

AGNEW SAYS 'DAMNED LIES' TO REPORT OF KICKBACKS; DOUBTS HE'LL BE INDICTED

'NOTHING TO HIDE'

Undecided on Yielding Documents—Rules Out Resignation

By CHRISTOPHER LYDON
Special to The New York Times

WASHINGTON, Aug. 8—Vice President Agnew went on national television today to denounce as "damned lies" reports that he took kickbacks from government contractors in Maryland.

In a news conference just 40 hours after he announced he was under Federal investiga-

tion, Mr. Agnew said that he had "no expectation of being indicted" and no intention of resigning from office.

He was formally notified last Thursday, Mr. Agnew said, that he was under investigation for possible criminal violations, including bribery, extortion, tax fraud and conspiracy. He said that reports and rumors that he could be involved in any such wrongdoing were "false, scurrilous, and malicious."

Undecided on Records

On the immediate question of cooperating with the Federal prosecutor in Baltimore, Mr. Agnew said that he had not yet decided whether he would turn over the personal financial papers that have been requested or whether he would appear before a grand jury, if asked.

On such matters, he said, he will defer to expert legal opinion—including, he suggested, that of the White House lawyers who are now arguing that President Nixon would have to be impeached before he could be prosecuted on any criminal charge.

The broader impression of Mr. Agnew's half-hour appearance was in sharp, apparently self-conscious contrast with Mr. Nixon's sustained isolation from the press since the Watergate scandal broke around the White House.

After what seemed a momentary nervousness in his opening statement, delivered sternly and without notes, Mr. Agnew stood relaxed through a 31-minute exchange with about 200 reporters in the fourth-floor auditorium of the Executive Office Building, next-door to the White House. Hands thrust into his trouser pockets, he looked confident and volunteered several small jokes.

"I have nothing to hide," he

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said twice. He did not rule out more news conferences on the case.

'I'm Defending Myself'

Mr. Agnew said that he held a "far-reaching" conversation with President Nixon in a meeting of an hour and three-quarters yesterday. He said that the President had "unequivocally" affirmed his support.

He added, however, "It really isn't that important what a president says," professing not to be distressed by Mr. Nixon's public silence. "I'm not spending my time looking around to see who's supporting me. I'm defending myself."

The main thrust of Mr. Agnew's defense this afternoon was the assertion that other people under investigation, including friends and former aides in his political career in Maryland, "have found themselves in very deep trouble, and are looking to extricate and are looking to extricate themselves from this trouble" by implicating him. They are "flirting with the idea that they can obtain immunity or reduced charges, perhaps, by doing so," he suggested.

Denies 'Slush Fund'

He did not name them however, and he declined to say, in answer to a question, whether one of them might be Jerome B. Wolff, who was the head of the Maryland Roads Com-

mission in 1967 and 1968, when Mr. Agnew was Governor, and later served on the Vice President's staff.

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According to a report in the Knight newspapers yesterday, Mr. Wolff has told prosecutors that Mr. Agnew, while Governor, received \$1,000 a week from state contractors. The Knight chain also reported that \$50,000 in cash was paid to Mr. Agnew in 1970 or 1971, after he became Vice President, by Lester Matz, a consulting engineer whose firm has long held government contracts in Maryland.

Asked today if he ever had "a political slush fund financed by Baltimore County contractors," Mr. Agnew said, "never." Pressed to say whether he had ever received money from contractors or businessmen for his personal use, he replied crisply, "absolutely not."

One questioner asked Mr. Agnew whether anyone had "threatened to drag you into this unless you helped to kill the Baltimore County investigation." Mr. Agnew said he would not respond to that now, though he said no such threat had been made directly to him. "I'm not going to foreclose the possibility that such things may have happened," he added. "Neither am I going to assert at this moment that they did." He said that no one had asked him to kill the investigation.

First Heard of Rumors

Mr. Agnew said that he first heard last February about rumors of an investigation that could involve him. Early in April, he said, he retained a Washington lawyer, Judah Best, to represent him to George Beall, the United States Attorney in Baltimore, and also to assure the prosecutor that "I

would in no way attempt to impede the investigation."

Mr. Agnew said he could not remember when he told President Nixon of the inquiry, adding that "I think I discussed these matters with General [Alexander] Haig," President Nixon's new chief of staff, in April, when the investigation was still a rumor and Mr. Ag-

new had assurances that it would not involve him. He said he assumed General Haig brought the matter to Mr. Nixon's attention months ago.

He confirmed, however, that he never discussed the investigation directly with Mr. Nixon until yesterday.

In a written statement Monday evening, distributed as the first newspaper reports of the investigation were being printed, Mr. Agnew declared his confidence that "my innocence will be affirmed." He said then he would make no further comment until the investigation was over.

Denial by Prosecutor

Today, however, charging that "defamatory statements [are] being leaked to the news media," he insisted, "I cannot remain silent." He expressed particular concern that allegations were being attributed in news reports to "sources close to the Federal investigation."

Hours later, Mr. Beall and his three deputies in the prosecutor's office in Baltimore responded that they had not been the source of any public information on the case. "We have preserved and will continue to preserve the secrecy of the proceedings until such time as public disclosure can properly be made," they said.

