

Stone Testimony Differs on Vesco

NEW YORK, April 9 (AP)—Insurance tycoon W. Clement Stone cast doubt today on government claims that former Attorney General John N. Mitchell warned a Republican presidential campaign aide to "stay away" from financier Robert L. Vesco and his \$200,000 campaign contribution.

Vesco's secret cash contribution, the government charges, was the reason for the charges of conspiracy, obstruction of justice and perjury of which Mitchell and former Commerce Secretary Maurice H. Stans are accused.

The testimony about the warning had come earlier in the trial from Daniel Hofgren, a government witness at the criminal conspiracy trial of Mitchell and Stans.

Hofgren testified he talked to Mitchell at a reception that preceded a March 8, 1972, fund-raising dinner at the Washington Hilton hotel, and that Mitchell made the "stay away" remark on that occasion.

Stone, however, testified for the defense that Mitchell was his guest at the \$1,000-a-plate dinner; didn't make the reception, and arrived late for the dinner itself.

That left it up to the jury to decide whether Mitchell had the opportunity to talk with Hofgren that night.

In an attempt to counter the testimony, the government, on cross-examination, drew from Stone testimony that there were a number of other receptions at the hotel that night at which Hofgren might have encountered Mitchell.

Stone, 71, a Chicago multimillionaire, was the largest single contributor to President Nixon's 1972 campaign, donating more than \$2 million. He picked up a \$10,000 tab for a table for 10 at the dinner.

Stans and Mitchell are accused of obstructing a massive Securities and Exchange Commission investigation of Vesco's financial empire, in return for Vesco's \$200,000 contribution to the Nixon re-election campaign.

Robert Finch, Mr. Nixon's Secretary of Health, Education and Welfare and later counselor to the President, also testified for the defense today.

Finch, who now practices law in California, told about a

campaign finance meeting he attended on March 13, 1972.

"The subject of the meeting," Finch testified, "was to discuss and decide whether or not contributions made up to that time were to be made public, since the law didn't require it." Sen. George McGovern, who was to become the Democratic presidential candidate, had already released a list of his contributors.

Finch said the consensus was that names of Republican contributors prior to April 7, 1972 would not be revealed. A new law mandating public listing of campaign contributors took effect April 7.

The government has contended that Stans and Mitchell ignored the April 7 deadline and kept Vesco's contribution secret for fear it might harm Nixon's re-election prospects because of the financier's SEC problems.

The defense contends the only reason for the secrecy was that Stans and Mitchell were honoring a promise to Vesco of anonymity.

To advance that defense claim, there was testimony also from DeVan Shumway, who attended the meeting with Finch and Stans and a number of other GOP policy makers. He was public relations director at the time for Stans' Finance Committee to Re-elect the President. For the last three months he has been editor of the Illinois State Journal of Springfield, Ill.

"Mr. Stans was concerned that he had promised contributors anonymity," Shumway testified. "He was concerned about the contributors getting that. He had made his promise to them that their names would not be disclosed under the law as it was then. He did indicate he had taken contributions on that basis—that they would not be made public."

"I was asked whether I felt there would be any adverse press reaction if we did not release the names. My reaction was that there would be adverse press reaction for a time...but then it would die down."

"Mr. Stans didn't mention Robert Vesco at that meeting, did he?" Shumway was asked on cross-examination.

"No," the witness replied. "I must say he didn't mention any contributors specifically."



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W. Clement Stone arrives to testify in New York.