

How Agnew Bartered His Office To Keep From Going to Prison

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WASHINGTON, Oct. 22—The collapse of Spiro T. Agnew's career was a negotiated decline and fall.

The dimensions of the bargaining were even broader than the public record suggested. President Nixon sent a messenger to the Vice President in early September to seek his resignation. The Vice President consented at that time, but fought to obtain a guarantee that he would not go to prison. The Attorney General encouraged the bargain because he feared that fate might elevate a felon to the Presidency.

The details behind Mr. Agnew's bartered resignation and disgrace were as fascinating as the event was stunning. They contained elements of psychological drama. They reflected clashing motives in the upper reaches of the Government.

The following dispatch was written by James M. Naughton and is based on reporting by him, John M. Crewdson, Ben A. Franklin, Christopher Lydon and Agis Salpukas.

They produced a game of legal chess in which constitutional issues were gambits and the Presidency itself was a pawn.

The drama began with a luncheon conversation late last year. It culminated 12 days ago as a result, in part, of a speech by Secretary of State Kissinger about war and peace.

And in between, over barely 10 months, were ingredients more suited to a novel than to a national trauma: A President who could not bring himself to tell his heir apparent, to his face, to quit. A Vice President inviting his own impeachment in order to threaten a President

with the same prospect. Lawyers for the nation's second-ranking official taking steps to guard against Government wiretaps of their telephones. Prosecutors discussing the mental health of the President.

The outcome became history when Mr. Agnew stood before United States District Judge Walter E. Hoffman in a Baltimore courtroom. He resigned, pleaded no contest to one charge of income tax evasion and permitted the Government to publish evidence that he had extorted bribes for a decade. In return, his plea left him technically free to proclaim his innocence of any wrongdoing and the Government settled for a sentence of three years of unsupervised probation and a \$10,000 fine.

Not until the last few days

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have central figures been willing to describe the steps that led up to that momentous result. Some of the elements are matters of dispute. Years from now, scholars may debate the

causes and consequences. But based on interviews with Mr. Agnew's defense lawyers and key officials in the Government—some of whom insisted that they not be identified—here is how the fate of a Vice President was sealed in secret:

The Investigation

It started with a casual remark, over lunch in Baltimore, late in the fall of 1972.

Robert Brown, director of the local Internal Revenue Service intelligence unit, mentioned a curious matter to George Beall, the United States Attorney. The intelligence unit had been poking into the income tax returns of Maryland officials and some of them "don't jibe," said Mr. Brown.

With equal nonchalance, Mr. Beall replied that he had heard rumors of local officials taking kickbacks from government contractors. Perhaps, the two men agreed, it was time to seek a connection between the tax returns and the rumors.

The investigation centered in suburban Baltimore County, where a Democrat, N. Dale Anderson, succeeded Mr. Agnew as the county executive in 1967. On Dec. 4, Mr. Beall had United States District Judge C. Stanley Blair—who had been Vice President Agnew's chief of staff until his appointment to the bench in 1971—impanel a Federal grand jury.

The objectives were modest. Maybe they would catch "a couple of building inspectors" on the take, Mr. Beall thought. He assigned the case to three young assistants—Barnet D. Skolnik, Russell T. Baker Jr. and Ronald S. Liebman.

Agnew Heard Rumors

In January, they subpoenaed truckloads of official records from Baltimore County. By February, the county seat, Towson, was alive with speculation about the inquiry and rumors of it reached Mr. Agnew. He was startled, but outwardly unconcerned. He had done nothing wrong in his tenure there, he confided to friends.

Then the prosecutors traced the suspicious pattern of payoffs to two contractors who had long been associates of Mr. Agnew: Jerome B. Wolff, who had served as a public works staff man to County Executive Agnew, state roads commissioner under Governor Agnew and science adviser to Vice President Agnew, and Lester Matz, a partner in a consulting firm that had had many dealings with Mr. Agnew's county and state administrations.