Whatever the source of the reports, Mr. Agnew declared,

White House Comment

CAMP DAVID, Md., Aug. 8 (UPI)—President Nixon issued a statement expressing confidence in Mr. Agnew today and flew to camp David with a speechwriter to prepare his own public statement in the Watergate case.

He was expected to remain at the mountain retreat through the weekend.

A White House spokesman, Gerald L. Warren, issued a statement for Mr. Nixon saying that the fact that Mr. Agnew was under investigation by the United States Attorney's office in Baltimore was "no reason for the President to change his attitude about the Vice President, or his confidence in the Vice President."

Mr. Nixon met for almost two hours yesterday with Mr. Agnew to discuss the new developments.

Mr. Nixon was in his suite of offices in the Executive Office Building when Mr. Agnew held his news conference but, according to spokesmen, did not watch it.

Other than the statement of continued confidence, the White House has refused to comment on the allegations against Mr. Agnew.

"I have no intention to be skewered in this fashion."

Asked if he was making a blanket denial of all allegations of wrongdoing, he said, "I'm denying them outright, and I'm labeling them—and I think a person in my position at a time like this might be permitted this departure from normal language—as damned lies."

The next step in Mr. Agnew's legal defense remained unspecified and apparently unresolved—most pointedly on the question whether Mr. Agnew can claim a constitutional immunity from prosecution while in office.

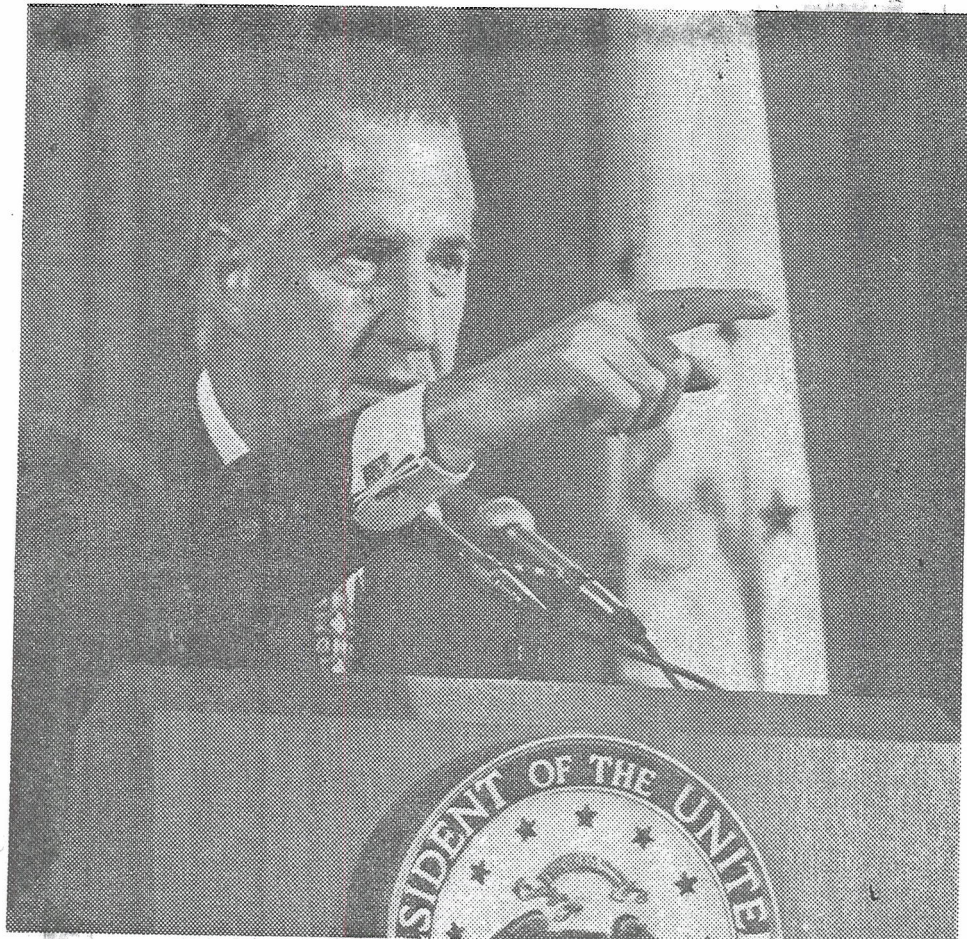
Mr. Agnew said he would be guided, though not restricted, by his own lawyers, now including members of the New York firm of Paul, Weiss, Rifkind, Wharton & Garrison, and by the White House lawyers who declared in court yesterday that a President could be subject to prosecution "only after he has been impeached, convicted and removed from office."

Referring to the White House lawyers who have been studying the issue in connection with the Watergate case, he said, "we have some of the best constitutional authorities in the country who've been looking at this question, not from the standpoint of the investigation concerning me but from a broad standpoint, for a long time. And I'd rather defer to their judgments."

He sought, at the same time, to seem more cooperative than Mr. Nixon has been with the special Watergate prosecutor and the Senate's Watergate committee.

He insisted he would make himself and his papers available "at an appropriate time, in an appropriate way." But

he added that he had not yet decided what "appropriate" meant. "I am not going to foreclose that at this time," he said.



The New York Times/George James

Vice President Agnew calling for a question yesterday at news session in Washington