

Post 6-11-74

## Gift Reports Surge After Disclosure

Since it was disclosed that Mrs. Nixon and her daughters had received lavish gifts of jewelry from Saudi Arabian royalty, dozens of valuable gifts to other U.S. officials and their families have flowed into the State Department's Protocol Office.

The influx of gifts to former Vice President Spiro T. Agnew and his family, former Secretary of State and Mrs. William P. Rogers, to Sen. and Mrs. J. W. Fulbright (D-Ark.) have highlighted deficiencies in the system under which foreign gifts worth more than \$50 are supposed to be handled and in the 1966 legislation that attempted to regulate the system.

The 1966 law held that valuable gifts to U.S. officials or their families were the property of the United States and designated the Protocol Office as the agency to which all such gifts were to be delivered for cataloguing and disposition.

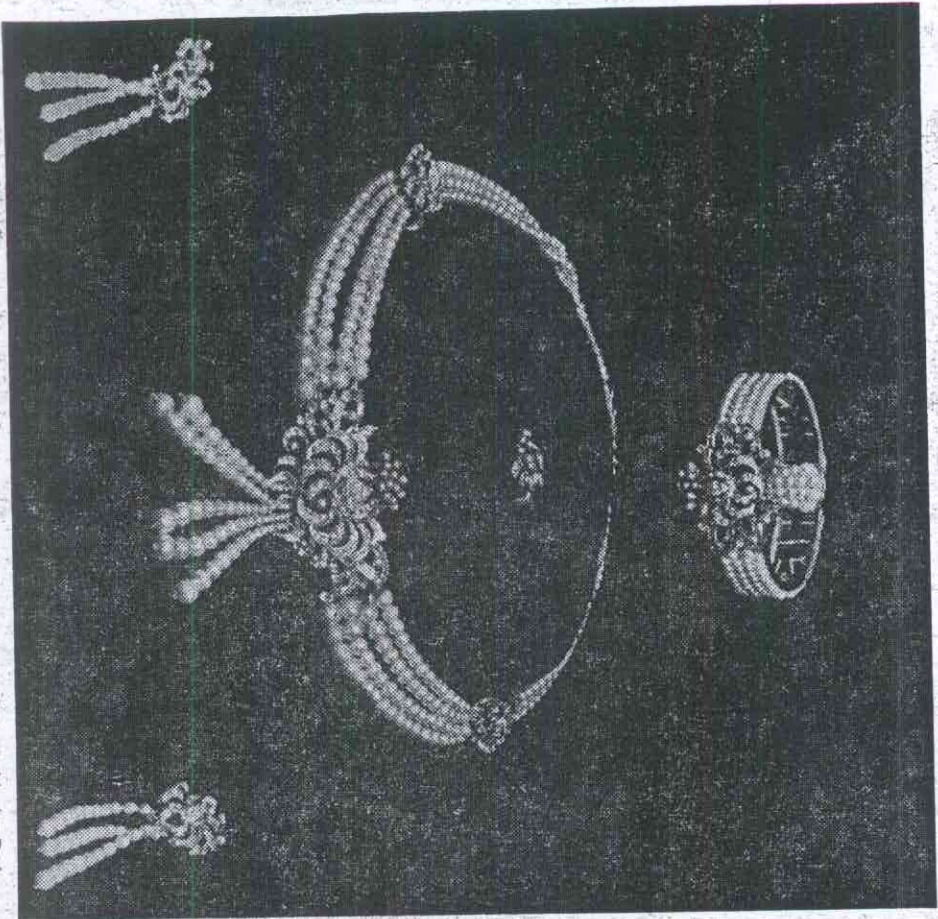
Under the Nixon administration a "Gifts Unit"—whose records are closed—was set up in the White House to catalogue foreign presidential gifts. At least one valuable set of jewelry to the Nixon family was not properly processed through the White House unit until its existence was disclosed last month.

Protocol officials concede that because of ambiguities and a lack of sanctions in the law, they have no way to keep track of gifts unless or until the recipient turns them over.