The two contractors were alarmed. They warned Mr. Agnew that his name would be dragged into the investigation if it were not cut short.

One account, from an Agnew associate, is that the two men approached the Vice President directly last spring but Mr. Agnew told them he had nothing to fear and would not intervene.

Agnew Reassurance

Another version—which the prosecutors in Baltimore were exploring as the basis for a possible obstruction of justice charge against Mr. Agnew—was more involved. It was that Mr. Matz and Mr. Wolff had sent their message through I. H. Hammerman, a wealthy Maryland mortgage banker who had begun an Agnew-for-President movement for his close friend with "Spiro of '76" bumper stickers. Mr. Agnew was said to have sent back a rejoinder, paraphrased by one prosecutor:

"Don't worry. It's going to be stopped. You'll be indicted, but what's an indictment? You can beat it. The prosecutors will be kicked upstairs and it will end."

Whichever version was more correct, Mr. Agnew decided in April that he had to have legal advice. He got in touch with Charles W. Colson, the former White House special counsel. It was a curious choice. Mr. Colson was himself coming under investigation by the Senate Watergate committee for his activities on behalf of Presi-

dent Nixon and had gone so far as to take a lie detector test to demonstrate that he was not involved in the Watergate burglary on June 17, 1972.

Mr. Colson met a number of times with Mr. Agnew. He also is known to have discussed the situation with the President. He asked his law partner, Judah Best, to get in touch with United States Attorney Beall.

Just before Easter, on April 19, Mr. Best went to Baltimore to declare that Mr. Agnew was concerned that "people were putting pressure on him to stop the investigation," and he wanted Mr. Beall to know that the last thing the Vice President "wanted to do in the middle of Watergate was to cover up."

As he later recalled it:

"I explained to Beall that I represented the Vice President, that the Vice President had heard these stories that he'd better stop the investigation or they'd make charges about him, and also that we'd heard rumors on the cocktail circuit about the dubious loyalties and lack of discretion of people on his[Beal's] staff."

Skolnik Pursued It

The last remark was a reference to Mr. Skolnik, the most expert of the three assistant prosecutors on corruption cases—"I have an instinct for going after public officials who take cash in envelopes," he later boasted—but a liberal Democrat who had taken a leave from the prosecutor's office to work in the unsuccessful 1972 Presidential campaign of Senator Edmund S. Muskie, Democrat of Maine.

It was Mr. Skolnik who pursued the investigation until it touched on Mr. Agnew, a point that later would lead one of the Vice President's strategists to complain that Mr. Beall, a Republican whose father had been and brother was a United States Senator, had "lost control" of the inquiry.

In April, though, Mr. Agnew had yet to be implicated. Mr. Beall told the Vice President's lawyer that there was nothing to warrant any suggestion that Mr. Agnew was involved, said that he understood the delicacy of the situation and agreed to keep Mr. Best advised of the progress of the case.

Through June, Mr. Best kept telephoning Mr. Beall every 10 days or so and getting the same report: don't worry.

They didn't. Mr. Agnew discussed with his staff the prospect of another trip abroad on behalf of the White House. He submitted to a series of interviews in which he was able to note that he alone, among the officials closest to the President, had escaped any hint of involvement in the burgeoning Watergate scandal.

3 Were Pressing

But Mr. Skolnik and his two colleagues were pressing hard with the tactic that prosecutors employ to get lesser figures to implicate higher-ups.

"The train is at the station," they would warn a potential criminal defendant. "Lots of people are getting on. Room is running out. Time is also running out. The train may leave at any moment."

On June 4, the Baltimore County administrator, William E. Fornoff, succumbed to the tactic and gave the prosecutors detailed allegations that led to a subsequent grand jury indictment of Dale Anderson. Unknown to the Vice President, however, Fornoff gave no information involving him.

But Fornoff's actions apparently threatened Mr. Wolff and Mr. Matz. On June 11, almost simultaneously, they reached the prosecutors and started talking. By the end of June, the case against Vice President Agnew had begun to take shape.

