

Nixon Offered Fund to

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President Nixon offered a secret \$200,000-to-\$300,000 cash fund to H. R. (Bob) Haldeman and John D. Ehrlichman before they left the White House to help them defend themselves in the Watergate scandal.

According to new evidence made public yesterday at the Watergate cover-up trial, Nixon told his top aides that it would be "no strain" to supply the money since "it doesn't come outta me."

Watergate prosecutors charged that

Nixon's offer was part of the cover-up, even though Haldeman and Ehrlichman did not accept it.

"They all understood they were protecting each other and it was in this context that the offer was made," Assistant Watergate Special Prosecutor Richard Ben-Veniste maintained.

Haldeman, who was on the witness stand, and Ehrlichman, speaking through his lawyer, both hotly denied the accusation. Haldeman suggested that the offer was simply a humanitarian gesture on Nixon's part and pro-

tested the "highly unsavory connotation" given it by the prosecution.

Citing excerpts of White House tapes that have not yet been played in the courtroom, prosecutor Ben-Veniste emphasized that Haldeman declined the funds at one point because it "compounds the problem."

"What problem was it compounding?" Ben-Veniste demanded, alluding to the hundreds of thousands of dollars that had already been paid to the Watergate burglars. "The problem of all that money being paid to the defendants over the previous year

Haldeman, Ehrlichman

"No, sir," Haldeman declared. "That is totally untrue."

According to the unverified prosecution transcripts of the taped conversations in question, Nixon offered the cash to his two closest advisers first at a meeting on April 17, 1973, and then again eight days later. He said that Haldeman and Ehrlichman might need the money for attorneys' fees and family support.

The President indicated at the April 17 meeting that cash was available from a fund maintained by his close friend, C. G. (Bebe) Rebozo. Nixon's syntax was not entirely clear, but from

a literal reading of his words, it appeared that the money was to be used for special favors to steady political contributors.

"I didn't, I never intended to use the money at all," the President told Haldeman and Ehrlichman. "As a matter of fact, I told B-B-Bebe, uh, basically be sure that people like, uh—who, who have contributed money over the contributing years, are, uh, favored and so forth in general. And he's used it for the purpose of getting things out, paid for in check and all that sort of thing."

At the subsequent meeting on April

25, 1973, by contrast, Nixon spoke of tapping as much as \$200,000 that he said had already been set aside for the upcoming 1974 elections. It was not clear whether this was the same fund he said Rebozo maintained.

The prosecution's transcript of the first meeting on April 17—the day that Haldeman and Ehrlichman both hired the same lawyer, John J. Wilson, to represent them—shows this exchange:

Nixon: "Let me ask you this, uh (Pause). Legal fees will be substantial . . . But there is a way we

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can get it to you, and uh—two or three hundred thousand dollars . . . Now let me tell you now. I know the problems with families and all the rest. Just let me handle it. Now how could we do it?"

Ehrlichman: "Let's, let's wait and see if it's necessary," apparently alluding to an appointment with Wilson that he and Haldeman had just made. "This guy is like he's doing a public service coming over here right now and he'd probably be . . ."

Nixon: "Let me say, it would be investigations, legal, that will lead—you will find that you, you have to do it in cash."

Ehrlichman: "Yeah."

Nixon: "That you got a civic, you got a government duty. (Unintelligible) important thing."

Haldeman: (Unintelligible)

Nixon: (Unintelligible — stuttering) "No strain. Doesn't come outta me. I didn't, I never intended to use the money at all. As a matter of fact, I told B-B Bebe, uh, basically be sure that people like uh—who, who have contributed money over the years are, uh, favored, and so forth in general. And he's used it for the purpose of getting things out, paid for in checks and all that sort of thing."

After Ben-Veniste had read that all out to the jurors, Judge John J. Sirica asked him what it had to do with the issues at the trial. The prosecutor replied that Nixon, Haldeman and Ehrlichman had all been talking about what their strategy should be in the face of a new spate of Watergate investigations.

"This offer of money shows they were all in it together," Ben-Veniste charged.

Under cross-examination for the third day in a row, Haldeman insisted there was a much more innocent expla-

nation. He said Nixon already knew that former White House Counsel John W. Dean III had supplied government prosecutors with "information which would be embarrassing to Ehrlichman and me if it came up," the President, in turn, suggested that Haldeman and Ehrlichman get a lawyer.

"He's anticipating legal fees and problems we're going to have," Haldeman said of the April 17 conversation. "Mr. Ehrlichman and I," he added, "did not accept that offer of help. We did not take advantage of it in any way."

Ehrlichman's chief lawyer, William S. Frates, agreed and loudly protested Ben-Veniste's bringing the issue up.

"We are not trying the former President of the United States," Frates complained.

"That's been settled," Sirica replied.

Frates charged that Ben-Veniste was doing it anyway. "I object to it," he said.

Chief Prosecutor James F. Neal pointed out that the cover-up indictment alleges a criminal conspiracy with Nixon named as an undicted co-conspirator. Neal said there was no question that the President's statements in the presence of the defendants Haldeman and Ehrlichman were admissible.

Picking up the questioning again, Ben-Veniste turned to the April 25 meeting when Nixon again offered cash to his aides. Again quoting from a government transcript of an unplayed tape, the 31-year-old prosecutor cited this exchange:

Nixon: "Let me ask you this, to be quite candid. Is there any way you could use cash?"

Ehrlichman: "I don't think so."

Haldeman: "I don't think so."

Nixon: "As I said, there's a few, not much (unintelligible) as much I

think as 200 there's available in '74 campaign already."

Haldeman: "That compounds the problem. That really does."

Nixon: "That's what I think. Okay. I'd just like you to know that."

