

## Ehrlichman Talked of 'Quid Pro Quo' Over Vesco Gift, Transcript Shows

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NEW YORK — The White House transcript of President Nixon's conversations with adviser John D. Ehrlichman on April 14, 1973, adds a surprising footnote to the acquittal a week ago of John N. Mitchell and Maurice H. Stans.

The 10-week trial of the two former Cabinet officers, on obstruction-of-justice and perjury charges, might have gone differently if the prosecutors had known how Mr. Ehrlichman described the Robert L. Vesco affair that day. But the White House withheld the tape recording from them.

Mr. Ehrlichman told the President that Mr. Vesco had asked former Commerce Secretary Stans, who headed the President's 1972 campaign fund raising, for a "quid pro quo" in return for a \$200,000 campaign donation in April 1972. The "quid" Mr. Vesco got was a date with former Attorney General Mitchell, who headed the Nixon campaign, Mr. Ehrlichman said, because Mr. Vesco feared the Justice Department was after him for a securities-law violation.

It's equally true that the verdict mightn't have been affected at all by earlier disclosure of this 1973 briefing, despite Mr. Ehrlichman's damning version of the expected indictment. Mr. Ehrlichman didn't identify his sources for the story. The actual indictment of May 10, 1973, alleged Mr. Vesco sought to influence the Securities and Exchange Commission, rather than the Justice Department, through Mr. Stans and Mr. Mitchell.

At their trial, Mr. Mitchell and Mr. Stans denied they did anything in return for Mr. Vesco's \$200,000 campaign gift. They swore it was kept secret legally and only because Mr. Vesco wanted it that way, rather than because they had anything improper to hide.

But the most significant fact about the April 14 transcript is that the federal prosecutors couldn't pursue the striking questions raised by Mr. Ehrlichman's briefing, because they didn't know about it.

Until last Friday, the U.S. Attorney's Office here believed the White House had complied last winter with its pretrial request, stemming from defense subpoenas, to turn over to the judge hearing the Mitchell-Stans case a copy of every recorded White House discussion in which the Vesco matter came up.

The White House in response supplied tapes relating to four days—Feb. 28, March 13, March 20, and March 21, 1973. But it never mentioned the April 14 presidential briefing by Mr. Ehrlichman.

On Friday, after newspapers had published the April 14 transcript, The Wall Street Journal called John R. Wing, the 37-year-old Assistant U.S. Attorney who led the unsuccessful prosecution of Mr. Mitchell and Mr. Stans. A reporter asked for comment on Mr. Ehrlichman's 1973 report on the grand-jury investigation.

"(Expletive Deleted)"

"(Expletive deleted)!" Mr. Wing replied. "I didn't know anything about it." He said he had been clearing off his desk to prepare for a vacation and hadn't gone through the transcripts.

Later, after reading the published ac-

count and conferring with his colleagues, Mr. Wing said, "We had requested from the White House everything pertaining to Vesco, including, specifically, anything relating to Ehrlichman. But we hadn't any knowledge of this one (the April 14 tape) until you called me." (At the trial, there were reports of contacts between Mr. Vesco and his associates and Mr. Ehrlichman.)

However, Mr. Wing agreed the matter is academic. "They've got the verdict," he said. On April 28, Mr. Mitchell and Mr. Stans were found innocent of one count of conspiracy, two counts of obstruction of justice and six counts each of perjury before the grand jury.

Would knowledge of the briefing have made any difference in trying the case? "I can't give any opinion on that," Mr. Wing said. "If we'd known about it, we would have followed up and asked certain people questions. The part about a meeting with (Mr.) Mitchell wasn't brought out at the trial. Of course, we don't know who (Mr.) Ehrlichman's source was, but if it was anyone who appeared as a witness at the trial, we certainly would have gone into it."

Walter J. Bonner, Mr. Stans' trial attorney, said yesterday that defense attorneys weren't aware of the April 14, 1973, briefing either.

