Kalmbach Testifies
Aide Approved
Cash to Defendants

By Peter A. Jay
Washington Post Staff Writer

Former presidential assistant John D. Ehrlichman gave his explicit approval for the clandestine payment of about $220,000 to the defendants in last year's Watergate burglary, Herbert W. Kalmbach testified yesterday.

Kalmbach, President Nixon's personal lawyer and a high-powered Republican fund-raiser, told the Senate select Watergate committee that Ehrlichman assured him last July 28 that instructions he was receiving from John W. Dean III for distribution of money were with the full authority of the White House behind them.

As he began a tale of secret meetings, code names and bundles of $100 bills, Kalmbach told the committee that after nearly a month of raising thousands of dollars for the Watergate defendants and their families he began to wonder about the propriety of what he was doing and sought reassurance from Ehrlichman.

Ehrlichman, who resigned April 30 as the President's top assistant for domestic affairs, told him he should continue his undercover work, Kalmbach said. Secrecy was essential, he said Ehrlichman told him, because, "but for the secrecy the whole assignment could get to the press and be misinterpreted. . . . they (the press and the Democrats) would have our heads in their laps."

Under questioning by lawyers for the committee, Kalmbach said he at first assumed the money he raised was to be used to provide legal aid for the five—later seven—Watergate defendants and support their families, not to buy their silence. It seemed "a very human thing," he said.

"The fact that I had been directed to undertake these See KALMBACH, A18, Col. 1
Talmadge seems in deep thought during a conference at the White House.

"I believed the money would be used for the Nixon campaign (and) would go to the Committee to Re-elect the President," Jones said. He also believed it would be reported as required by law, and that Kalmbach gave him "the strongest assurances" the money "would be handled in a proper and legal way."

By late August, Kalmbach testified, he had decided not to continue in his clandestine role as Watergate paymaster. He said he told Dean and LaRue—whom he saw as "interchangeable in a sense" in directing the distribution of the funds—that "I could do no more."

Though he met again on Aug. 29 with Ehrlichman—a personal friend to whom he said he lent $20,000 during the past year—Kalmbach said he did not raise the question again of his unwillingness to continue.

On Sept. 21, he told the committee, he went to Dean's office and turned over to Dean and LaRue his accounts for the money he had disbursed. He asked Dean to shred Kalmbach's personal notes on the operation, he said, and they were then burned before he left the office.

That was the end of his involvement with the Watergate defendants, he recalled, except for a meeting last Jan. 19 in the Washington law office of John N. Mitchell. Mitchell, Dean and LaRue were there, he testified, and "immediately I could see the purpose of the meeting was to ask me to raise additional funds." He said he refused and left the office.

Kalmbach's testimony, which resumes today, follows that of Dean by several weeks and conflicts with it mostly in small details.

Kalmbach's testimony in no way implicated President Nixon in the cover-up. Since March, 1969, Kalmbach testified, he has met with the President not more than four or five times, and spoken with him only on the telephone about as frequently. His regular White House contacts were with Ehrlichman and Dean, he said.

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Sens. Talmadge seems in deep thought during a conference at the White House.

"I did," Kalmbach said. He said he assumed that "the green light had been given to these people in some manner ... (and) they had gone forward on this idiotic and stupid thing (the burglary)." He said he thought "the decent thing" would be to provide legal aid and support for the defendants' families.

On July 27, the day after the meeting with Ehrlichman, he received another $20,000 from LaRue, Kalmbach recalled. And shortly thereafter, he went to Thomas V. Jones, the chairman of the Northrop Corporation in California and a Nixon supporter, and asked for another $75,000 he said.

In his testimony before the committee, Kalmbach said he didn't tell Jones what the money was for, but Kalmbach's testimony was taken at Newport Beach, Calif.—the now-familiar Glasewick.
Kalmbach noted at the outset of his appearance before the committee that he chose to appear voluntarily and has not sought immunity from prosecution — as did Dean — in exchange for his testimony.

Kalmbach said he had been the custodian of $915,000 in surplus funds left over from the Republican campaign of 1968.

This money, he said, was turned over to the Committee for the Re-Election of the President in February, 1972.

In April, 1972, he said, shortly before he resigned as the associate finance chairman of the re-election committee, he arranged—at the request of Larry Highby, an aide to Haldeman—the transfer of $350,000 in cash from the committee to the be used "for polling purposes," presumably to enable President Nixon to commission polls independently of the re-election committee.