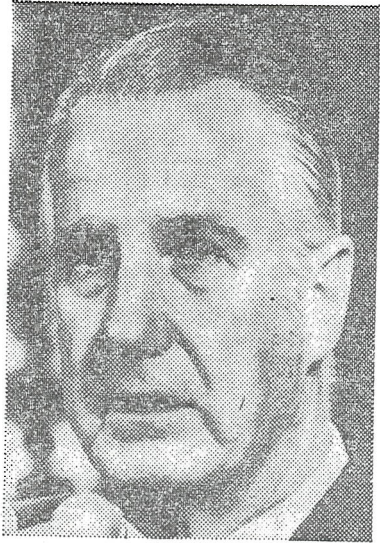
The Trail of Evidence



Lester Matz



I. H. Hammerman



Spiro T. Agnew



Jerome B. Wolff

X to Y

to Z

The Federal investigation in Maryland that began with discovery of facts about Lester Matz, partner in a consulting firm, and Jerome B. Wolff, who held both state

and Federal posts under Spiro T. Agnew, and then to I. H. Hammerman, a banker and supporter of Mr. Agnew. When Mr. Hammerman talked, X-Y-Z chain was formed.

No More Smiles

The routine call from Judah Best to George Beall, in early July did not elicit the routine assurance. Instead, the United States Attorney told Mr. Agnew's lawyer, "It would be beneficial if we didn't talk again."

To Mr. Best, the implication was clear. "All smiles ended in early July."

It was universal, among those involved. On July 3, Mr. Beall and his three assistants came to Washington to alert Attorney General Elliot L. Richardson to the important new turn in the case.

"Boy, do we have bad news for you," one of them said as they entered the office of the nation's top law enforcement official.

Richardson's Concern

They outlined the charges: For a decade, up to last December, Mr. Agnew had accepted, perhaps even solicited, cash payments from contractors in return for official favors.

Mr. Richardson listened, leaned back in his chair when the prosecutors had finished and lit up a cigar. It was the eve of Independence Day. And the Attorney General immediately cast the situation in its most broad and serious context. What was at stake, he remarked, was "the continuing capacity of the nation to govern itself."

All during the previous week, John W. Dean 3d, the

former White House legal counsel, had been testifying to the Senate Watergate committee that President Nixon was an active participant in the Watergate cover-up.

Beyond that, Mr. Richardson voiced concern—which he would repeat many times over the next three months—that Mr. Agnew was one step away from becoming President of the United States.

"The President's plane could go down tomorrow," the Attorney General kept saying. "There could be an assassin's bullet. He could die tomorrow. Here we have a Vice President under a cloud."

He told the Baltimore prosecutors to proceed. They expected, as one of them later put it, "some midnight phone calls" to order that they direct the investigation away from the Vice President. The calls never came.

Much later, after Mr. Agnew had resigned, an associate attributed Mr. Agnew's denouement to the turmoil that Watergate had stirred in the Nixon Administration.

"It it hadn't been for Watergate," he said, "this whole thing would have been manageable. We wouldn't have had Richardson in the Justice Department, for one thing. I sure as hell would rather have dealt with Kleindienst"—former Attorney General Richard G. Kleindienst.

The point was not that Mr.

Kleindienst might have been induced to cover up the case. It was that he might have understood better than Mr. Richardson—a Boston Brahmin whose politics had never depended upon others' wealth—how Mr. Agnew could rationalize a political life-style in which secret gifts from others were considered necessary for survival.

From the outset of the case against him through his televised explanation of his resignation last Monday, Mr. Agnew insisted that he was innocent of any wrongdoing, that he had never violated a public trust in return for political contributions.

For Mr. Agnew, it was all essential to survival, a basic platform from which he could continue to pursue higher office. Having entered big time politics without benefit of wealth, he felt constant pressure to live up to the standards of his wealthier peers.