(Details on Page B1)

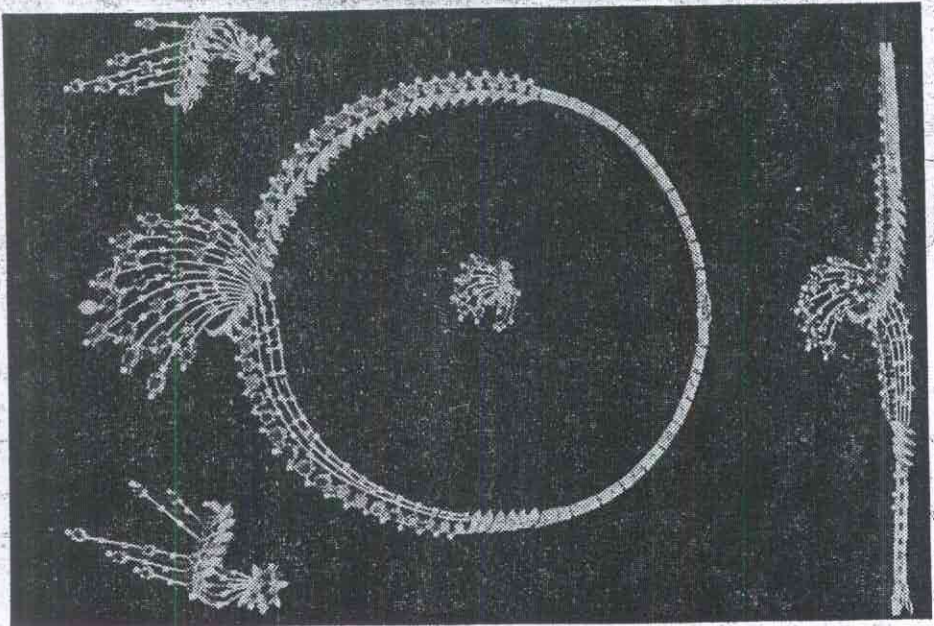


Jeweled dagger given Vice President Agnew in 1971 by Saudi Arabia's King Faisal.



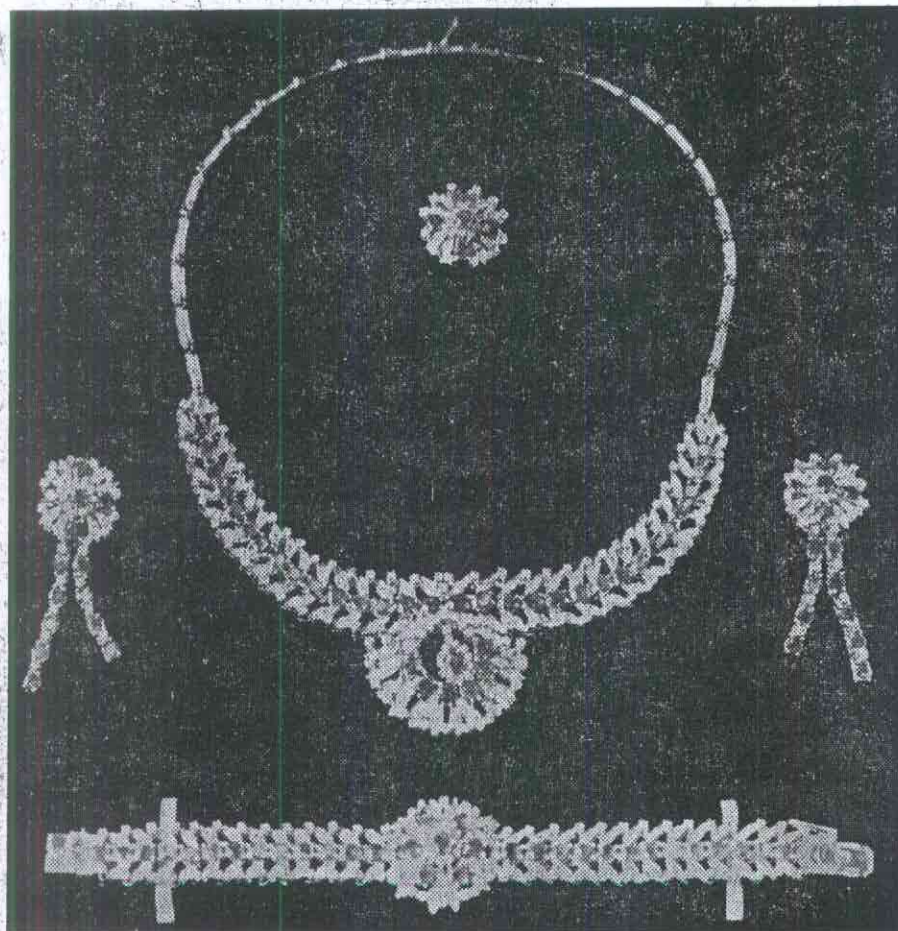
*A set of diamonds and pearls (necklace, bracelet, earrings and ring) given to Judy Agnew in July 1971 by the Crown Prince of Kuwait, Sheikh Jaber al Ahmad al-Jaber.*

