

Nixon Offered Fund to

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President Nixon offered a secret \$200,000-to-\$300,000 cash fund to H. R. (Bob) Haldeman and John D. Ehrlichman before they left the White House to help them defend themselves in the Watergate scandal.

According to new evidence made public yesterday at the Watergate cover-up trial, Nixon told his top aides that it would be "no strain" to supply the money since "it doesn't come outta me."

Watergate prosecutors charged that

Nixon's offer was part of the cover-up, even though Haldeman and Ehrlichman did not accept it.

"They all understood they were protecting each other and it was in this context that the offer was made," Assistant Watergate Special Prosecutor Richard Ben-Veniste maintained.

Haldeman, who was on the witness stand, and Ehrlichman, speaking through his lawyer, both hotly denied the accusation. Haldeman suggested that the offer was simply a humanitarian gesture on Nixon's part and pro-

tested the "highly unsavory connotation" given it by the prosecution.

Citing excerpts of White House tapes that have not yet been played in the courtroom, prosecutor Ben-Veniste emphasized that Haldeman declined the funds at one point because it "Compounds the problem."

"What problem was it compounding?" Ben-Veniste demanded, alluding to the hundreds of thousands of dollars that had already been paid to the Watergate burglars. "The problem of all that money being paid to the defendants over the previous year?"

Haldeman, Ehrlichman

"No, sir, Haldeman declared. "That is totally untrue."

According to the unverified prosecution transcripts of the taped conversations in question, Nixon offered the cash to his two closest advisers first at a meeting on April 17, 1973, and then again eight days later. He said that Haldeman and Ehrlichman might need the money for attorneys' fees and family support.

The President indicated at the April 17 meeting that cash was available from a fund maintained by his close friend, C. G. (Bebe) Rebozo. Nixon's syntax was not entirely clear, but from

a literal reading of his words, it appeared that the money was to be used for special favors to steady political contributors.

"I didn't, I never intended to use the money at all," the President told Haldeman and Ehrlichman. "As a matter of fact, I told B-B-Bebe, uh, basically be sure that people like, uh—who, who have contributed money over the contributing years, are, uh, favored and so forth in general. And he's used it for the purpose of getting things out, paid for in check and all that sort of thing."

At the subsequent meeting on April

25, 1973, by contrast, Nixon spoke of tapping as much as \$200,000 that he said had already been set aside for the upcoming 1974 elections. It was not clear whether this was the same fund he said Rebozo maintained.

The prosecution's transcript of the first meeting on April 17—the day that Haldeman and Ehrlichman both hired the same lawyer, John J. Wilson, to represent them—shows this exchange:

Nixon: "Let me ask you this, uh (Pause). Legal fees will be substantial . . . But there is a way we

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can get it to you, and uh—two or three hundred thousand dollars . . . Now let me tell you now. I know the problems me tell you now. I know the problems me handle it. Now how could we do it?"

Ehrlichman: "Let's, let's wait and see if it's necessary," apparently alluding to an appointment with Wilson that he and Haldeman had just made. "This guy is like he's doing a public service coming over here right now and he'd probably be . . ."

Nixon: "Let me say, it would be investigations, legal, that will lead—you will find that you, you have to do it in cash."

Ehrlichman: "Yeah."

Nixon: "That you got a civic, you got a government duty. (Unintelligible) important thing."

Haldeman: (Unintelligible)

Nixon: (Unintelligible — stuttering) "No strain. Doesn't come outta me. I didn't, I never intended to use the money at all. As a matter of fact, I told B-B Bebe, uh, basically be sure that people like uh,—who, who have contributing years are, uh, favored, and so forth in general. And he's used it for the purpose of getting things out, paid for in checks and all that sort of thing."

After Ben-Veniste had read that all

out to the jurors, Judge John J. Sirica asked him what it had to do with the issues at the trial. The prosecutor replied that Nixon, Haldeman and Ehrlichman had all been talking about what their strategy should be in the face of a new spate of Watergate investigations.

"This offer of money shows they were all in it together," Ben-Veniste charged.

Under Cross-examination for the third day in a row, Haldeman insisted there was a much more innocent explanation. He said Nixon already knew that former White House Counsel John W. Dean III had supplied government prosecutors with "information which would be embarrassing to Ehrlichman and me if it came up." the President, in turn, suggested that Haldeman and Ehrlichman get a lawyer.

"He's anticipating legal fees and problems we're going to have," Haldeman said of the April 17 conversation. "Mr. Ehrlichman and I," he added, "did not accept that offer of help. We did not take advantage of it in any way."

Ehrlichman's chief lawyer, William S. Frates, agreed and loudly protested Ben-Veniste's bringing the issue up.

"We are not trying the former President of the United States," Frates complained.