Political Gifts in 1972 Pose a Knotty Issue

By CHRISTOPHER LYDON

Special to The New York Times

WASHINGTON, Feb. 23— The case of Robert S. Strauss, the Democratic National Chairman, and Ashland Oil Company's \$50,000 contribution in 1970 and 1971 has presented the Watergate special prosecutor, Henry Ruth, with an universally tough call. with an unusually tough call.

Mr. Strauss, party treasurer at that time, insists he had no reason to think that the Ashland executives' cash was corporate money, and there-fore an illegal political gift. But he volunteered in a newspaper interview last month that he knowingly misreported the Ashland gift as miscellaneous small contributions, below the \$100 threshold that requires more hold that requires more-detailed listing.

The prosecutor's problem begins with the fact that the old Corrupt Practices Act, in effect in 1970 and 1971 was rewritten in 1972. And later campaign reform legislation, in 1974, shortened the statute of limitations on reporting violations from five years to

three—short enough, that is, to absolve Mr. Strauss for any lapses in 1971.

Thus, the legal puzzle in the prosecutor's office is whether Congress intended in 1974 to character the statute of 1974 to change the statute of limitations on all campaign disclosure cases-or only on specifically enumerated sections of the law of 1972.

Either way it decides the issue, the prosecutor's office expects to be a ccused of making a "political" decision.

Meanwhile, Mr. Strauss, who talked at length about the Ashland matter to The Los Angeles Times six weeks ago, says that his lawyers are handling it now and it would be inappropriate for him to comment.

One sign of Gov. George C. Wallace's reviving appetite for Presidential campaigning could be seen in the fact that for the first time since 1972 he included lots of new material, fresh issues and topical laugh lines in the abbreviated stump speech he tried out on reporters at the National Gov-ernors Conference here last week.

He dismissed racial issues and his old racist reputation, noting that schools were better integrated in Alabama than in Boston. The "social issue," in general, he said, will not be eclipsed by the economic issue in 1976, because "neonle get more unset cause "people get more upset about the breakdown of law and order when they're not working than when they are."

The new central theme, suggesting a new target on middle-class voters, was Mr. Wallace's concern about the "radicalizing" effect of burdensome taxes."

"It will be a sad day when people in their anxiety and

their anger overturn the in-stitutions of this country because they lost their afflu-ence," he said.

He touched on Secretary of State Kissinger, who, he says, was "outdealt" in stratetgic arms talks, and the schoolbook protesters in West Virginia, whom he He touched on Secretary backs.

His punch line was a comment on the court award of \$10,000 to each of the antiwar protesters whose

antiwar protesters whose civil rights were denied in May, 1971.

"It's enough to make you throw up. This is the insane asylum of the United States," he said, meaning Washington. In fact, I hope if I ever go crazy I do it here, and nobody would ever notice." nobody would ever notice.'

When Gov. William Waller when GOV. William wanter Mississippi sought to dismiss Governor Wallace from the Presidential race last week, for reasons of "physical infirmity," some observers firmity," some observers here wondered if he had been prompted. Back in Jackson, Miss., however, Jackson, Miss., however, Waller watchers guessed that the Governor spoke spontaneously—and perhaps unwisely. Ross Barnett Jr., son of the onetime segregationist Governor, observed that he would rather have a President who was "paralized from the waist down—as Mr. Wallace is—"than paralyzed from the waist up."

Governor Carey

York remarked last week, of the Democratic field of can-didates for 1976: "We haven't had to put the police in Times Square for anybody. The P.L.O. [the Palestine Liberation Organization] did eration better."

Republican Governors were also thinking out loud about Presidential politics last week. Right, left or center in their party, all seemed uncertain that President Ford should or would be their candidate.

Gov. Daniel J. Evans Gov. Daniel J. Evans of Washington, a Rockefeller liberal, said he was not yet sure Mr. Ford would be the "man for the times" next year. Would the party be better off, Mr. Evans was asked, if Ronald Regan, the former California Governor former California Governor, joined a third party of militant conservatism? Mr. Evans's answer:

"Better off than if he was the Republican candidate? Yes!" candidate?

Senator Lloyd M. Bentsen of Texas, the new entry in the Democratic Presidential field, acknowledged in a television interview today that Michigan's 21 electoral votes made it politically impossible for a candidate to own a foreign car. He will be selling his German-built Mercedes-Benz, he said, adding that his wife had driven it more than he, anyway.

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