He accepted groceries from a

supermarket executive. His restaurant tabs were picked up by Mr. Hammerman. He used funds given to him when he was Governor to stock a wine cellar. When he traveled as Vice President to Palm Springs, Calif., everything was paid for him there by Frank Sinatra or Bob Hope. Early this year he moved into a \$190,000 home with a \$610,000 mortgage—and could not afford new draperies.

As one of his closest associates stated it, Mr. Agnew felt that "you can't go to [political] rallies if you don't have shoes, and gasoline in the car."

But as the Agnew supporters suspected, Attorney General Richardson took the view—as did the prosecutors in Maryland—that what the Vice President was accused of was illegal and immoral.

"How can he stay in office?" Mr. Richardson asked colleagues in one Justice Department meeting. "I couldn't do it."

From X to Y to Z

On the last day of July, George Beall telephoned Judah Best and asked him to come to Baltimore. Mr. Best asked if he could do so in a few days, but the United States Attorney said, "You'd better make it tomorrow."

When Mr. Best entered Mr. Beall's office the next day, Aug. 1, the three other prosecutors already were there. Mr. Beall asked: "Do you want to sit with your back to the wall?"

"If it's all the same to you," Mr. Best answered, "I'd rather sit by the window."

Mr. Beall handed him a letter advising Mr. Best that the Vice President was under investigation for possible violations of the Federal criminal code and internal revenue statutes. Mr. Best read it, folded it up and, without a word, left the office.

He drove back to Washington and made arrangements through Mr. Colson to see the Vice President, who was then in New York, the next day. Then another partner, David I. Shapiro, telephoned to the New York law firm of Paul, Weiss, Rifkind, Garrison & Wharton to ask Jay H. Topkis, a specialist in tax fraud cases, to join in the defense.

"We've got a very high government official we'd like you to defend," Mr. Shapiro said.

There was a pause at his end of the telephone conversation and then he told Mr. Topkis, "Well, no, not quite the highest."

Mr. Topkis agreed and added Martin London of the New York firm to the defense team. From that point on, in many telephone conversations about defense strategy, the lawyers referred to the Vice President only as "the client" and spoke in what they later described as a "highly elliptical" manner. They suspected that the Government would tap their phones.

The three principal defense lawyers—Messrs. Best, Topkis and London—had their first meeting with Mr. Agnew on the morning of Aug. 6, in the Vice President's suite in the Executive Office Building.

The meeting lasted all day. In the afternoon, Mr. Agnew's telephone rang. He picked it up, then announced: "It's Richardson. He's coming over."

The Attorney General joined them and recited the case as it then stood. It consisted of allegations by Mr. Matz and Mr. Wolff and by Allen Green, the principal in a large engineering company, that they had funneled thousands of dollars to Mr. Agnew on a regular basis in exchange for favors.

"That's a pack of lies, all nonsense," Mr. Agnew said.

He told the Attorney General: "These people certainly received government contracts but the receipt of contracts was never influenced by campaign contributions. I've never abused my public trust. Contractors may have made contributions, but I haven't taken any money."

He looked across his huge mahogany desk and told the Attorney General:

"I am not going to take this fall."

His lawyers implored Mr. Richardson to send someone from the Justice Department to Baltimore to weigh the allegations. They suggested that Mr. Beall's "Young Turks" had eagerly lapped up stories concocted by the accusers to ward off prosecution by a Republican Administration.

The Attorney General had already decided on a review of the case. At 5 P.M. that same day, he called Henry E. Petersen, the Assistant Attorney General in charge of the Criminal Division, to his office. Mr. Petersen knew nothing of the Agnew case. It was his first day back from vacation and he was concentrating on testimony he would give the next day to the Senate Watergate Committee.

"You're going to be sorry you came back from vacation," Mr. Richardson told him.

Mr. Petersen went to Baltimore, reviewed the accumulated evidence and quickly decided that it was genuine. To bolster his judgment, he had the principal witnesses undergo lie detector examinations. On the "critical issues involved," he reported, the tests were "sufficient to give us confidence that there was not deliberate misstatement."

