

Trial Begins for Mitchell, Stans

New York

Despite their renewed protest, former Attorney General John N. Mitchell and ex-Commerce Secretary Maurice H. Stans went on trial yesterday, accused of exerting corrupt influence in exchange for a secret \$200,000 contribution to President Nixon's re-election campaign.

Mitchell, 60, and Stans, 65, are charged with accepting an under-the-table cash donation from fugitive financier Robert Vesco with the understanding they would

try to sidetrack a Securities and Exchange Commission investigation of his financial empire.

In pretrial motions, the defense frequently had argued before U.S. District Judge Lee P. Gagliardi that a fair trial was impossible in New York. Defense lawyers cited the widespread publicity engendered not only by the Vesco case but also by the Watergate scandal in Washington, where both Mitchell and Stans have been interrogated.

"The prejudicial and massive publicity in this case has continued right up to the present time," a Stans attorney, John Diuguid, argued in renewing a motion to dismiss the case, move the trial out of New York or delay the proceedings indefinitely.

Diuguid quoted Senator Sam J. Ervin Jr., (Dem-N.C.), chairman of the Senate committee investigating Watergate, as saying the committee's hearings were called off so as not to prejudice the trial.

The attorney saw this as an implication to jurors here that the defendants faced in-

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volvement in the Watergate affair.

The defense attorney said there are indications that more Watergate indictments will be coming down in Washington as soon as the jury here is selected and sequestered, indicating Diuguid expects either Mitchell or Stans or both to be among the targets.

Diuguid also cited special Watergate prosecutor Leon Jaworski's public endorsement of John W. Dean III as a reliable witness in the Watergate affair. Dean is scheduled as a key government witness here against Mitchell and Stans.

Dean was fired as White House counsel in the aftermath of the June 18, 1972, break-in of Democratic national headquarters in the Watergate housing and office complex.

Gagliardi told Diuguid that he would handle this motion as he had its predecessors — putting to test whether a fair jury could be selected by examining prospective members of the panel.

The first 80 prospective jurors subsequently were brought into Gagliardi's courtroom for questioning.

"United States of America versus John Mitchell and Maurice Stans," intoned a court officer, and the first case of its kind in half a century of American history came to trial.

Not since the Teapot Dome scandal of 1923 have any former Cabinet officers faced a criminal indictment.

Mitchell, dressed in a brown suit, sat in a reclining chair, flanked by two of his four attorneys.

Stans, dressed in a blue suit, sat at a separate defense table with four lawyers of his own.

Vesco, 37, is a defendant in the case, but fled the country and never answered the indictment. Attempts to extradite him from Costa Rica proved fruitless.

The SEC launched an investigation of Vesco's international corporate domain on March 8, 1971. The following March 8, it was alleged, he offered Stans a six-figure contribution for the Nixon re-election campaign in return for the aid of Stans and Mitchell in sidetracking the SEC.

A payoff of \$200,000 in cash eventually was agreed to and was made on April 10, 1972, according to the in-

dictment. Within five hours, the government charged, contact had been made in Vesco's behalf with SEC officials.

Under mounting pressure from Vesco, according to the indictment, Mitchell and Stans sought repeatedly to rein in the SEC. But the agency persisted and in November, 1972, Vesco was hit with a civil suit charging him with defrauding his stockholders of \$224 million. About two months later, Mitchell and Stans returned his \$200,000 campaign contribution.

The trial recessed for the night before any actual just selection got underway. Instead, some three hours were devoted to eliminating prospects who said it would be an undue hardship to be sequestered for four or five weeks. The trial is expected to last.

Because of the publicity expected, Gagliardi said he will isolate the jury once it is selected. The members will eat together, live in an hotel, receive family visitors only under supervision and



AP Wirephoto

EX-ATTORNEY GENERAL JOHN MITCHELL
He arrived at court in New York yesterday