By Margaret Thomas—The Washington Post



*A set of emeralds and diamonds sent to Mrs. J William Fulbright in December 1972 by the minister of petroleum of Abu Dhabi.*

By Margaret Thomas—The Washington Post



By Douglas Chevallier—The Washington Post

*A set of rubies and diamonds (necklace, bracelet, earrings and ring) given to Mrs. Williams P. Rogers, wife of the former Secretary of State, in 1972 by the Emir of Kuwait.*

VIP

# *The Jewels: It Is Better To Give Than to Receive*

*By Maxine Cheshire*

Valuable jewels have been given by Arab royalty to the wives of former Vice President Spiro T. Agnew, Senate Foreign Relations Committee chairman J. William Fulbright and former Secretary of State William P. Rogers as well as First Lady Pat Nixon.

The gifts from leaders of oil rich Middle Eastern nations are public property under the law. Received in 1971 and 1972, the jewels have only recently been turned in to the Protocol Office of the State Department for cataloging and disposition.

They include:

- A set of diamonds and pearls (necklace, bracelet, earrings and ring) given to Judy Agnew in July, 1971 by the Crown Prince of Kuwait, Sheikh Jaber al Ahmad al-Jaber.

- A set of rubies and diamonds (necklace, bracelet, earrings and

ring) given to Adele Rogers in 1972 by the Emir of Kuwait.

- A set of emeralds and diamonds (necklace, bracelet, earrings and ring) sent to Elizabeth (Betty) Fulbright in December 1972 by the Minister of Petroleum of the tiny, oil-producing sheikhdom of Abu Dhabi.

The Foreign Gifts and Decorations Act, amended in 1966 to bar foreign largess to U.S. officials and their families, specifies that all gifts valued at more than \$50 are legally the property of the U.S. Government and must be turned over to the Chief of Protocol's office.

State Department officials said last week that the lapse in time between the receiving of the gifts and their processing points up one of the "weaknesses" of the 1966 law, legislation they consider "vague, ambiguous" and without teeth.

The law, they say, puts the responsibility for disclosing and for turning in gifts with the recipient and leaves the Chief of Protocol, Congress' designated watchdog, little more than a clerk—powerless to ensure compliance.

Under the present system, when a gift is turned in, the Protocol Office lists the donor, the recipient and a description of the gift in index card files maintained for that purpose. At this time, the Chief of Protocol is also supposed to designate whether the gift will be sent to storage, be returned to the recipient for "official use" until he leaves office, be dispatched to another government agency or a public repository such as a museum, or be sold as surplus.

The Protocol Office has experienced an unusually large flow of incoming gifts recently as officials seek to comply with the 1966 legis-

*See VIP, B3, Col. 1*

TUESDAY,



By Douglas Chevallier—The Washington Post

*Chief of Protocol Henry Catto, right, and protocol officer Benny W. Whitehead Jr. examining gifts stored in a vault in the basement of the State Department.*

lation. The surge coincides with inquiries by The Washington Post over the past few months about the handling of such gifts by the White House and the State Department under the Nixon administration.

Questions concerning the White House Gifts Unit operation—whose records are closed to the public—led to disclosure last month that a diamond bracelet and two jeweled brooches given Mrs. Nixon and her daughters by Saudi Arabian Prince Sultan on July 1, 1972, were not received in the Gifts Unit for descriptive cataloging and photographing until March 28 of this year.

Subsequent investigation now indicates that the State Department's system of keeping track of foreign gifts to persons other than the First Family also may not be working as well as Congress intended.

Protocol's entire record of gifts turned over to the office for processing since 1931 partially fills only one index-card size filing drawer, approximately 18 inch long.

The 43-year record consists of 1,023 cards—some registering more than one gift—representing 406 individuals. Registration cards for only about 100 officials in all three branches of government have been filed since the 1966 amendment to the law.

