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TO AMBASSADOR HELMS FROM COLBY

1. TODAY'S POST FRONT PAGES LAURENCE STERN STORY HEADLINED "NOT WATERGATE MATERIAL, NEDZI SAYS" AND IN LARGER TYPE "CIA IS BACKED ON TAPES". FULL TEXT FOLLOWS.

"REPRESENTATIVE LUCIEN NEDZI (D., MICH.) SAID YESTERDAY HE HAS CONCLUDED THAT NO WATERGATE-RELATED OR PRESIDENTIAL CONVERSATIONS WERE DESTROYED BY THE CENTRAL INTELLIGENCE AGENCY IN A MAJOR HOUSE-CLEANING OF TAPE RECORDINGS IN JANUARY, 1973.

NEDZI BASED HIS JUDGMENT ON AN EXAMINATION OF A VOLUMINOUS REPORT, INCLUDING LOGS, NOTES AND MEMORANDA, DELIVERED TO HIM YESTERDAY BY THE CIA.

THE MICHIGAN DEMOCRAT IS THE CHAIRMAN OF THE HOUSE ARMED SERVICES SUBCOMMITTEE, WHICH CONDUCTED EXTENSIVE HEARINGS LAST YEAR INTO ALLEGED CIA INVOLVEMENT IN THE WATERGATE SCANDAL. IN A REPORT ON THE INQUIRY THE SUBCOMMITTEE CONCLUDED THAT THE CIA HAD BEEN DUPED BY HIGH WHITE HOUSE RIDDERS INTO PROVIDING SOME ASSISTANCE FOR THE WATERGATE COVER-UP BUT HAD NO SUBSTANTIVE INVOLVEMENT IN THE

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AFFAIR. IN THE COURSE OF HIS INVESTIGATION NEDZI TOOK SWORN TESTIMONY FROM DOZENS OF WITNESSES, INCLUDING TOP CIA OFFICIALS, ALL THE KEY PRESIDENTIAL OFFICIALS INVOLVED IN THE CASE AND A NUMBER OF WATERGATE DEFENDANTS.

"SOMEONE IS TRYING TO BLOW SMOKE AROUND," NEDZI OBSERVED OF PERSISTENT CHARGES ON CAPITAL HILL THAT THE CIA WAS MORE DEEPLY IMPLICATED IN THE SCANDAL THAN HAS, AS YET, BEEN DEMONSTRATED IN PUBLIC TESTIMONY.

THE ISSUE OF CIA INVOLVEMENT IN WATERGATE HAS BEEN A CONTINUING SUBJECT OF SURMISE AT THE HIGHEST LEVELS OF THE ADMINISTRATION SINCE THE SCANDAL FIRST SURFACED IN JUNE, 1972.

PRESIDENT NIXON HIMSELF ACKNOWLEDGED SUCH A CONCERN MOTIVATED HIM TO SET IN MOTION WHITE HOUSE MEETINGS WITHIN A WEEK OF THE BREAK-IN BETWEEN HIS TWO TOP AIDES, H. R. (BOB) HALDEMAN AND JOHN D. EARLICHMAN, AND FORMER CIA DIRECTOR RICHARD HELMS AND HIS DEPUTY, GENERAL VERNON WALTERS. THE PRESIDENT ACKNOWLEDGED, HOWEVER, IN HIS MAY 22 WATERGATE STATEMENT THAT THIS CONCERN WAS UNFOUNDED.

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FOR HOWARD H. BAKER JR. (R., TENN.) CO-CHAIRMAN OF THE SENATE WATERGATE COMMITTEE, HAS BEEN THE MOST PERSISTENT QUESTIONER ON CAPITAL HILL ON THE QUESTION OF CIA IMPLICATION IN WATERGATE.

IN RECENT WEEKS HE HAS BEEN INTERROGATING WITNESSES AND SEEKING TO GATHER EVIDENCE THAT MIGHT LINK THE AGENCY TO THE SCANDAL. SUCH A DETERMINATION WOULD TEND TO JUSTIFY EARLY WHITE HOUSE ACTIONS WHICH DELAYED FOR MORE THAN TWO WEEKS THE JUSTICE DEPARTMENT INVESTIGATION OF NIXON RE-ELECTION FUNDS "LAUNDERED" THROUGH A MEXICAN BANK.

SO FAR BAKER'S INQUIRIES INTO THE CIA ROLE HAVE FAILED TO DRAW ANY CONCLUSIVE CONNECTIONS. "THE ANIMALS ARE CRASHING AROUND IN THE FOREST," HE TOLD AN INTERVIEWER RECENTLY. "YOU CAN HEAR THEM BUT YOU CAN'T SEE THEM."

NEDZI SAID THE NEW CIA REPORT SUPPLIED YESTERDAY DOES NOT ALTER THE GENERAL CONCLUSIONS OF THE SUBCOMMITTEE INVESTIGATION LAST YEAR.

CIA LOGS AND MEMOS PROVIDED YESTERDAY, COMBINED WITH EVIDENCE ALREADY BEFORE HIS SUBCOMMITTEE, DEMONSTRATED THAT NONE OF THE DESTROYED TAPES BEAR ON WATERGATE, HE SAID.

CIA OFFICIALS SAID THAT THE MASS DESTRUCTION OF TAPES IN MID-JANUARY, 1973, WAS "ROUTINE" AND PROMPTED BY THE NEED TO CLEAN OUT ITS FILES. THE ONLY PRIOR TAPE DESTRUCTIONS ON COMPARABLE SCALE, ACCORDING TO CIA SPOKESMEN, WERE CARRIED OUT IN 1971 AND 1964.

THE TAPES WERE DESTROYED, BY ONE OFFICIAL ACCOUNT, ON JANUARY 18, ONE DAY AFTER THE CIA'S OFFICE OF CONGRESSIONAL LIAISON RECEIVED A LETTER FROM SENATE MAJORITY LEADER MIKE MANSFIELD (D., MONT.) ASKING THE AGENCY TO RETAIN ALL RECORDS THAT MIGHT PERTAIN IN ANY WAY TO WATERGATE.

2. THE "VOLUMINOUS REPORT" REFERRED TO IN THE SECOND SENTENCE ABOVE DOES NOT INVOLVE THE CURRENTLY CONTROVERSIAL MATTER OF THE TAPES, BUT CONSISTS OF DETAILED BACK-UP MATERIAL PREPARED IN RESPONSE TO BAKER'S REQUEST AND SUPPORTING INFORMATION PREVIOUSLY PROVIDED TO BAKER AND THE AGENCY ARMED SERVICES SUBCOMMITTEES. COPIES OF THIS RECENTLY PREPARED BACK-UP MATERIAL HAVE BEEN PROVIDED STENNIS AND NEDEI AS WELL AS BAKER.

3. IN ADDITION, BAKER, STENNIS AND NEDEI HAVE BEEN PROVIDED A CLASSIFIED PAPER EXPLAINING THE RATIONALE, MECHANICS AND PROCEDURES

OR THE HANDLING OF TAPES. THIS PAPER QUOTES YOUR STATEMENT THAT  
"I NEVER DESTROYED ANY TAPES OR ANYTHING ELSE HAVING ANY BEARING ON  
WATERGATE."

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