Among those who underwent the lie detector test was Mr. Agnew's close friend, who had pledged to raise several million dollars for a 1976 Presidential bid—Bud Hammerman. He was the last of the four central witnesses against Mr. Agnew to give evidence to the prosecutors, and the most important.

One of the prosecutors outlined the case this way:

"Let's say we've got money flowing from X to Y to Z. Before Hammerman, we had a lot of X's talking. The problem with that is that they take the stand and say, 'Yes, we gave money to Y and we believe it went to Z.' If you get Y to take the stand it's devastating."

In August, Y agreed to take the stand if necessary and implicate Z.

Purgatory

The messages had been coming with some regularity from Mr. Hammerman. Mr. Agnew would answer the phone and an intermediary would say, "We may be in trouble."

Then came the day in August when there was a final, shocking message: "You may be in big trouble."

There were no more cryptic calls after that, and the vice president knew what that meant: even Mr. Hammerman had turned on him. But he set out to win vindication. The process was complicated by the suddenness with which the case against him had become an open fight, in full view of the public. Before it would end,

he would describe it as a "purgatory."

The same day that Mr. Richardson outlined to Mr. Agnew the government's evidence against him, the vice president learned that someone had already outlined part of it to Jerry Landauer of The Wall Street Journal.

With the aid of the lawyers, he prepared a brief statement acknowledging that he was being investigated and proclaiming innocence of any violations of law.

On Aug. 8, Mr. Agnew conducted a news conference at which he called the charges against him "damned lies," pledged cooperation with the

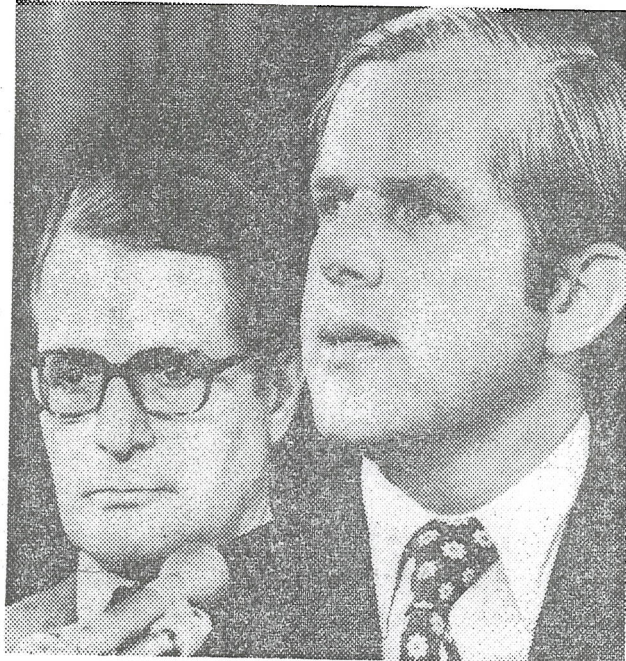
prosecutors and said he had "absolutely nothing to hide."

It was the first step in an intricate campaign to place pressure on the President and, through him, on the Department of Justice.

As one official knowledgeable about Mr. Agnew's strategy deliberations characterized it, the news conference was intended to draw a sharp contrast between a cooperative Vice President and a President who was withholding Watergate tapes from the Senate and Government investigators. Second, it was intended to "use the press, in the classic sense, to

specials of the United States Government met in private they were uncomfortable with one another. Cordial, yes. Respectful, always, but never fully candid. When the Agnew scandal became a public property it was doubly so. Mr. Nixon at first gave periodic and seemingly begrudged expressions of public confidence in Mr. Agnew. Later he began volunteering the statement that no improprieties had been cited—while Mr. Agnew was Vice President—a qualification that later proved to be erroneous.

The White House kept insisting, after each of a series of



United Press International

George Beall, right, U.S. Attorney in Maryland, and Elliot L. Richardson, who has since resigned as Attorney General, discussing the Agnew case in Washington on Oct. 11, the day after Mr. Agnew stepped down.

counter the other side's use of the press" through leaks of evidence against the Vice President. Finally, it was meant to be a warning to the President: "We're going to fight; we're not going to be pushed around."