"We're fully aware of the weaknesses in the 1966 law, that it's bad and should be rewritten," Protocol Officer Benny W. Whitehead Jr. said last week. "There is no police mechanism. It's all based on the honor system. There's nothing in the law that says when gifts have to be turned in for processing, whether it's two hours or two years. And there is no way the Protocol Office can know what gifts are received by those covered by the law unless they tell us."

Also, he pointed out:

"There's nothing in the law that directs Protocol to keep track of gifts until such time as they come to us."

"Congressmen and government officials are flying around all the time. It would be impossible for Protocol to keep track of what they may be given on such trips. It's impossible to police. The only way would be to have sanctions written into the law," penalties that could be assessed if gifts were not disclosed and/or turned in for immediate processing.

Marion Smoak, a lawyer who was acting Chief of Protocol until April, agrees that "the onus (of the law) is not on the Chief of Protocol."

But even if the law has no specific time table, he maintains, "the onus is on the recipient to turn these things over promptly."

"Obviously," Smoak said, "the law

means within a reasonable time. It also means that they (the recipients) are not to retain possession of these gifts — not unless they have turned them in properly and asked to have them loaned back for a time with a memo of receipt."

The Federal Rules and Regulations of 1966 to which Smoak and Whitehead refer read this way:

"Where a gift of more than minimal value is tendered, the donor should be advised that it is contrary to the policy of the United States for persons in the service thereof to accept substantial gifts. If, however, the refusal to accept such a gift would be likely to cause offense or embarrassment to the donor, or would adversely affect the foreign relations of the United States, the gift may be accepted and shall be deposited with the Chief of Protocol for disposal in accordance with the provisions of Section 3.6."

Section 3.6 states:

"Any gift or decoration which becomes the property of the United States under this part may be retained for official use by the appropriate agency with the approval of the Chief of Protocol. Gifts and decorations not so retained shall be forwarded to the General Services Administration by the Chief of Protocol . . ." for disposal according to his instructions.

Mrs. Agnew's jewels were turned over to Protocol April 1, six months after her husband resigned and several weeks after The Washington Post began making inquiries about foreign gifts.

She is in Suburban Hospital recuperating from post-operative complications that followed a hysterectomy and cannot be reached for comment. It is not known if she ever wore the jewels.

Rogers says that his wife never wore the Kuwaiti jewels and that they were kept safely locked up at the State Department for the two years after she received them. The jewels and a van load of other gifts were delivered for processing by the Protocol Office May 21, 1974, nine months after Rogers left government service on Sept. 1, 1973.

Rogers says that he was unaware until two weeks ago that the Protocol Office had no index-file records of the jewels and other gifts — ranging from clothes to furniture. He expressed embarrassment and anger at what he labeled the "sloppiness" of Protocol's gift-monitoring system. He had been trying, he says, to get someone to come and pick up gifts from his home since November, 1973.

Mrs. Fulbright's jewels were turned into Protocol 14 months after they were presented to her husband at the airport in Abu Dhabi as he was departing from a visit to that country.

Asked if she had ever worn them, Mrs. Fulbright said: "Good heavens, no! You aren't supposed to, are you?"

Mrs. Fulbright, in a letter to Carl Marcy of the Senate Foreign Relations

staff on Feb. 7 of this year, apologized for her tardiness. She wrote:

"I should have done this sometime ago, but two deaths in my family and my own illness rather put everything else out of my mind. I have just found these gifts tucked safely away and here they are. I have no idea of their value but I think in any case I'd like you to follow whatever is the customary procedure for their disposition."

Marcy sent them off to the Protocol Office with a letter saying that the jewels had been "received at the airport in such a way that to refuse to accept them would have offended or embarrassed the donor."

It was Fulbright's Senate Foreign

Relations Committee Staff that drafted the 1966 law that specifically prohibits relatives of U.S. officials from keeping gifts from any "king, prince or foreign state."

It is the same staff that has asked the Government Accounting Office to audit the foreign gifts record-keeping procedures practiced by the Chief of Protocol's Office under the Nixon administration.

Without informing Congress, the White House came up in 1969 with a plan of its own for processing foreign gifts to the First Family, previously the function of Protocol.

Gifts to the Nixons are now recorded in the Gifts Unit at the White House in files that are part of the President's private papers that go with him when he leaves office. Protocol's files for the First Family's gifts were abolished and there are no duplicates of the confidential White House records. Although the Chief of Protocol has "access," if necessary, to the Gifts Unit files, Smoak has said he never found a need to do so during his tenure.

