

Vesco Wants Total Immunity to Testify

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BY MARTIN TOLCHIN

Robert L. Vesco, the financier who made an unreported gift of \$200,000 in \$100 bills to President Nixon's re-election campaign, wants a special, independent prosecutor and total immunity before he will testify before a Federal grand jury investigating the gift, according to sources close to the case.

Under those conditions, he would be willing to testify against former Attorney General John N. Mitchell, who was Mr. Nixon's campaign manager, and former Secretary of Commerce Maurice H. Stans, who was chairman of the Finance Committee to Re-Elect the President, the sources said.

It was also learned yesterday that the Justice Department has at no time considered the appointment of a special prosecutor in the case, which, like the Watergate affair, involves persons who were close to the President.

The grand jury here is seeking to determine whether Mr. Mitchell and Mr. Stans intervened to help Mr. Vesco in a case filed against him by the Securities and Exchange Commission. This resulted in a civil suit that charged Mr. Vesco had "spirited away" \$224-million in cash and securities from mutual funds. This suit is now being tried in Federal Court here.

Shies at 'Politics'

In the criminal case, Mr. Vesco is said to believe that politics could operate to his disadvantage.

"The fear is that Vesco will be the fall guy," said a source close to the case.

In the event Mr. Mitchell and Mr. Stans are indicted for alleged intervention, the source said, the indictments could be so purposely weak that they

would constitute what he termed "a lay-down."

But if Mr. Vesco were to testify against the two men, the case against them would be far stronger, the source said.

The Government, which rejected Mr. Vesco's bid for immunity, also rejects the notion of a special, independent prosecutor. It is understood that the United States Attorney's office here feels that such an appointment is not necessary.

"Here in the Southern District, we handle each case on its merits, strictly on its merits," said James W. Rayhill, Administrative Assistant United States Attorney.

Bench Warrant Issued

On Thursday, Mr. Vesco's lawyer, Edward Bennett Williams, told a Federal judge that Mr. Vesco would invoke the Fifth Amendment provision against self-incrimination if he were called before a grand jury. Judge Edmund L. Palmieri nevertheless issued a bench warrant to compel the appearance of Mr. Vesco, who was served with a subpoena last month at his home in Nassau, the Bahamas.

Mr. Williams, asked whether Mr. Vesco would testify against Mr. Mitchell and Mr. Stans if he were given immunity and a special independent prosecutor, said that he had no comment.

From Mr. Vesco's point of view, the issue is whether the Administration can investigate itself. He is said to believe that the failure to file the campaign contribution rested solely with the President's re-election committee. Similarly, he is said to believe that if Mr. Mitchell or Mr. Stans did intervene on his behalf, it was they who acted improperly.

The grand jury has already questioned Mr. Mitchell, Mr.

Stans and Donald F. Nixon, President Nixon's 26-year-old nephew, who is a personal aide of Mr. Vesco.

The \$200,000 gift, and an additional \$50,000 contribution that was reported, were negotiated by Harry L. Sears, former Republican majority leader of the New Jersey Senate who was chairman of the Nixon campaign committee in New Jersey last year.

In a deposition in the civil suit, Mr. Sears, who had been Mr. Vesco's lawyer, said that in December, 1971, he had asked Mr. Mitchell to help him obtain Mr. Vesco's release from a Swiss prison after he had been arrested in connection with a stockholders' suit.

In March, 1972, Mr. Sears said he communicated with Mr. Mitchell while the S.E.C. was investigating Mr. Vesco and asked for help in obtaining an appointment with William J. Casey, then chairman of the commission and now Under Secretary of State. In May, a meeting was "ultimately" arranged with Mr. Casey and G. Bradford Cook, then chief counsel and now commission chairman, to discuss the investigation.

In November, Mr. Vesco was nonetheless charged as the main defendant in the civil suit.

The grand jury's findings are expected soon.