

Stans Cross-Examined in Attempt to Show That He Lied About Vesco Contribution to '72 Nixon Drive

By MARTIN ARNOLD

The Government set out yesterday to destroy the credibility of Maurice H. Stans, the former Secretary of Commerce, in a cross-examination that lasted nearly all day and will continue today.

Before the 40th day of the Mitchell-Stans criminal conspiracy trial ended, the Government managed to hint to the jury that Mr. Stans, who was chief fund-raiser for President Nixon's re-election drive, had concealed campaign funds allegedly used to help finance the Watergate break-in.

The Government also tried to show that Mr. Stans had lied to the grand jury investigating this case, and further that even though he was a member of "the Accounting Hall of Fame," as the chief prosecutor put it, he kept virtually no records of many of the millions of dollars that were collected as campaign contributions to re-elect Mr. Nixon.

Mr. Stans and former Attorney General John N. Mitchell, who was also a campaign leader, are accused of perjury, conspiracy and obstruction of justice. The Government alleges that they attempted to impede and quash a Securities and Exchange Commission investigation of Robert L. Vesco in return for a secret, \$200,000 cash contribution that the financier made to the President's re-election campaign. Mr. Vesco was also indicted in this case, but has fled the country.

Tells of Wife's Illness

Mr. Stans ended a little more than a day on the witness stand under direct examination by his attorney, Walter J. Bonner, in near tears as Judge Lee P. Gallowed him, over Government objections, to tell the jury about the serious illness of his wife.

Raising his right hand, Mr. Stans said, "On my oath, I never did anything to help Robert Vesco."

It is a contention of the defense that Mr. Stans was so distraught by his wife's illness — a near fatal blood disease — that when he testified before the grand jury that investigated this case he could not think clearly and that some of that testimony might have been false because of that.

At the judge's bench, out of hearing of the jury on Wednesday, the prosecutor had told the judge, "If that's the theory, it's a lot of baloney."

Under Mr. Bonner's handling, the defendant, white-haired, 66 years old, had been benign, mostly smiling, except when he spoke of his wife, and direct in his answers, which were de-

livered straight to the jurors. One spectator, Betty Flynn, of Chicago, observed, that Mr. Stans had reminded her of "a country doctor."

This was the image that John R. Wing, the chief prosecutor, had to work with as he began the cross-examination. If country Mr. Stans reminds one of a country doctor, Mr. Wing looks like the boy who lives next door to the country doctor.

Mr. Wing is 37, above average in height, stocky, with a nice face. He dresses in conservative suits that just miss fitting properly, and his brown hair, while not really long, is just a bit longer than the crisp haircuts of the nineteen-fifties.

Mostly, but not always, he spoke to Mr. Stans respectfully.

"Am I correct, Mr. Stans, that Robert Vesco was the largest single cash contributor to your campaign during the year 1972?" Mr. Wing asked.

"He was the largest contribu-

tor who gave exclusively in cash, that's correct," Mr. Stans answered.

"And is that the largest cash contribution that you in your entire career of fund-raising have ever received?" Mr. Wing pressed on.

"I would believe it is," Mr. Stans replied.

"Speaking of thank you letters, Mr. Stans, isn't it a fact that thank you letters were sent out to all major pre-April 7 contributors with the exception of Robert Vesco?" Mr. Wing continued.

"No, I wouldn't say that's a fact," Mr. Stans said.

On April 7, 1972, a new law went into effect making it mandatory that all campaign con-

tributions of more than \$100 be made public. Before that, such contributions could be kept secret legally.

It is the defense contention that even though Mr. Vesco's money was given to Mr. Stans on April 10, 1972, it had been promised before that and, therefore, was "constructively received" before the dateline.

"Is it a fact that thank you letters were sent to major contributors who gave before April 7?" he was asked.

"Yes, thank-you letters were sent out" was the answer.

"Was a thank you letter sent to Robert Vesco?"

"I don't know," Mr. Stans replied.

Mr. Wing returned again to

Mr. Stans's contention that even though the Vesco contribution had not been turned over by April 7, Mr. Stans felt he did not have to make it public because it had been promised before then. He listed it, Mr. Stans said, "in effect money that's available" or cash on hand.

"So as an accountant, you would say that the term 'cash on hand' would cover money similar to the situation in this case [money] that was under Vesco's lamp; is that correct?" Mr. Wing asked him.

The reference to "Vesco's lamp" refers to the fact that there has been testimony in this trial that in the days immediately preceding April 10,

1972, Mr. Vesco kept the \$200,000 in cash hidden in a lamp base in his Fairfield, N.J., office.

In asking such a question, Mr. Wing smiled, the way a boy in the Little League smiles when he's gotten a base hit, almost shyly.

"I had concluded that it was a completed contribution under the law, and for purposes of reporting, I had concluded that it was proper to show it as cash on hand, among other reasons," Mr. Stans replied.

"As a member of the Accounting Hall of Fame and an accountant for many years, do you know of any writing in that field which so defines cash on hand as to have included the Vesco contribution in this

case?" the prosecutor asked, again smiling.

"I don't know of any writings in the accounting field; I haven't been in the active practice of accounting for almost 20 years, so I haven't kept up, Mr. Wing," Mr. Stans answered. "All I maintain is that in good faith I applied the definition of cash on hand to that money."

In the bill of particulars in this case, that is what the Government promised to prove in court. The Government contended that Mr. Stans never publicly reported Mr. Vesco's \$200,000 cash contribution because it "may" have been included in the cash that was to be disbursed to several persons, including G. Gordon Liddy, who

is serving a prison term for his part in the Watergate break-in.

At that time, before the trial started, the defense, in its motions, said that "for the first time the Government appears to claim that the \$200,000 Vesco contribution was used to finance the Watergate break-in."

When Mr. Wing approached that point in his cross-examination today, the defense moved for a mistrial—which was denied—on the ground that Mr. King was asking Watergate-related questions and also that a staff member of the Senate Watergate committee was seated in the courtroom.