The Saudi Arabian jewelry that was sent to the Gifts Unit for processing nearly two years after it was received turned up when White House counsel J. Fred Buzhardt was asked by a reporter to look for specific items that former White House employees said existed.

Buzhardt discovered that the gems were in Mrs. Nixon's bedroom wall safe and ordered them brought immediately to the Gifts Unit for cataloging and photographing.

The current Chief of Protocol, Henry Catto Jr., was sworn in two months ago, and inherited the current system of recording foreign gifts to all officials other than the Nixons.

Catto, unprepared for the arrival—or the volume — of the Agnew and Rogers gifts, had them placed in a large vaulted storage room in the basement of the State Department. A special clerk was requisitioned to undertake the lengthy sorting and cataloging that ordinarily would have been done

over a period of five years.

Catto has also asked to have a safe installed in that room to hold jewels and other valuables.

Catto, concerned that the GAO may be critical of the procedures practiced by his predecessors, and faced with the possibility that he may be called to Capitol Hill to explain any shortcomings, has taken steps to modify the handling of foreign gifts.

He is now in the Middle East, advancing the President's trip, but before he left, he assigned staffers to study the problem and recommend solutions.

"The biggest headache," one of Catto's deputies said last week, "is the ambiguity of the language (of the federal rules and regulations written to implement the law).

"And it doesn't say what a poor Chief of Protocol is supposed to do when he knows that a Cabinet member or someone above him in rank or importance has something in his possession that he has 'forgotten' to turn in or has just procrastinated about."

Catto feels the 1966 law is vague in its registry provisions for gift recipients and considers it unrealistic to expect Protocol's small staff to police a ban on foreign gifts to civilian or military officials in all three branches of government, or to anyone related to them by "blood, marriage or adoption."

Catto is pondering whether it is feasible to ask foreign countries to refrain from valuable personal gifts. Varied international customs make drafting "such a request a ticklish proposition," he observed. "It would be very difficult" to avoid insulting some countries whose traditions are "much different than ours."

Since Agnew no longer takes questions from the press, there is no explanation as to why his gifts—including rugs, pictures, furniture and souvenir bric-a-brac—arrived abruptly at the Protocol Office on April 1. None had

ever been recorded at the State Department until that date.

The date was several weeks after The Washington Post began inquiring into foreign gifts and four days after White House counsel Buzhardt took steps to make sure the First Family's records in the Gifts Unit would not be incomplete if questions should come from Congress.

Not all the jewels from Arab rulers went to wives. A curved gold-sheathed dagger studded with what appears to be large, emerald-cut diamonds, was a gift to Agnew from King Faisal of Saudi Arabia in 1971. Agnew also received a diamond-studded shirt stud and tie-clasp set from the King of Morocco that appears to have been custom-made and designed for the recipient.

The shirt studs are gold golf balls stacked around a tee that is studded

with a large diamond. The tie clip is fashioned with two gold golf balls, crossed over gold golf clubs, with another large diamond-studded gold tee as the focal point.

The existence of the Kuwaiti gift of jewels received by Mrs. Rogers was learned May 15, after The Washington Post received an anonymous letter.

The writer seemed to have first-hand knowledge of the hitherto-undisclosed GAO audit that was already in progress at that point in the Chief of Protocol's office.

The letter writer claimed that the GAO's inquiry would show that: "During his term as Secretary of State, William P. Rogers accepted dozens of gifts from officials of foreign governments from around the world which were not turned in as provided (by law)."

Rogers, reached by phone the following day at his law office in New York, confirmed that he had indeed received many valuable gifts while he was Secretary of State and that most of them were still at his home in Bethesda, because he was waiting for someone at the State Department to send a truck to collect them.

Asked specifically about jewels from Arab leaders, Rogers acknowledged that his wife had received "a quite valuable" set in 1972 during a visit to Kuwait.

Those jewels had been turned over to someone at the State Department shortly after they were received, and neither of the Rogers had seen them since, he said.

Rogers said it was his understanding that the jewels were "in a safe" somewhere in the State Department.

When Catto looked for the rubies and diamonds, he found them in a storage room of the Foreign Affairs Document and Reference Center in a filing drawer containing Rogers' private papers. There is a guard on duty and there are combination locks on both the doors to the room and the filing drawers themselves.

