

SFChronicle
AUG 30 1972
**Nixon Talks About
Fund Violations**

N.Y. Times Service

San Clemente

President Nixon said at a news conference yesterday that both the Democratic and Republican parties have apparently committed "technical violations" of the new campaign spending and reporting law.

He refused to specify the Democratic violations, but said they would be divulged by investigators later this week.

Meanwhile, he reaffirmed his faith in Maurice Stans, treasurer of the finance committee for the Re-Election of the President, and expressed confidence that Stans would correct

"whatever technical violations have occurred" and would "thoroughly comply with the law."

The General Accounting Office released an audit of Stans' financial operations last week citing nine apparent violations of the law governing campaign contributions.

Senator George S. McGovern, the Democratic presidential nominee has since been taunting the Nixon administration on the issue almost daily while claiming that his own campaign finances are above reproach.

ROLES

Mr. Nixon made his comments on the financial controversy at a news conference here at which he appeared both in his role as President and his role as leader of his party and candidate for re-election.

Wearing his "presidential" hat, Mr. Nixon dealt with questions on Vietnam and discussed his forthcoming trip to Hawaii to confer with Japanese Premier Kakuei Tanaka.

In his role as candidate and party leader, Mr. Nixon defended his political operatives against various charges — including the bugging of Democratic headquarters at the Watergate Hotel in Washington — set forth some of his plans

See Back Page

NIXON'S REMARKS

From Page 1

and hopes for the coming campaign, and pledged that if he won the "new majority" he seeks, the first six months of his second term in the White House would be as exciting as President Roosevelt's first 100 days in 1933.

Though he sought to keep the two roles separate, some of his comments suggested that the distinction may be hard to maintain in the weeks ahead. Discussing the prospects for peace in Vietnam, for example, he spoke of his own efforts to achieve a negotiated settlement but then, in a clear reference to McGovern, he said:

"I think there are those who have faulted this administration on its efforts to seek peace, but those who fault it, I would respectfully suggest, are ones that would have the United States seek peace at the cost of surrender, dishonor, and the destruction of the ability of the United States to conduct foreign policy in a responsible way.

"We will seek peace," he went on. "We will seek better relations with our adversaries, but we are going to keep the United States strong. We are going to resist the efforts of those who would cut our defense budget to make us second to any power in the world."

BIZARRE

On the Watergate bugging issue, which the McGovern forces have also seized upon as an illustration of unethical behavior in the Nixon camp, the President said that an investigation carried out at his express instructions by John Bean, counsel to the President, has satisfied him that "no one in the White House staff, no one in this administration, presently employed, was involved in this very bizarre incident."

The phrase "presently employed," appeared to have been an allusion to the fact that E. Howard Hunt, who once worked for special counsel to the President Charles Colson, has been mentioned frequently in connection with the bugging incident.

Mr. Nixon also noted various other investigations of the incident now under way, including one under the supervision of Clark MacGregor, director of the re-election committee.

"I think under these circumstances we are doing everything we can to take this incident and to investigate it and not to cover it up," Mr. Nixon said. "What really hurts in matters of this sort is not the fact that they occur, because overzealous

people in campaigns do things that are wrong. What really hurts is if you try to cover it up."

PENALTY

Mr. Nixon did not discuss specific campaign issues in any detail, except to say, in answer to a question, that his views on amnesty and McGovern's were clearly different. He said that those who left the country to escape the draft must "pay the penalty" for breaking the law.

In more general language, however, Mr. Nixon gave some glimpses of his strategies and hopes. His basic ambition, he said, is to achieve a "clear majority" of the American people and, thereby, a clear mandate for gradual reform — what Mr. Nixon described as "change that works."

By "clear majority," he said, he did not mean a "new coalition." He said he rejected the idea of a "new coalition" because the very notion of a coalition "is not a healthy thing in a free society."

Then, spelling out some of the beliefs he hoped would attract a "new majority," he said he wished for a clear mandate for a firm defense policy; a clear mandate for revenue sharing, welfare reform, control of the environment, new health programs and what he described as "progress without raising taxes."

McGovern has called for many of the same programs, but his price tags as a rule are more expensive than Mr. Nixon's, and the President is clearly hoping that the electorate will give his obviously more cautious approach to national problems a resounding vote of confidence.

The President all but conceded that even if he received a "clear majority" of the electorate it would be very difficult to win a Republican majority in the House and Senate. However, he indicated, he would gladly settle for what in effect would be an ideological majority — a combination of Democrats and Republicans "who support what the President believes in."

Turning to his own role in them forthcoming campaign, Mr. Nixon said he considers the election "enormously important" because it provides the "clearest choice that certainly I have seen in my political lifetime." He said that he and his colleagues would "have to hit hard on the issues, in other words, hit hard on the problems, and not on the personalities."