

Democrats May Settle Suit

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By Jules Witcover

Washington Post Staff Writer

The Democratic National Committee is reconsidering the possibility of an out-of-court settlement of its \$3.2 million civil suit against the Committee for the Re-election of the President, according to reliable Democratic sources.

The matter has been discussed among members of the DNC's Executive Committee, these sources say. Arnold Picker, the United Artists Corp., executive who has been a key fundraiser to keep the suit going, also now favors settlement.

One of the prime reasons for continuing the suit has been to uncover new information about the Watergate affair through the discovery process, whereby depositions given by principals become part of the public record.

Although depositions are still being taken in the suit, in which the Democrats want damages for the Watergate break-in, some Democratic leaders are said to feel now that the Senate Watergate committee is surfacing the essential facts and the suit has become an unnecessary financial drain.

There have been no meetings between the Democrats and Republicans on a settlement since Democratic Chairman Robert S. Strauss met with former Nixon re-election campaign chairman John N. Mitchell in April. At that time, the Republicans were said to have offered \$525,000 to dispose of the suit. Strauss at first expressed interest, but unfavorable reaction within his

party led to abandonment of any settlement.

Republican National Chairman George Bush said last night that he "would like to see the thing settled" and had casual conversations with Strauss, but no negotiations. Any serious talks would have to be with re-election committee officials, he said.

According to Democratic sources, the DNC has already spent between \$175,000 and \$200,000 in legal

fees to keep the suit going, and it is estimated it will cost about \$50,000 a month, possibly for three or four years.

Strauss in April had said the DNC not only could use the money from a settlement but that a settlement would constitute "an admission of guilt" by the Republicans that would be a political payoff.

Among those said to be most interested in a settlement is former Democratic

National Chairman Lawrence F. O'Brien, who is a plaintiff in the DNC suit and also the sole defendant in a \$5 million countersuit for libel filed by Maurice H. Stans, chairman of the finance committee for the Re-election of the President.

O'Brien yesterday labeled "ridiculous" testimony before the Senate Watergate committee last Friday that he was a prime mover in the earlier settlement negotiations, out of personal financial pressures.