The filing cabinet was labeled:

"Personal and Official papers of the Honorable William P. Rogers. Access to these papers is limited to The Honorable Mr. Rogers, Mrs. Maggie C. Runkle and Mrs. Jane Rothe."

Mrs. Runkle and Mrs. Rothe were Rogers' secretaries. Mrs. Rothe is still at the department, working for Henry Kissinger, Rogers' successor.

Rogers said he assumes that it was Mrs. Rothe who put the jewels in the filing drawer. Mrs. Rothe, through a Protocol Office intermediary, insisted that she "does not know" how the jewels got there.

Catto sees nothing "improper" in having the jewels found where they were. "They were safer there than they would have been in my office safe," he said.

Until Catto began checking, he, like Rogers, was unaware that most of Rogers' gifts, including the jewels, had never been recorded.

Some of the Rogers' gifts did find their way into the Protocol Office over the years. There are at least a half-dozen entries under Rogers' name in Protocol's files from December, 1969,

*"If, however, the refusal to accept such a gift would be likely to cause offense or embarrassment to the donor, or would adversely affect the foreign relations of the United States, the gift may be accepted and shall be deposited with the Chief of Protocol for disposal in accordance with the provisions of Section 3.6."*

through July, 1973.

The items turned in to be cataloged included ivory tusks, an African tunic and hat, a stool, a coffee table, a carving of a man and two wooden antelopes. The most valuable items are two gold cups, a silver urn and a silver-plated champagne bucket and glasses.

Rogers said he has "no idea" why some gifts would have been turned over for processing by his aides when others were not.

Rogers said that Protocol should have had "a master list" of everything he received. He, himself, has one. A protocol officer accompanied him on each trip he took, Rogers said, and gave Rogers' secretary gift lists so that she could send thank-you notes.

Rogers said he had "assumed" that the Protocol Office kept carbons of these lists for its files. But it did not,

according to Catto, because Protocol only records gifts that are formally placed in its custody.

Rogers "misunderstood" the function of the protocol officer who accompanied him, said a Protocol spokesman. Those lists on trips were merely for the purpose of correspondence and had nothing to do with registration under the 1966 law.

Rogers, who served as Attorney General during the Eisenhower Administration, says that he always assumed that he was in full compliance with the law and was given no reason to suspect otherwise.

On May 20, a week after The Washington Post inquired about the status of his gifts, Rogers said he called Henry Catto and asked again that a truck be sent to his house. An aide had been in touch with Catto by phone

about the matter several weeks earlier, Rogers said.

And prior to that, Rogers said he sent a letter—of which he has a copy—to Smoak last November asking him to make arrangements to have those gifts at the Rogers house in Bethesda picked up.

Catto says the letter has been lost, although Smoak remembers getting it.

"The letter was written by Mrs. Rogers' secretary Maggie," Smoak recalls. "I turned it over to my secretary, Bessie Newton, who is a good friend of Maggie's and told her to tell Maggie that if he had something to turn in to let me know when and I'd send for it. I promptly forgot all about it."

Rogers said he would make his own master list of gifts available to both the State Department and the GAO, but he declined to show it to reporters because of potential embarrassment to the foreign donors involved.

The White House also has declined to make public Gifts Unit records of foreign gifts on grounds that disclosure "might embarrass the countries involved and cause international difficulties."

In his November letter, Rogers asked advice on whether it would be possible for him to buy certain gifts that he and Mrs. Rogers particularly wanted to keep—either by outright purchase from GSA or by bidding on them if they were to be sold at private auction.

Rogers, who gave the State Department a gift of \$25,000 in 1972 for its eighth floor museum of Americana, is a wealthy man. He said last week that he had learned that foreign gifts are sometimes sold quietly to "dealers."

"The stuff means more to me than to them," he said. "Also, I am in a position to out-bid them. I don't want to make a profit. Why shouldn't I be allowed to bid on my own things?"

Although spokesmen for the GSA and the State Department at first denied (presumably to avoid embarrassing donors) that foreign gifts were ever sold, Rogers was quickly proven correct.

Foreign gifts of jewelry were sold at auction April 2 in San Francisco.

