

Miller 10/3/73

Agnew's Benefactors—The first inquiry received by Vice President Agnew about the Maryland kickback allegations came from us. Our investigation goes back two years when we first heard reports that Agnew had taken cash payments under the table.

We spoke to two witnesses who said they had slipped cash to Agnew. We brought our findings to the Vice President who flatly denied he had received the cash.

We never published the story because the witnesses could produce no corroboration that money had been passed. Without subpoena power, cash transactions are difficult to trace.

But now that the Justice Department is conducting a criminal investigation, we have reviewed our two-year-old notes. They reveal some facts which may make it difficult for the Justice Department to convict Agnew. Here's what our notes show:

• We were told, on excellent authority, that Maryland con-

tractors had made cash contributions to Agnew. Among those listed in our notes were I. H. Hammerman II, Lester Matz and Jerome Wolff, who reportedly are now telling the grand jury all they know. But our notes show that the same contractors had also contributed to other politicians, Democrat and Republican alike. It was our conclusion that most state contractors contributed to politicians as a form of insurance to assure their bids would be considered. We decided it would be difficult to define precisely when a campaign contribution becomes a bribe.

• We learned that close friends of Agnew, such as J. Walter Jones and Harry Dundore, had given him valuable gifts. Our notes indicate that Jones suddenly seemed able to wangle federal contracts after Agnew became Vice President. But we couldn't show that Agnew had intervened directly to get contracts for his friends. On the other hand, several Agnew associates told us that he was a poor man, that his lone investment in a Virgin Islands condominium had gone bad and that his friends sincerely wanted to help him. Again, we felt it would be difficult to define when a gift becomes a bribe.

The real need is to revise the whole system of financing politics in this country.