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CITE DIRECTOR

TO: PRIORITY TEHRAN.

FOLLOWING EXCERPTS FROM A MEMORANDUM SUBMITTED 7 MAY TO SENATE WATERGATE INVESTIGATING COMMITTEE AND TO FEDERAL PROSECUTORS BY JAMES W. MCCORD, JR. ARE FOR PASSAGE TO AT REQUEST OF

"SUBJECT: PRESSURE ON THE DEFENDANTS TO BLAME THE WATERGATE OPERATION ON CIA.

"I HAVE PREVIOUSLY REFERRED TO POLITICAL PRESSURE WHICH WAS APPLIED TO THE SEVEN WATERGATE DEFENDANTS.

"ONE AREA OF PRESSURE WHICH WAS APPLIED WAS THAT OF DECEMBER 1972, IN WHICH INTENSE PRESSURE WAS APPLIED ON SOME OF THE DEFENDANTS TO FALSELY CLAIM FOR PURPOSES OF A DEFENSE DURING THE TRIAL IN JANUARY, 1973, THAT THE WATERGATE OPERATION WAS A CIA OPERATION. THIS WOULD HAVE HAD THE EFFECT OF CLEARING THE COMMITTEE FOR THE RE-ELECTION OF THE PRESIDENT AND THE WHITE HOUSE OF RESPONSIBILITY FOR THE OPERATION.

"IN TWO SEPARATE MEETINGS IN DECEMBER, 1972, IT WAS SUGGESTED THAT I USE AS MY DEFENSE DURING THE TRIAL THE FALSE STORY THAT THE OPERATION WAS A CIA OPERATION. I REFUSED TO DO SO.

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APPROVED FOR RELEASE
DATE: MAR 2008

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(. . . PORTION OMITTED)

"THE TWO DECEMBER, 1972, MEETINGS WITH ME WERE ON DECEMBER 21, 1972 AND ON DECEMBER 26, 1972. PRESENT AT THE FIRST MEETING WITH ME AT THE MONOCLE RESTAURANT IN WASHINGTON, D.C., WERE GERALD ALCH AND BERNARD SHANKMAN, MY ATTORNEYS. PRESENT AT THE SECOND MEETING WAS GERALD ALCH, AND THE MEETING WAS AT HIS OFFICES IN BOSTON, MASS. WASHINGTON.

"IN THE FIRST MEETING, ALCH STATED THAT HE HAD JUST COME FROM A MEETING WITH WILLIAM O. BITTMAN, ATTORNEY FOR E. HOWARD HUNT, AND I RECEIVED THE IMPRESSION IN THE DISCUSSION THAT FOLLOWED THAT ALCH WAS CONVEYING AN IDEA OF REQUEST FROM BITTMAN. THERE FOLLOWED A SUGGESTION FROM ALCH THAT I USE AS MY DEFENSE DURING THE TRIAL THE STORY THAT THE WATERGATE OPERATION WAS A CIA OPERATION.

"I HEARD HIM OUT ON THE SUGGESTION, WHICH INCLUDED QUESTIONS AS TO WHETHER I COULD OSTENSIBLY HAVE BEEN RECALLED FROM RETIREMENT FROM CIA TO PARTICIPATE IN THE OPERATION. HE SAID THAT IF SO, MY PERSONNEL RECORDS AT CIA COULD BE DOCTORED TO REFLECT SUCH A RECALL. HE STATED THAT SCHLESINGER, THE NEW DIRECTOR OF CIA WHOSE APPOINTMENT HAD JUST BEEN ANNOUNCED, 'COULD BE SUBPOENAED AND WOULD GO ALONG WITH IT.'

"ALCH WENT ON TO MENTION TESTIMONY, OR A STATEMENT, MADE TO FEDERAL AUTHORITIES BY GARY BITTENBENDER, A METROPOLITAN POLICE DE-

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PARTMENT UNDERCOVER POLICE OFFICER, WHOM I HAD SEEN AT THE COURTHOUSE ON JUNE 17, 1972, WHEN THE FIVE OF US WHO WERE ARRESTED WERE ARRAIGNED, IN WHICH BITTENBENDER, PURPORTEDLY CLAIMED THAT I HAD TOLD HIM THAT DAY THAT THE WATERGATE OPERATION WAS A CIA OPERATION. I ADVISED ALCH THAT IF BITTENBENDER HAD MADE SUCH A STATEMENT UNDER OATH THAT HE HAD PERJURED HIMSELF, AND THAT I HAD NOT MADE SUCH A CLAIM.