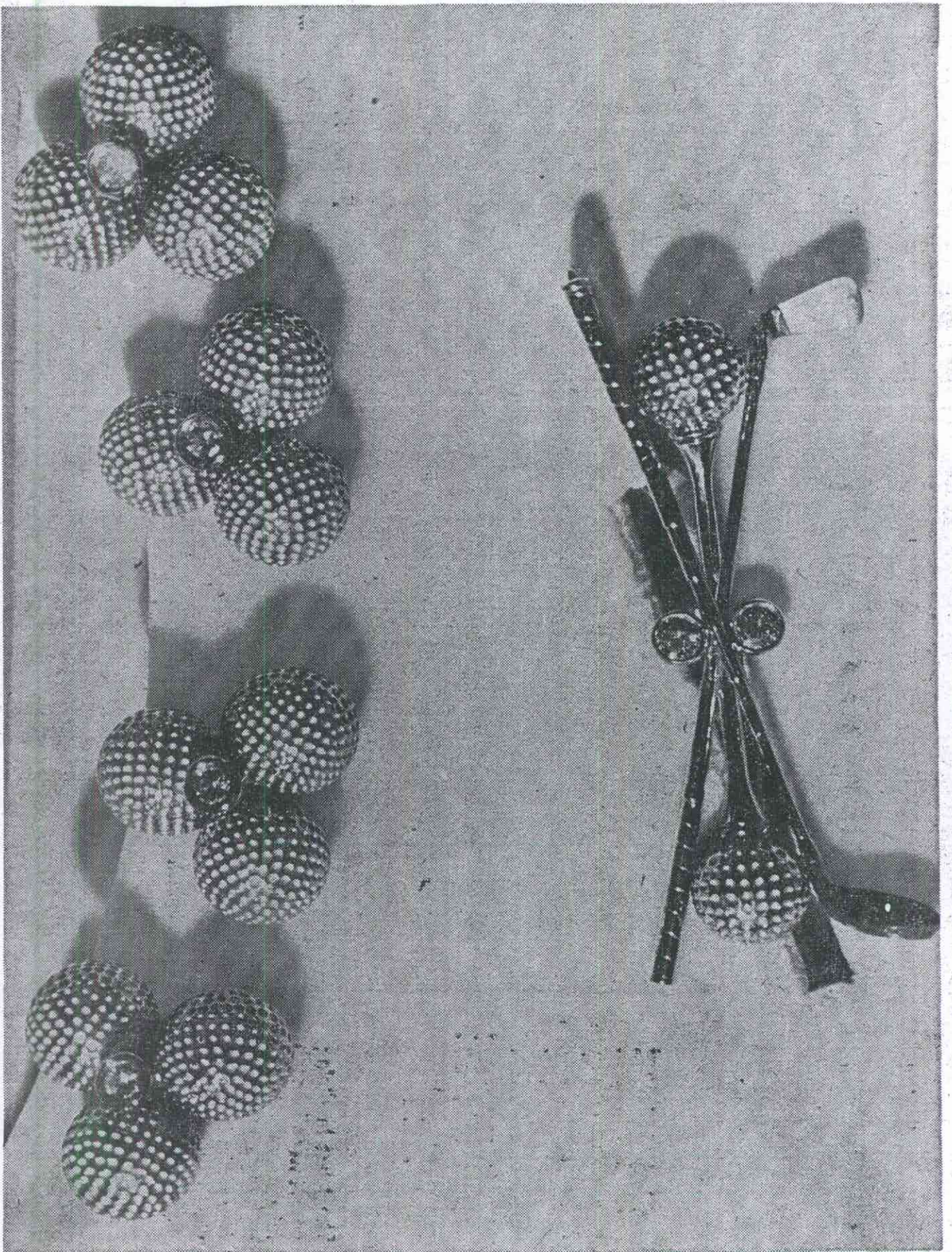
There is no way of knowing if Mrs. Rogers' set of rubies and diamonds would have gone on the block if they had already been turned in, but someone else's ruby and diamond necklace—neither donor nor recipient was identified—was in the lot and went for \$6,600.

The GSA, after further checking, now says that it would be "within the law" for the Protocol Office to direct them to sell Mrs. Rogers' rubies and diamonds to her husband "at a fair market value."

"They have the authority to make that decision," a spokesman said. "But we don't have it ourselves."

A final decision will have to wait until Catto returns. Ironically, he will almost certainly have more Arab jewels to worry about when that trip, with its ceremonial exchanges of gifts, is concluded.





*A set of diamond-studded shirt studs and the clasp given to Vice President Spiro T. Agnew by the King of Morocco.*

*By Douglas Chevalier—The Washington Post*