White House officials couldn't immediately be reached for comment on why the

tape of the briefing was withheld from the trial.

That briefing, according to the transcript, went like this:

President: Tell me. Can I spend a minute? That's the thing that I wanted to know. I knew about the New York grand jury. What in essence is that? Vesco—

Ehrlichman: It's a, it's a runaway grand jury.

P: Yeah.

E: It started out as an SEC action against Vesco for violations of the securities act. They then bumped into this two-hundred-and-some-thousand-dollar donation to the campaign.

P: Right.

E: They have been on that.

P: Right.

E: Since. And they've had Stans up, and they've had Mitchell in, and they're working on the question of whether or not Vesco procured an appointment with the Attorney General of the United States in consideration of a \$200,000 campaign contribution.

P: Oh, my God. And Harry Sears charges that? (Mr. Sears headed the 1972 Nixon campaign in New Jersey and also, as Mr. Vesco's attorney, was his emissary to Mr. Mitchell and Mr. Stans. Indicted for conspiracy with Mr. Mitchell, Mr. Stans and Mr. Vesco, Mr. Sears testified for the government under a court order of immunity from prosecution.)

E: Violation of Section 201. Now they have a witness, who was sitting in the room with Vesco and Stans.

P: Yeah.

E: Vesco came in and said, "Mr. Stans, how does a guy get to be a big contributor around here?" And Stans said, "Well, the word 'big' means \$200,000." And Vesco

said, "Cash or check?" And Maury says, "Either one." And he—

P: This was after my poor brother was up there? (At the trial, Edward Nixon testified he later was asked by a friend and Vesco associate to query Mr. Stans again on whether the gift should be in cash or by check. Edward Nixon said Mr. Stans told him it didn't matter.)

E: I'm not sure. I don't know, before or after. I just don't know. But in any event, he (Vesco) said, "Well, how does one work out a quid pro quo?" And Maury said, "Well, what's your problem?" And he said, "Well, I'm afraid the Justice Department is after me on an SEC violation." And Maury said, in effect, "I don't know what I can do about that. Let's see." Vesco then got a phone call, allegedly, from John Mitchell. Now, that's enough to indict.

P: It is?

E: They tell me it is. Because Vesco, as a result of the phone call, got an appointment.

P: (Unintelligible) My God, that's dumb. You know what I mean. I can imagine all those (unintelligible) in here trying to get—

E: Now that may not be enough to convict, but it's enough to indict.

### Assessment Was Right

Mr. Ehrlichman's assessment proved to be accurate.

Of the four White House tapes turned over to Federal Judge Lee P. Gagliardi before the Mitchell-Stans trial, the judge permitted references at the trial to three. All concerned conversations between John W. Dean III, former special counsel to the President, and the President.

Mr. Dean, an admitted Watergate cover-up conspirator, was an unindicted co-conspirator in the Mitchell-Stans case and a key prosecution witness. His testimony failed to sway the jury in the face of the defendants' assertions that he lied. Defense attorneys introduced the first references to the tapes in cross-examining Mr. Dean, who once was known as "Mitchell's man in the White House."

On March 20, 1973, Mr. Dean testified, Mr. Mitchell reported he had just had "a hell of a grilling" by "a runaway grand jury" in New York, and Mr. Dean repeated that to the President later the same day. Mr. Mitchell testified he was treated with extreme courtesy by the prosecutors and grand jury and denied making the statements attributed to him by Mr. Dean. But the April 14 transcript shows the "runaway" label was still being attached to the proceeding.

Mr. Vesco is a fugitive with homes in Costa Rica and the Bahamas, where he has escaped extradition. He fled before being indicted with Mr. Mitchell and Mr. Stans, but after the SEC, in a November 1972 civil suit, accused him of directing the looting of \$224 million from four foreign mutual funds managed by I.O.S. Ltd.