

Nixon Offered to Assist Top Two Aides With Secret Funds, Prosecutor Charges

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WASHINGTON—A Watergate prosecutor charged that Richard Nixon had a cash fund when he was President "provided by persons who received favored treatment from the White House over the years."

Mr. Nixon offered to give some of that money to his close aides, H. R. Haldeman and John Ehrlichman, for legal expenses that might arise from their participation in the Watergate cover-up, Assistant Special Prosecutor Richard Ben-Veniste alleged. He based the charge on a previously unpublished transcript of an April 17, 1973, taped presidential conversation.

That conversation shows Mr. Nixon telling Messrs. Haldeman and Ehrlichman that "legal fees will be substantial" but that "there is a way we can get it to you, and, uh,—two or three hundred thousand dollars." Mr. Ehrlichman responded, "Let's wait and see if it's necessary."

"No Strain"

Mr. Nixon then elaborated, according to

the transcript: "Unintelligible—stuttering) no strain. Doesn't come outta me. I didn't, I never intended to use the money at all. As a matter of fact, I told B-b-bebe, uh, basically, be sure that people like, uh,—who, who have contributed money over the contributing years are, uh, favored and so forth in general. And he's used it for the purpose of getting things out, paid for in check and all that sort of thing."

There wasn't any further explanation of the source of the fund or the nature of the favors, except for a contorted reference by Mr. Nixon in an April 25, 1973, transcript to "as much I think as 200 there's available in '74 campaign already." Mr. Haldeman agreed that "Bebe" was Charles G. (Bebe) Rebozo, a Florida banker and a close Nixon friend.

There have been occasional reports over the past couple years of a "slush fund" maintained by Mr. Rebozo for Mr. Nixon—all strenuously denied by the White House as they came up. The Senate Watergate Committee heard testimony from a Haldeman aide about the President's offer to his two assistants, but this is the first reference to the fund in Mr. Nixon's own words.

Mutual Protection

Mr. Ben-Veniste contended that even though the two aides didn't accept the offer, the conversation showed that "they were all in it together and the President would be willing to help them financially if they needed it." The prosecutor insisted that the offer "tended to show that they all understood they were protecting each other."

This was the same period, Mr. Ben-Veniste charged, in which Messrs. Haldeman and Ehrlichman, both currently on trial for allegedly obstructing the Watergate investigation, were talking with the President about their "strategy" and the "line" they would take when testifying before the Senate Watergate Committee.