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# Oil Tycoon Donated \$225,000 to Jackson

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Oil tycoon Leon Hess, after concealing \$135,000 in contributions to former President Nixon's re-election drive by funneling the money through a certified public accountant, sent \$225,000 through the same kind of conduits to the 1972 campaign of Sen. Henry M. Jackson (D-Wash.) for the Democratic presidential nomination.

Hess' contributions to the Jackson drive—about one-fifth of the \$1.1 million, collected—were disclosed by his campaign aides in a report requested by the Senate Watergate committee, which has made them public. The oilman's contributions to the Finance Committee to Re-elect the President were revealed by The Washington Post Nov. 25.

Hess contributed to both candidates before April 7, 1972, when an election-financing disclosure law took effect. But he made the Nixon contributions after he apparently had concluded—correctly—that Sen. George McGovern (D-S.D.) was destined to head the Democratic ticket.

Jackson's presidential campaign treasurer said Hess had told him that he would much prefer Mr. Nixon in the White House because he did not think McGovern "qualified to be President."

The former aide, Stanley D. Golub, in a telephone interview in Seattle, pointed out that Hess donated \$160,000 to Jackson in August, 1971, and \$65,000 in March, 1972. But it was not until three days before the disclosure law became effective that the contributions to Mr. Nixon were recorded.

The accountant, Isidore (Irving) Warshauer of New York City, had been, until his death in July, 1973, the long-time personal accountant of Hess, chairman and chief executive of Amerada Hess Corp.

The CPA and his wife, Dora, were listed for \$9,000 each. But, The Washington Post's investigation showed, Warshauer apparently channeled contributions of \$9,000 each through 13 other friends, relatives and even the widow of a client, Mrs. Julius Tuvin. "I never gave any money to anybody for President," she told a reporter in November. "I have barely enough to live on." And, she said, she had written no checks.

The money seemed clearly to be Hess'. None of those to whom the gifts were listed claimed they had given their own funds. Although Hess declined to comment, his personal lawyer, Roger B. Oresman, did not disclaim

Hess as the source, while emphasizing that none of the money had come from the corporate treasury.

In addition to the \$135,000 routed through conduits, Hess and four other Amerada Hess officials together were listed for \$115,000 on April 4, 1972, and for \$20,000 after the disclosure law took effect.

At least in the case of the contributions routed through Warshauer and his associates, there was no clear explanation why Hess had used such a roundabout technique, except for possible benefits under the gift-tax regulations.

In Seattle, former treasurer Golub said his impression from conversations with Hess was that the executive used circuitous contributing to help protect confidentiality, although that had seemed assured in any event.

Golub also speculated that gift-tax considerations may have been involved, noting that many of the checks

Hess had delivered were in exempt amounts—up to \$3,000 per person (\$6,000 per married couple) to each of a multiplicity of committees. However, two checks to a single Jackson committee were in the amount of \$25,000 each.

The Internal Revenue Service is known to be looking at the Hess contributions, the Washington Star-News has reported. Hess' lawyer Oresman was unavailable, but associates in his law firm, Milbank, Tweed, Hadley and McCloy, had no comment.

Golub said that he had been assured by Jackson's legal advisers that Hess' method of contributing was legal. He also said it had not occurred to him that there could be gift-tax complications.

Moreover, Golub said, he had made it "extremely clear" to Hess that there could be "no quid pro quo." The treasurer said that Hess "asked for nothing and got nothing."

Jackson and Rep. Wilbur D. Mills (D-Ark.) were the only candidates for the Democratic presidential nomination who had made no public disclosure of pre-April 7 contributors.

Golub said the senator in good faith had pledged confidentiality to some of his pre-April 7 donors and chose to heed the pledge even if the result was that unfair inferences might be drawn.

Golub also said that voluntary disclosures made by Sens. Hubert H. Humphrey

(D-Minn.) and Edmund S. Muskie (D-Maine) in the presidential contest had been "partial" and therefore worse than no disclosures at all.

The Jackson financial report to the Senate Watergate committee was praised by its chairman, Sen. Sam J. Ervin Jr. (D-N.C.), as the most complete made by a 1972 presidential aspirant, Jackson aides said. Golub said Jackson was meticulously honest, to the point of having him carefully screen all offerings to be sure that none had originated in corporate treasuries.

A \$10,000 cash contribution from Claude Wilde, then a vice president of Gulf Oil, turned out to have been given illegally from corporate funds. Golub said that Wilde had insisted the money was his own, and that the company since has expressed regret that the true situation had not been made clear.

Other major pre-April 7 contributors listed by Jackson:

Dwayne O. Andreas, Minneapolis soybean magnate, \$25,000 in cash. He had, during the same period, been Senator Humphrey's biggest contributor and had given the Nixon drive \$25,000.

Meshulam Riklis, head of the conglomerate Rapid-American Corp., \$100,000. During the pre-April 7 period he gave the same sum to Humphrey. Afterward, he gave Mr. Nixon \$200,000.

Walter R. Davis, Midland, Tex., oil operator, \$50,000 in cash.

The following Nixon contributors: J. Peter Grace, New York chemical executive, \$10,000 in cash; Milledge A. Hart III, president of a Dallas electronic data services firm controlled by H. Ross Perot, \$10,000; Justin Dart, Los Angeles, head of the Rexall drug store enterprise, \$5,000.

Also, Charles E. Smith, Washington developer, \$5,000; former Treasury Secretary C. Douglas Dillon, \$2,000; J. Peter Grace, New York chemical executive \$10,000 in cash.