

## Senate Testimony

# Stans Denies Any Role in Watergate

## He Tells of Raising GOP Funds

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Maurice H. Stans, forced to appear before the Senate Watergate committee, yesterday denied any involvement in the scandal and pleaded ignorance about many of the activities of the Nixon re-election campaign.

The former Secretary of Commerce, who served as President Nixon's chief fund-raiser during the 1972 campaign, disavowed a 1971 memorandum suggesting that he was using government funds to benefit the President's re-election.

He said he didn't know why Mr. Nixon's personal lawyer, Herbert W. Kalmbach, needed "all the cash I can get" just after the arrest of five men at the Watergate offices of the Democratic National Committee on June 17.

Stans told the committee he had been unaware of the sizable amount of campaign cash drawn during the first five months of 1972 and used in the Watergate plot by G. Gordon Liddy, later convicted for his role.

Stans testified that he had no idea how \$114,000 in campaign checks were passed through the bank account of

another conspirator, Bernard L. Barker, but he said that the transaction must have been handled by Liddy.

### FINANCIAL

Stans, the most senior presidential adviser to be called so far in the Senate hearings, was sought for questioning principally about financial aspects of the bugging and subsequent efforts to cover it up.

He was asked, for example, about major transactions in those parts of the

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scandal and about testimony by other witnesses that he had discussed with former attorney general John N. Mitchell payments of \$199,000 to Liddy.

The Senate investigators intend to explore later the broader questions in fund-raising activity on Mr. Nixon's behalf—which produced more than \$50 million. Stans will presumably be recalled.

### INDICTED

The former Commerce secretary was among those indicted on May 10 by a federal grand jury in New York. He was charged with conspiracy to defraud the U.S. conspiracy to obstruct justice, and perjury.

The accusations stemmed from a \$200,000 cash contribution to the Nixon campaign by Robert L. Vesco, a financier then under investigation by the Securities and Exchange Commission.

Robert W. Barker, one of the three attorneys who accompanied Stans to the witness table yesterday, read a statement for nearly 15 minutes objecting to his client's appearance until the indictment had been "disposed of."

Barker argued that forc-

ing Stans to testify now would result in prejudicial publicity, would make it hard to find an impartial jury, and would compel him to present his case before trial in New York.

To invoke his fifth Amendment's privilege against self-incrimination would "tend to degrade and embarrass" Stans, his lawyer said, and would brand him as a former cabinet officer who had "taken refuge" in the right.

### RULING

Senator Sam J. Ervin Jr., the North Carolina Democrat who is chairman of the committee, said the committee had considered the issue in advance and ruled that Stans would have to testify, plead the Fifth Amendment, or risk contempt.

"I think the committee does not think that we should put off investigation

of these matters until they can be determined by the court because the Constitution gives the Senate not only the power but the duty to make investigations of this character," Ervin said.

The committee agreed, Ervin said, that it would not question Stans about matters related to Vesco's gift and the \$200,000 contribution.

### STATEMENT

Stans and his lawyers evidently expected the ruling, because the witness was immediately ready with a statement on his role in the campaign that took him 23 minutes to read.

He did so in a smoothly placid, well modulated voice, glancing at a script in large type through bifocal lenses. The gray haired former official remained unruffled throughout the afternoon of questioning.

Stans, practiced in ap-

pearances on Capitol Hill, sought to lighten the mood by recalling that when he resigned as Commerce secretary to take up his political duties, some Democratic senators had wished him success — "but not too much success."

The caucus room in the Old Senate Office Building, where the sessions are held, was totally silent and no glimmer of a smile was seen on the faces of the committee members. Stans read on.

### KNOWLEDGE

He said unequivocally that he had no knowledge of the Watergate break-in or of the efforts to cover up after the event, or of any "sabotage program" designed to disrupt Democratic campaigns.

There were "no intentional violations" of the campaign finance laws, he testified, but he conceded that because of the "complexity" of the statute and the "vast amount of work that had to be done, there may have been some unintended technical violations."

The General Accounting Office, which oversees a campaign spending law that took effect on April 7, 1972, has cited the Nixon committee for a number of apparent violations. The committee has pleaded no contest to

one charge in court and paid a fine.

Stans, who is chairman of the Finance Committee to Re-Elect the President, took pains to emphasize that his unit had "no part" in making basic campaign decisions.

The Committee for the Re-Election of the President, directed by Mitchell until his departure about two weeks after the Watergate break-in, handled "the entire gamut of the political effort," he said.

"The two committees operated in watertight compartments," Stans emphasized. "They were physically separated on different floors . . . there was only one forum for the exchange of opinions . . . and that was the budget committee."

It wasn't a very good forum, Stans said, and "at times the meetings became bitter." He said he had "walked out of one" because the political officials didn't



understand the "difficulties of fund-raising."

Even when it came to handling campaign funds, Stans declared, there was a lot he did not know. The important period before April 7, when a large part of the funds was raised to Liddy, "was not a period in which I could spend time on details," he said.

"I trusted the people already in the committee organization and relied heavily on the treasurer (Hugh W. Sloan Jr.) because of his previous experience in 1968 and 1971," he added. "I was after contributions."

The questioning, which is scheduled to continue today, was begun by Rufus L. Edmister, the committee's deputy counsel, and it went almost immediately to a July 28, 1971, memorandum to Mitchell from Jeb Stuart Magruder.

Magruder, a former deputy director of the Nixon campaign who has been heavily implicated in the scandal, said in the memorandum that he had been discussing the forthcoming election with Stans' "political special assistant," Richard Whitney.

"The Secretary (Stans) has built up a discretionary fund at Commerce that will total approximately \$1 million," Magruder informed Mitchell in the confidential memo.

"He is using this fund for conferences, hiring and other activities that will be beneficial to the President's re-election.

"If you feel it is appropriate, Secretary Stans might discuss this concept with other cabinet officers to see if they can develop the same kind of fund within their own departments."

According to a notation on the paper shown to Stans, a copy of the memorandum was sent to H.R. Haldeman, then the White House chief of staff.

Stans rejected the implication that he had been using federal funds budgeted for public purposes in political pursuits. He said he had never seen nor heard of the Magruder memorandum.