Mr. Nixon and Mr. Agnew never became close personally. When the two senior offi-

private meetings between the President and Vice President, that no requests had been made by Mr. Nixon for the resignation of the man he twice had picked for his heir apparent.

Most Washington skeptics automatically disbelieved it. Curiously enough, it was true, strictly speaking.

No Deal

The President discussed the criminal case with the Vice President on Sept. 1. He reportedly wanted Mr. Agnew to resign, but recoiled from the task of making a direct appeal.

Instead, he sent an agent to see the Vice President some time during the first few days of September. An Agnew associate said that it was Bryce N. Harlow, a gentle but politically streetwise counselor to the President who had developed a close relationship with Mr. Agnew during the 1970 campaign but was closest of all to Mr. Nixon.

Mr. Harlow described the severity of the charges against Mr. Agnew. He suggested that a resignation might be best, "for the good of the country." And he alluded to an understanding in the White House that the consequences for Mr. Agnew should be made minimal in return for an act of patriotism.

From the outset, Mr. Agnew expressed interest in the proposal but would stand and fight if any such proposal involved the risk of imprisonment. It was, said one of the half-dozen people with whom he consulted about the overture, "very, very important to him, the most important thing of all that he not go to prison." He continued to profess his innocence, but he understood that resignation would be taken as a token of guilt and a presumption of guilt might well be a prelude to conviction and jail.

On Sept. 14, Mr. Agnew asked his closest confidant in the Senate, Barry Goldwater of Arizona, to meet with him. He told the Senator, whose support for him had rallied other American conservatives, that he was seriously weighing a Presidential request for his resignation.

Mr. Goldwater told the Vice President that was fine if he were guilty. If not—as Mr. Agnew assured him—then he should fight it to the end.

Later that morning, Senator Goldwater telephoned Mr. Harlow and was harshly critical of the request and the pressure it represented. The Senator then flew to his home in Phoenix.

To the Senator's surprise,

Mr. Harlow arrived by jet in Phoenix not long afterwards, accompanied by J. Fred Buzhardt Jr., the president's special counsel on Watergate. The purpose of their journey was to dissuade the senator from continuing to support Mr. Agnew.

Resented Publicity

For an hour, the two Presidential assistants outlined the evidence, but Mr. Goldwater told them it contained nothing he had not already seen in the newspapers, a fact he resented nearly as much as Mr. Agnew for its prejudicial impact on the Vice President's defense. In his customary blunt style, Mr. Goldwater said that he did not care if Mr. Agnew was "as guilty as John Dillinger"—what mattered was that he was not getting fair treatment from the Department of Justice.

But Mr. Agnew was already secretly beginning to try to make a satisfactory bargain with Justice. Each side withheld from the opposite a private fear that prosecution could be disastrous: the Government lawyers because they thought it inevitable that one or more jurors would shrink from convicting a Vice President, Mr. Agnew's attorneys because they were uncertain that jurors would accept a contention that their client had abided by a code of ethics, however questionable, that was standard in Maryland politics.

Buzhardt Was Broker

Each side had a fundamental demand that was to imperil the negotiations. Mr. Agnew would not go to prison; the Baltimore prosecutors insisted that he should. The Government had to be able to avoid cover-up charges by publishing the core of its evidence; Mr. Agnew's lawyers wanted some opportunity to insist on his innocence and thus salvage some dignity.

Mr. Buzhardt played the role of broker to get the two sides to the bargaining table. Who, instructed him to do so remains unclear, but to Assistant Attorney General Petersen, "it was clear where he was from. It was clear that the quicker it could be resolved the better the President would like it."

But Mr. Buzhardt made no suggestions. He didn't have to. When the two sets of lawyers met the first time on Sept. 13, Judah Best made a startling proposal.

