

WHITE HOUSE ROLE IN INQUIRY DENIED

Warren Sees No Effort to
Halt Drug Case—Vesco
Discounts Any Links

By LINDA GREENHOUSE

The White House said yesterday that it had never sought to limit an investigation of a \$300,000 heroin smuggling operation after Federal investigators were told by an informant that Robert L. Vesco was to have provided the financing.

Mr. Vesco, the expatriate financier who has been indicted on a number of Federal charges, issued a statement yesterday saying that he had never been "involved directly or indirectly in any way with traffic in heroin or any other narcotic."

The Vesco statement, issued through a public relations consultant in Nassau, where Mr. Vesco has been fighting extradition to the United States, called allegations linking him to heroin traffic "outrageous and despicably low," and said that he had "never met or even heard of" Frank Peroff or Conrad Bouchard.

Articles in The New York Times earlier this week reported that Mr. Peroff, an undercover agent involved in narcotics investigations for several Federal agencies, told agents of the Bureau of Customs and the Drug Enforcement Administration in early July that Mr. Boucher, the purported organizer of the heroin smuggling plan, had said that Mr. Vesco was to supply the \$300,000 the deal would require.

Subcommittee Pressure

The investigation was abruptly ended shortly thereafter. The Senate Permanent Subcommittee on Investigations, headed by Senator Henry M. Jackson of Washington, is pressuring both Federal agencies to say why they stopped following up the lead provided by an undercover man whose work for them had led to the seizure of huge sums of counterfeit money, 25 kilograms of heroin, and eight drug smugglers.

Although Gerald L. Warren, the deputy White House press secretary, did not specifically cite the Times articles, he said that after first seeing the published accounts of Mr. Peroff's allegations, he checked throughout the White House and could find no one who had received any telephone calls from the undercover agent.

"I can state categorically

that there was no White House knowledge of or involvement in the allegations and implications contained in this story,"

Mr. Warren said.

Agents of Senator Jackson's subcommittee say they have validated Mr. Peroff's account that he was involved in more than a dozen telephone calls to and from White House personnel last summer in an attempt to see the investigation pursued.

Mr. Peroff has not contended that he ever met Mr. Vesco or that there was any reason for Mr. Vesco to know his name. He did tell the Federal investigators that Mr. Bouchard, the alleged leader of an underworld group in Canada, told him that Norman LeBlanc, a Canadian associate of Mr. Vesco, was also implicated in the heroin smuggling operation.

Curran Named

Mr. Vesco said in his statement yesterday "No past or present business associate of mine, Mr. Norman P. LeBlanc nor anyone else, has ever been involved in such traffic in any way."

He accused "officials of the United States" of "anonymously leaking such fairy tales" in a deliberate attempt to malign his reputation during his extradition hearings in the Bahamas. The only official Mr. Vesco named in this context was Paul Curran, the United States Attorney for the Southern District of New York, who has been present through much of the extradition proceedings.

Mr. Vesco was indicted by a grand jury in that district last May with John N. Mitchell, the former Attorney General, and Maurice H. Stans, former Secretary of Commerce. The two former officials are accused of having accepted a \$200,000 contribution from Mr. Vesco for President Nixon's re-election campaign in return for dropping an investigation of Mr. Vesco's business activities. Donald Nixon, the President's nephew, is employed as an aide to Mr. Vesco.