Helms said Haldeman and Ehrlichman "talked around" him to Walters on June 23 and instructed Walters to see Gray about any FBI-CIA conflict in the Watergate probe.

With clear pride in the agency to which he devoted 25 years of his professional life—six of them as its director—before leaving this year to become ambassador to Iran, Helms said he told Haldeman and Ehrlichman and Gray that the CIA was not involved in the Watergate break-in.

"I assured Mr. Gray that the CIA had no involvement in the break-in. No involvement whatever," Helms said. "And it was my preoccupation consistently from then to this time to make this point and to be sure that everybody understand that.

"It doesn't seem to get across very well for some reason," Helms continued, as his usually quiet voice rose to a shout, "but the agency had nothing to do with the Watergate break-in.

"I hope all the newsmen in the room hear me clearly now."

Under questioning by Baker, Helms offered his view of the break-in and then proceeded to give a fas-

cinating glimpse into how the CIA operates.

"Is it fair to say," Baker asked, that the Watergate operation "was not in keeping with modern and efficient standards of electronic surveillance as you know them?"

"Amateurish in the extreme," Helms replied. He

Gray Says He Thought Dean Ordered Burning

By Martha Angle and
Oswald Johnston
Star-News Staff Writers

L. Patrick Gray III, former acting director of the FBI, says he felt he was acting on "an order from the counsel to the President" when he destroyed politically sensitive files taken from the White House safe of Watergate conspirator E. Howard Hunt.

Gray, in an opening statement prepared for delivery before the special Senate Watergate committee, said John W. Dean III gave him the files the night of June 28, 1972, in the presence of John D. Ehrlichman, then President Nixon's domestic affairs advisor.

"I distinctly recall Mr. Dean saying that these files were 'political dynamite' and 'clearly should not see the light of day,'" Gray said.

HE SAID neither Dean nor Ehrlichman "expressly instructed me to destroy the files. But there was, and is, no doubt in my mind that destruction was intended."

Contradicting earlier testimony by Ehrlichman, Gray said neither Dean nor Ehrlichman "said or implied that I was being given the documents personally merely to safeguard against leaks."

Gray said he took the files to his Washington residence, placed them in a briefcase and left them "on a closet shelf under my shirts" for about three weeks, when he then took them to his office and put them in his personal safe.

In the fall of 1972, he said, he took the files to his home in Stonington, Conn., and later "burned them during Christmas week with the Christmas and household paper trash."

Just before burning the documents, Gray said, "I opened one of the files" and read what appeared to be a copy of a "top secret" State Department cable implicating the Kennedy administration in the assassination of President Diem of South Vietnam.

Testifying today, CIA deputy director Vernon Walters maintained he did not find it improper

when top White House aide H. R. Haldeman last year ordered him to try to slow down an FBI investigation related to watergate.

Speaking before the Watergate investigating committee, Walters, an Army lieutenant general, put in the record his detailed account of White House contacts with him in June and July 1972. The account, set forth in a series of memoranda which have already been made public, agrees closely with the testimony yesterday of former CIA director Richard M. Helms.

Walters, an Army lieutenant general, put in the record his detailed account of White House contacts with him in June and July 1972. The account, set forth in a series of memoranda which have already been made public, agrees closely with the testimony yesterday of former CIA director Richard M. Helms.

In Walters' view, the key episodes in the CIA-White House-FBI triangle last summer were these:

• The much-reported June 23 meeting at which Haldeman, with Ehrlichman and Helms present, directed Walters to warn the FBI away from an investigation it was conducting in Mexico on the ground that covert CIA operations there would be exposed.

• A June 27 meeting with former White House counsel Dean, whom Ehrlichman appointed as White House contact with the agency, at which Dean tried to persuade Walters to use secret

CIA funds to pay bail and salaries for the Watergate defendants.

Looking back, Walters concluded that the Dean suggestions were leading to "something improper." He thereafter began to keep memos of White House contacts, and today continued to look back on Dean with suspicion and dislike.

Recalling the Haldeman meeting, however, Walters said that "presumably his power derives" from the President himself. And he drew this conclusion: "My interpretation was that Mr. Haldeman has information I did not have. I had no thought of doubting a senior officer of the United States Government."

In fact, Walters testified today, a check of CIA records disclosed within a few days of Haldeman's directive that there was no covert CIA operation in Mexico that an FBI probe could possibly jeopardize.

THE WALTERS memos of his conversations with Haldeman, Ehrlichman and Dean also included conversations with then-acting FBI director Gray, whom he had been instructed to approach on the Mexican investigation.