"My line was," he later reminisced, "I want an end of this, an end of the investigation. And his resignation is part of it. Let's cut a deal. A nolo plea [nolo contendere, or no contest, the legal equivalent of a plea of guilt without the admission to a one-count] information. No jail term. And he'll resign. And I want to save this man's honor to the extent I can."

Henry Petersen was "dumfounded." He had encountered nothing like it in 25 years at the Justice Department. "When a guy comes in and wants to plead before indictment, you've got him whipped," he said. "That's extraordinary in itself."

But the senior law enforcement officials wrangled for five days over whether to accept. The arguments were ferocious. Mr. Richardson sat at the head of a large conference table with five aides and the four Baltimore prosecutors shouting at one another.

Mr. Skolnik in particular de-

manded stern retribution, a prison term. Others argued about the impact of a deal on the public image of a Justice Department already soiled by Watergate. Everyone worried about the political implications; the effect on legal institutions from a Vice President copping a plea vs. the damage to the nation and the Republican party from a bitter and long public prosecution.

The Attorney General refrained, for the most part, but periodically he would chime in with the same insistent theme: Mr. Agnew must not become President. Mr. Nixon had been hospitalized with viral pneumonia in July. And, a colleague of Mr. Richardson's said, the Attorney General "was very worried about Nixon—he might be impeached, assassinated, he was not in the best psychological condition."

On Wednesday, Sept. 22, it leaked into print that plea bargaining was under way. Mr. Best denied it; Justice Waffled.

And Mr. Agnew called it off. "No," he told his lawyers, "it's impossible. We're negotiating in a posture where I'm plea bargaining. I'm innocent, and the public perception must be that I'm innocent."

Pressure

On Sept. 23, the Vice President set up a legal defense fund. On Sept. 25, he urged the House of Representatives to conduct a full, public inquiry that would give him an opportunity to vindicate himself. On Sept. 26, House Speaker Carl Albert shelved the request. On Sept. 27, the Baltimore prosecutors began presenting evidence against Mr. Agnew to the grand jury. On Sept. 28, Mr. Agnew's lawyers filed suit in the Federal courts to block the grand jury action, contending that the Constitution forbade the indictment of a Vice President and that news leaks had irreparably damaged the prospect of a fair trial.

Bid to House

On Sept. 29, the Vice President vowed in a Los Angeles speech not to resign even if indicted and accused the Justice Department of trying to "destroy" his career. On Oct. 3, Judge Hoffman granted Mr. Agnew unparalleled authority to subpoena prosecutors and journalists to find the sources of news leaks. On Oct. 5, the Justice Department asserted in a legal memorandum that a President could not be indicted but a Vice President could.

It occurred with such breathtaking rapidity and mounting intensity that the nation seemed confronted with not merely another, but a whole series of new legal, constitutional and political crises. The cascade of developments was, in fact, the public product of a strategy to strengthen Mr. Agnew's hand at the secret bargaining table or, failing there, to build a foundation for a long-drawn-out effort in the courts.

The bid for a House inquiry

—an open invitation to impeachment—was the most excruciating of the pressure tactics. It was designed to pose a risk to a besieged President that the derelict constitutional machinery of impeachment would be overhauled for an Agnew case and, oiled, humming and ready to perform, be available for use against Mr. Nixon himself.

The legal argument that Mr. Agnew could not be indicted in office contained a threat of a Supreme Court ruling that might also set a precedent for the Presidency.

The legal and oratorical charges that the Justice Department was systematically leaking damning accusations against Mr. Agnew were meant to generate public support for his role as an underdog and thus put more heat on the prosecutors.

An admirer once credited Mr. Agnew with an uncanny ability to compartmentalize his activities, erecting watertight barriers that kept some of his closest associates from knowledge of what equally close aides were doing on his behalf.

Only three other persons were aware of Mr. Agnew's strategy of escalating pressure. They were Arthur J. Sohmer, the Vice President's administrative assistant; Major General John M. Dunn, his military aide; and Mary Ellen Warner, Mr. Agnew's confidential secretary.

