

G.O.P. BID SPURNED ON SETTling SUITS

Common Cause, Democrats
to Press Republicans on
Finance and Watergate

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By ANTHONY RIPLEY

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WASHINGTON, April 19—

Common Cause and the Democratic National Committee said today they would not settle their civil suits against the Republicans, holding them instead as a weapon for investigating the Republican party's finances and the Watergate break-in.

The central point in the financial investigation by Common Cause is reportedly an estimated \$10-million in expenditures that have never been accounted for.

Lawyers involved in the two cases said that the Congressional hearings on Watergate and the grand jury investigation—supplied with information by the Justice Department—were both open to possible Presidential influence, and they felt the civil suits might remain as the only way to get at the truth.

Both Groups Approached

Both organizations have been approached by Republican party officials in recent days with offers of a settlement. John W. Gardner, chairman of Common Cause, characterized the Republican effort to settle the suit over a full disclosure of campaign gifts and expenses as "fairly urgent."

He met yesterday with Maurice H. Stans, who served as President Nixon's chief campaign fund-raiser, and commented today, "We haven't the slightest intention of settling short of what we set out to get. I think that the Democratic National Committee suit and ours are the two that are least susceptible to control."

Robert S. Strauss, the Democratic chairman, said in a telephone interview from Dallas that there was "no question"

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that the \$14-million Democratic damage suit would be "maintained."

Mr. Strauss said yesterday that he had met with John N. Mitchell, former Attorney General, and that the party was then considering settling the suit for \$525,000.

He said the discussions over a possible settlement had been conducted "with the knowledge and approval of the Democratic leadership on the Hill after talking to a number of Democratic Governors and with eight or ten members of the Democratic National Committee."

He said Senator Hubert H. Humphrey of Minnesota, Gov. Dale Bumpers of Arkansas, Senator Mike Mansfield of Montana, who is the Senate majority leader, and Speaker Carl Albert of Oklahoma were among those who knew of the offer.

He brushed off criticism by R. Spencer Oliver, executive director of the Association of State Democratic Chairmen, who told a Washington news

conference today:

"I am appalled at the idea of ending the civil suit in the Watergate case through a secretly negotiated settlement and thereby destroying what may be an important forum through which the truth about those responsible may become known.

"I do not know what motivated Robert Strauss to even contemplate such a step, but I do not believe that it would presently serve the interests of the Democratic party and, more importantly, it would not serve the public interest."

Mr. Strauss, asked if he might have been compromising the best interests of the party by talking about a settlement, commented, "If I was doing so, I was doing so with a lot of company."

A 6-Month Hunt

Common cause has been trying for the last six months to trace the cash flow in the Republican campaign.

Kenneth J. Guido, an attorney for the group, would not speculate on the amount of money that remains unaccounted for in the Republican finance statements.

However, Herbert E. Alexander, director of the Citizens Research Foundation in Princeton, N. J., and a student of campaign financing, said that "about \$10-million was unaccounted for in receipts and less than \$10-million in expenses."

He said the figures were based on "as much information as I can get at" and that his figures were "conservative."

Mr. Gardner said he was called April 11 by Mr. Stans for the negotiation session and that it was set up for the day after he returned from a visit to Des Moines, Iowa.

"I support the view that there was some command decision to settle it," Mr. Gardner said. "It was clear Mr. Stans was operating on a fairly urgent timetable."

Mr. Gardner said he had insisted that the meeting be "on the record." It was held in the law offices of Arnold & Porter. He said no exact settlement was offered, but that Mr. Stans spoke of a partial disclosure, which he rejected.

He quoted Mr. Stans as saying, "We would be willing to disclose everything tomorrow, but the donors have constitutional rights, in our opinion,

that have to be preserved."

Mr. Gardner said he had told Mr. Stans that the Republicans had already revealed some of the names in an interim settlement of the case last fall.

"Did those people not have constitutional rights, too?" Mr. Gardner said he had asked.

"We Checked With Them"

"He said, 'We checked with them' and indicated he had spoken to the big donors—something like \$5,000 or so—the figure was very vague—he waved his hand—I couldn't tell what the exact figure was."

"I said, 'Did donors below \$5,000 have less constitutional rights than those over \$5,000?' That kind of ended things for a while."

Mr. Gardner said he had told Mr. Stans that Common Cause wanted all information, including records, vouchers, bills and budgets and an independent audit.

According to Mr. Gardner, "Mr. Stans said, 'That really basically ends the conversation, I've never been in a legal negotiation where one side wouldn't give an inch.'"

Mr. Stans was unavailable for comment.