Prosecutor Ben-Veniste contended that Haldeman's talk of compounding the problem was a clear reference to the payments that had already been made to the original Watergate defendants out of a combination of 1972 Nixon campaign funds and secretly raised donations. He also maintained this was the real reason for Haldeman's rejecting the offer.

Haldeman denied it, declaring that he had first told the President "in effect, that I didn't want the money."

The day was laced with disclosures from still other White House tapes that Watergate prosecutors subpoenaed for the trial but chose not to play during the presentation of their case.

One of them, again according to the prosecution's transcripts, showed that Nixon spoke with Haldeman, even after the White House chief of staff had finally left the administration, about how to "pre-empt" John Dean's expected account of an incriminating March 21, 1973, meeting with the President.

According to the new transcript, Nixon called Haldeman on the night of June 4, 1973, and said that "if we could pre-empt that one, we've got him right by the balls."

Haldeman acknowledged that he had spent some time at the Executive Office Building earlier on June 4, reviewing his White House files and papers concerning the Watergate affair. Nixon spent hours that same day reviewing some of his still-secret tapes.

The President then called Haldeman, apparently at his home, at 10:21 that night for a short, one-minute conversation.

"Sorry to bother you again," Nixon told him according to the transcript read in court, "but the one thing which, of course, is a sticky point, is with regard to the 21st and if you'd give some thought with regard to how you could pre-empt that sometime, uh, I think it would be very good. . . I don't know how the hell you can, but uh. . ."

Haldeman: "I think we can somehow, and I think. . ."

"Somehow just put it out, you know?" the President interrupted.

"I had a couple of ideas on that," Haldeman continued, indicating that he had spent some time on the problem that very day. "I don't have the notes here that I wrote out today, that, uh, . . . sounded pretty good when I wrote them out and I was gonna look at them again tomorrow."

Prosecutor Ben-Veniste read that far and paused, observing that Nixon then used "some unsavory language" which he spared the jurors from hearing.

When Haldeman denied that he and Nixon had been speaking of "discrediting" Dean or doing anything but "getting the facts out," however, the prosecutor asked him to read the President's final remarks. Haldeman announced that he would, with one deletion, and quoted Nixon as saying: "Fine, well, we just, uh, if we could pre-empt that one, we've got him. . ."

"In a very uncomfortable position?" Ben-Veniste added, drawing a loud burst of laughter in the courtroom.

"I'll accept that," Haldeman said with a broad grin.

Dean had told Nixon at the crucial March 21 meeting of Watergate spy E. Howard Hunt Jr.'s latest "blackmail" threat and estimated that it could take as much as \$1 million to satisfy the continuing demands of the original Watergate defendants.

The President had replied by saying that it would be "no problem" to raise \$1 million. Of Hunt's immediate

demands for money, he had declared, "We've got to keep the cap on the bottle that much at least."

Warned the next month that he might have committed a crime, Nixon told Haldeman on April 25, 1973, to review the secret tape of the March 21 meeting and report back to him. The former White House chief of staff did, jotting down 20 pages of notes and quotes that he read out to the President at length on the afternoon of April 25.

Haldeman then coached Nixon on the line he might take. He suggested the President could say he was simply drawing Dean out, trying to find out what was going on. Nixon replied at one point that "it's not a good story," and ended the meeting in a troubled voice.

"I just wonder if the son-of-bitch had a tape recorder on him," the President said to Dean. Although the tape of that conversation was played at the trial last month, Haldeman steadily denied yesterday that he or Nixon had been contemplating telling anything but the truth. He also denied sharing Nixon's fears that Dean might have been packing his own tape recorder.

At that, Ben-Veniste served up extracts of still another new tape, involving a 17-minute telephone conversation between Nixon and Haldeman on the evening of April 25. ". . . I was just thinking a little bit more about the impeachment thing," the President observed. ". . . I don't see the Senate or any senator starting an impeachment of the President based on the word of John Dean. . . That's all it is, you know and, ah, I mean, John Dean says that this and that and the other happened."

Haldeman said he saw it the same way. ". . . There's no way he (Dean) can support it. I mean there's no way to make a case," the White House aide assured Nixon. "Still his word unless he's got a tape recording," Haldeman said, and then repeated, "Still his

word unless he has a tape recording."

Nixon: "Mhmm."

Haldeman: "And even with the tape recording, I think you could make the case the other way."

Other portions of the same phone conversation, which were not read at the trial yesterday, showed Nixon calling Dean "an evil man. . . a desperate man" who "may wanna bring the President down, too."

". . . We just gotta stand Goddamn firm today, tomorrow, Friday, the weekend, you know what I mean," the President continued. He said he recognized that "whatever John Dean knows is gonna come out, Bob."

"That's right. That's right," Haldeman repeated.

Ironically, Nixon consoled himself about the tapes that finally led to his downfall. ". . . I always wondered about that taping equipment," he told Haldeman, who had just reviewed the March 21 recording, "But I'm damn glad we have it, aren't you?"

Haldeman: "Yessir, I think it's, it's just one thing I went through today, it was very helpful."

Nixon: "Yes. It's helpful because while it has some things in there that, ah we prefer we wouldn't have said, but, on the other hand, we also have some things in there that we know we, that I've said that weren't that were pretty good, I mean."

Haldeman: "That's right."

The President then began quoting himself from the March 21 meeting, observing that he had said such things as "This is wrong," and ah, 'blackmail,' and 'how much is this gonna cost' and so forth and so on.

"Then, on the other hand," Nixon added, "I said well, 'let's ah, we could get that, but how would you handle it.' But that, of course, those are all leading questions. . ."

". . . If it all gets, if that comes out," Haldeman answered, "it's another hard thing to explain, but I think it's explainable."