

McGOVERN ASSERTS G.A.O. IS WELCOME TO EXAMINE FUNDS

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'We're Wide Open,' Senator Says in Reply to Demand by Stans for 'Full Audit' NYTimes

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WASHINGTON, Aug. 28 —

Senator George McGovern said today that he would welcome an investigation of his Presidential campaign funds by the General Accounting Office.

"We're wide open," the Democratic nominee asserted at his campaign headquarters here. "We'll welcome the G.A.O. or any other investigator who wants to look at our files."

His offer was in direct response to the demand yesterday by Maurice H. Stans, the finance chairman of the Committee to Re-elect the President, for a "full and complete audit" of the Democratic finances.

Philip S. Hughes, the head of the Office of Federal Elections in the G.A.O., has indicated that he plans to conduct a full audit of the McGovern campaign's finances.

Mr. Stans issued the public challenge in a counterattack on a report issued Saturday by the Congressional auditing agency. That report cited "apparent and possible violations" of the Federal Election Campaign Act by the Republicans.

Surrounded by Volunteers

Senator McGovern, surrounded by young volunteers opening mail containing contributions to his campaign, declared that President Nixon had "an obligation to lay it on the line," reveal the source of \$10-million in unreported funds and explain how \$114,000 in Republican campaign money got into the hands of one of five men who broke into the Democratic National Committee offices in June.

The ostensible purpose of Mr. McGovern's news conference was a "progress report" on his effort to secure a \$25 contribution from each of one million supporters through the McGovern Million-Member Club.

The Senator said that 63,000 persons had already given \$1.8-million, an average of about \$28 each.

A larger purpose of the news conference was to provide a forum for the Senator to go on the offensive against the incumbent President after weeks of defending his own proposals and actions against Republican criticism.

Speech Called Strange

Mr. McGovern asserted that the President's speech accepting renomination last week at the Republican National Convention was "the strangest Presidential acceptance speech in American history."

"One would almost think that somebody else had been in office the last four years," the South Dakotan declared. "There were attacks made on all the problems in the country as though I were responsible for them."

He acknowledged that his address tomorrow to the New York Society of Security Analysts, at a luncheon on Wall Street, would be one of the most important of his cam-

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aign because it would specify his positions on tax and welfare reform.

"People are asking George McGovern to clarify his tax plan," Mr. McGovern said. "What is Richard Nixon's tax plan? People are asking me to clarify my welfare reform plan. What has Richard Nixon done to clean up the welfare mess in this country?"

The Democratic challenger, in a brief comment supplemented by a five-page statement, also accused the Administration of "inadequate, inefficient and insensitive" response to the devastation of eastern Pennsylvania by the tropical storm Agnes.

Mr. McGovern toured the flood-ravaged Wyoming Valley near Wilkes-Barre last week. Riding a wave of resentment there against delays in Nixon Administration disaster relief, he has sought since to demonstrate that his administration would be more compassionate.

He proposed this morning that the Government establish a National Catastrophe Insurance Fund, combining Federal funds, homeowner contributions and disaster bonds to reimburse victims of natural disasters. And he urged immediate temporary housing for the victims of the tropical storm Agnes.

"If we can airlift divisions of men and tons of material halfway across the world in a matter of hours, we can surely bring 10,000 trailers to Pennsylvania by Sept. 15," Mr. McGovern said.

He contrasted the Nixon Administration's response to the Pennsylvania floods with its aid to President Nguyen Van Thieu in South Vietnam, a Government loan to the "incompetent executives" of the Lockheed Aircraft Corporation and Federal aid for the "mismanaged" Penn Central Company.

Justice Gets Report

"When the ordinary family is wiped out by a disaster for which they bear no responsibility," he added, "we tell them they have to make it on their own."

The most concerted assault on Mr. Nixon—by others in the Democratic campaign as well as Mr. McGovern—was aimed at the records of the Finance Committee to Re-Elect the President.

The General Accounting Of-

fice turned over to the Department of Justice its report alleging violations involving up to \$350,000 in contributions to Mr. Nixon's campaign.

Jean M. Westwood, the chairman of the Democratic National Committee, charged today in a statement that the audit represented "the bare outlines of the largest and possibly the most corrupt set of financial dealings in the history of American Presidential politics."

The Justice Department criticized the General Accounting Office today for making public the report.

"Disclosures of this nature run counter to normal investigative procedures and may prejudice a potential defendant's right to a fair trial," a Justice Department spokesman said in a brief statement acknowledging receipt of the report.

"It should be noted that G.A.O., for whatever reason, deviated from its past practices by making public its report," the department said. This point was immediately disputed by several sources.

A G.A.O. official said that the agency had made several reports of possible violations of the new political finance law, including one citing The New York Times for its publication of a controversial advertisement, and that each had been made public.

Sargent Shriver, the Democratic Vice-Presidential nominee, has been contending that there is "a smell of corruption" hanging over the Presidential campaign finances.

Mr. Shriver flew to Detroit today for a campaign appearance but canceled most of the rest of a full schedule of events to spend the rest of this week meeting with Mr. McGovern. They will discuss their strategy for the campaign that gets under way officially on Labor Day, next Monday.