"BITTENBENDER CAN BE INTERVIEWED TO DETERMINE THE CIRCUMSTANCES UNDER WHICH HE HAD MADE SUCH A STATEMENT, AND WHETHER HIS STATEMENT WAS IN FACT AN HONEST ERROR OF IMPRESSIONS BASED ON EVENTS WHICH OCCURRED IN COURT ON THAT DAY, WHICH COULD HAVE MISLED HIM. THOSE WERE THAT SOME OF US WERE IDENTIFIED IN THE HEARING IN COURT AS FORMERLY CONNECTED WITH CIA.

"ALCH WENT ON TO MENTION THE NAME OF VICTOR MARCHETTI WHOM HE WAS CONSIDERING CALLING TO DESCRIBE CIA TRAINING IN WHICH ITS EMPLOYEES WERE TRAINED TO DENY CIA SPONSORSHIP OF AN OPERATION IF ANYTHING WENT WRONG AND ITS PARTICIPANTS WERE ARRESTED. HE ALSO REQUESTED THAT I MEET WITH HIM IN BOSTON ON DEC. 26, 1972, WHICH I DID. THERE HE OPENED THE DISCUSSION BY SHOWING ME A WRITTEN STATEMENT OF AN INTERVIEW WITH BITTENBENDER IN WHICH BITTENBENDER CLAIMED THAT ON JUNE 17, 1972, I HAD TOLD HIM THAT THE WATERGATE OPERATION

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WAS A CIA OPERATION. I REPEATED TO ALCH MY EARLIER STATEMENT, THAT BITTENBENDER HAD EITHER PERJURED HIMSELF, OR HAD MADE A FALSE STATEMENT TO FEDERAL AUTHORITIES. I TOLD ALCH THAT I WOULD NOT USE AS MY DEFENSE THE STORY THAT THE OPERATION WAS A CIA OPERATION BECAUSE IT WAS NOT TRUE.

(..... PORTION OMITTED)

"IN ADDITION, I EARLIER HAD DETERMINED TO TELL THE TRUE STORY OF THE WATERGATE OPERATION, AND IT WAS NOW ONLY A MATTER OF A PROPIETIOUS TIME TO DO SO.

(..... PORTION OMITTED)

"ALCH FAILED TO APPEAR, AND I DELIVERED A LETTER TO JUDGE SIRICA, RELEASING ALCH AS MY ATTORNEY. ALCH IMMEDIATELY CALLED, ASKED TO MEET WITH ME ON JAN. 3, 1973, AND ASKED TO CONTINUE AS MY ATTORNEY. WE MET AND ALCH STATED THAT HE, IN CONVEYING THE REQUEST MADE OF ME ON DEC. 21 AND DEC. 26, 1972, WAS ACTING OUT OF WHAT HE FELT TO BE WAS MY OWN BEST INTERESTS. BY THIS TIME, I WAS CONVINCED THAT THE PLOY TO LAY THE OPERATION AT CIA'S DOORSTEP HAD BEEN HEADED OFF, AND AGREED TO GIVE HIM A SECOND CHANCE.

"BY THIS TIME, I WAS ALSO CONVINCED THAT THE WHITE HOUSE HAD FIRED HELMS IN ORDER TO PUT ITS OWN MAN IN CONTROL AT CIA, BUT AS

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WELL TO LAY THE FOUNDATION FOR CLAIMING THAT THE WATERGATE WAS A CIA OPERATION, AND NOW TO BE ABLE TO CLAIM THAT 'HELMS HAD BEEN FIRED FOR IT'. THERE HAD BEEN INDICATIONS AS EARLY AS JULY THAT THE COMMITTEE FOR THE RE-ELECTION OF THE PRESIDENT WAS CLAIMING THAT THE WATERGATE WAS A CIA OPERATION.

"(..... PORTION OMITTED)

"FURTHER, BASED ON AN EARLIER DISCUSSION WITH ROBERT MARDIAN IN MAY, 1972, IT APPEARED TO ME THAT THE WHITE HOUSE HAD FOR SOME TIME BEEN TRYING TO GET POLITICAL CONTROL OVER THE CIA ASSESSMENTS AND ESTIMATES IN ORDER TO MAKE THEM CONFORM TO 'WHITE HOUSE POLICY.' ONE OF THE THINGS THIS MEANT TO ME WAS THAT THIS COULD MEAN THAT CIA ESTIMATES AND ASSESSMENTS COULD THEN BE FORCED TO ACCORD WITH D.O.D. (DEPARTMENT OF DEFENSE) ESTIMATES OF FUTURE U.S. WEAPONS AND HARDWARE NEEDS. THIS COULD BE DONE BY EITHER SHIFTING AN INTELLIGENCE FUNCTION TO D.O.D. FROM CIA, OR BY GAINING COMPLETE POLITICAL CONTROL OVER IT AT CIA.

"(.....PORTION OMITTED)"

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