The message, later summarized by a marveling admirer of the strategy, was basic:

"We need help. Wanted help. Demanded help."

The White House got the message.

The Bargain

Within days of Mr. Agnew's Sept. 29 attack in Los Angeles against the Justice Department and his vow to stand and fight, a channel of communication that none of the participants would specify but one called "bizarre" fed a response to Mr. Agnew from the White House: resume the bargaining and this time it will work.

J. Marsh Thomson, the Vice President's spokesman, was advising newsmen that Mr. Agnew would deliver another stern rebuke to the prosecutors on Oct. 4 at a Republican party banquet in Chicago. But a day earlier, Mr. Thomson was suddenly ordered to make himself totally unavailable to news outlets. The speech turned out to be unfettered praise of the President, with only a cryptic reference to the Baltimore investigation.

"A candle is only so long and eventually it goes out," the Vice President told a mystified Chicago audience.

The next day, Mr. Agnew told Mr. Best, "I think they're ready to negotiate."

Once again the broker was Mr. Buzhardt and it was implicit for whom he was acting. As Mr. Petersen stated it, "The President would be a blithering idiot if he weren't trying to exert some role in this thing. It's his administration! He had both a political interest and a constitutional interest in getting a resolution of the situation."

Settled on Wording

Late on Friday, Oct. 5, Mr. Best caught a plane to Miami to meet with Mr. Buzhardt, who was at nearby Key Biscayne with the President's entourage. From midnight until 3 A.M. Saturday, in Mr. Best's room at the Marriott Hotel, they settled on the wording of a statement in which Mr. Agnew would acknowledge evading income taxes in 1967, and they reached an "ironclad agreement" that the Vice President could see the summary of the evidence against him before it was published.

"The key," Mr. Best said, "was Agnew's capacity to deny it."

But the question of punishment still had to be settled, and that would mean involving a Federal judge in the private negotiations.

On Columbus Day, Oct. 8, Judge Hoffman met from 5 to 7 P.M. in the Old Colony Motel, across the Potomac River from the capital in Alexandria, Va., with three representatives from each side: Messrs. Petersen,

Beall and Skolnik for the Government and Messrs. Topkis, London and Best for the Vice President. The tentative agreement was outlined, but Mr. Agnew's lawyers wanted a decision on the sentence they could expect, and Judge Hoffman refused to make any commitment without a recommendation from the Attorney General's office.

Couldn't Agree on Penalty

Mr. Petersen said he could not give a recommendation, and the meeting broke up with resolution still eluding the negotiators.

The Government could not agree on the punishment it wished to exact. The argument broke out again and it became apparent, in the words of one source, that they would have to "trample on Skolnik" to get his support for a recommendation of leniency.

At 8:45 that night, Mr. Petersen was driving home from the office. On his car radio he heard part of a speech by Secretary of State Kissinger to Pacem in Terris, a conference on the search for world peace.

"A presumed monopoly on truth obstructs negotiation and accommodation," Mr. Kissinger was saying. "Good results may be given up in the quest for ever-elusive ideal solutions." Policy makers, he said moments later, must understand "the crucial importance of timing. Opportunities cannot be hoarded; once past, they are usually irretrievable."

The next morning, Mr. Petersen had his secretary type copies of two pertinent pages from Mr. Kissinger's text. The Assistant Attorney General gave them to the Baltimore prosecutors and told Mr. Skolnik, "We can bring him [Mr. Agnew] to his knees. There's no doubt about that. The question is, should we?"

Disgrace, he said, would be sufficient without sending the Vice President to prison.

Later that day, Oct. 9, the negotiations resumed before Judge Hoffman. This time, however, they were at the Justice Department. Attorney General Richardson was present and he was prepared to recommend against a prison sentence.

"It is my understanding," Mr. Richardson told the judge, "that for you to give a guarantee you need an affirmative recommendation from me. Judge, if it's a must, you've got it."

"If I've got it, okay. I will commit myself," Judge Hoffman replied.

It was a bargain.