

Republican Holds Up Key Nixon Appointment in Revival of Loyalty-Risk Issue

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WASHINGTON, Aug. 13—Operating in the protective shadow of the Watergate scandal and the Cambodian bombing dispute, a conservative Republican has succeeded in obstructing a key move in the Nixon Administration's foreign economic policy.

Representative John M. Ashbrook, the Ohio Republican who opposed President Nixon in the primaries last year, is holding up the confirmation of Helmut Sonnenfeldt as Under Secretary of the Treasury. The White House nominated him four months ago.

Although scarcely known to broader sections of the American public, the 46-year-old Mr. Sonnenfeldt played a central role in the Administration's opening of relations with the People's Republic of China and moves to reach a series of new accommodations with the Soviet Union.

Loyalty Hearings

Mr. Ashbrook's device in blocking the nomination is a series of loyalty-security hearings in a House Internal Security subcommittee aimed at showing Mr. Sonnenfeldt to be a "grave security risk" the Congressman said.

More than Mr. Sonnenfeldt's future and the prestige of the White House are at stake. As the chief deputy of Henry Kissinger, the President's national security adviser, Mr. Sonnenfeldt is closely identified with the Nixon policy of détente with China and the Soviet Union.

As Under Secretary of the Treasury, he would be in an essential position to help shape the Administration's plans for increasing East-West trade and for establishing a new international monetary system that would include Communist nations.

On these matters as well as on the issue of détente, conservative Republicans strongly oppose the Administration.

Nominally, the Sonnenfeldt nomination is a matter solely for the Senate and, at another time or in another atmosphere, his approval by the Finance Committee might have been routine.

Influence of Watergate

The Watergate affair has changed this, according to Congressional aides and to Mr. Ashbrook himself: first, by spreading suspicion of virtually all persons and policies associated with the Nixon Administration, and second, by preempting the time and attention of many Senators and Representatives.

So Mr. Ashbrook is in a better position to exploit the unwritten code of Congressional courtesy by which the Senate will probably defer its decision on the Sonnenfeldt nomination until the House subcommittee completes its security-loyalty hearings.

Mr. Ashbrook, who has been a staunch conservative since his student days—"I don't like to mention that I went to Harvard," he said with a grin—is an admirer of the late Senator Joseph R. McCarthy and of Senator Barry Goldwater "if you mean Goldwater in the 1964 sense."

Mr. Ashbrook sees nothing wrong in invoking the spirit and one of the persons associated with the McCarthy anti-Communist campaign of 20 years ago: Otta F. Otepka.

"Nobody ever proved to me that McCarthy was wrong," Mr. Ashbrook said. "They proved to me he was 90 per cent right. And who ever proved in 1973 that there are no security-loyalty risks around the Government?"

Otto Otepka was hired in 1953 at the height of Mr. McCarthy's power by the State Department's Scott McLeod to root out security suspects. He rose to the post of chief of evaluations in the security section of the department, where he reigned implacably until his dismissal in 1963, when it was established that he had leaked information to a Senate aide.

Mr. Otepka, 58, has been working closely with Mr. Ashbrook for almost three years, sometimes using the Representative's office in Room 206 of the Cannon Building. He has been joined by John D. Hemenway, another disgruntled former State Department employe. Their prime target at the moment is Helmut Sonnenfeldt, and they have been spurred on by Mr. Ashbrook.

"We've had our eyes on Sonnenfeldt for a couple of years," Mr. Ashbrook said.

Their opportunity came last May 15, when the Senate Finance Committee opened confirmation hearings on Mr. Sonnenfeldt. Mr. Hemenway and Mr. Otepka testified as witnesses against the nominee.

The gist of the Otepka-Hemenway testimony was that, as far back as 1954, Mr. Sonnenfeldt had begun leaking to the press classified information acquired as a State Department employe. At the time, he was an intelligence research specialist.

In response to the Senate committee, Mr. Sonnenfeldt testified that elaborate investigations during the Eisenhower and Kennedy Administrations

established that "the allegations had been found to be inaccurate."

That seemed to satisfy the Senators, who went on to question Mr. Sonnenfeldt about his professional qualifications to work for the Treasury Department.

For Representative Ashbrook, however, it provided an opportunity to investigate Mr. Sonnenfeldt's entire record in Government service in the framework of the House Committee of Internal Security, of which he is a member.

On July 26, Mr. Ashbrook opened his own hearings in the House subcommittee on the Federal civil employes' loyalty security program. His first witness in the closed session: Otto F. Otepka.

In the interview, Mr. Ashbrook said he intended to continue hearings with Mr. Hemenway and follow those with testimony by Stephen Kozak, another former Foreign Service officer who contends he has seen Mr. Sonnenfeldt pass official secrets to a foreign agent.

"I am not going to let up," Mr. Ashbrook said. "We will keep right on going. My hope is either that Secretary [George P.] Shultz [of the Treasury] withdraws the nomination or that the Senate keeps it open."

Mr. Sonnenfeldt said in a telephone interview that he was only vaguely aware of Mr. Ashbrook's campaign against him. "I have gone on doing my work at the National Security Council," he said, adding that he did not welcome publicity.

Secretary Shultz, facing a series of crucial international trade and monetary negotiations, has grown increasingly anxious to obtain Mr. Sonnenfeldt's services. He has authorized aides to supply the Senate Finance Committee with whatever personnel data it should desire about Mr. Sonnenfeldt, including his security record.

But the Senate is in no rush. An aide quoted Senator Harry F. Byrd Jr., Independent of Virginia, as saying, "I would think the [finance] committee would want the benefit of whatever comes out of the House hearings."

This would appear to leave the path open for Representative Ashbrook to go on investigating Mr. Sonnenfeldt's past indefinitely, as he plans to do.