

Gulf Ex-Slush Fund Chief on His Own

By Jules Witcover

Washington Post Staff Writer

Claude C. Wild Jr., the former Gulf Oil Corp. vice president charged by the Securities and Exchange Commission with funneling \$10.3 million in illegal corporate contributions to politicians from 1960 to 1973, is on his own now.

Having resigned a year ago as head of Gulf's big Washington office after acknowledging he had delivered \$135,000 in Gulf cash to three presidential campaigns in 1972, Wild describes himself as a private

consultant. But he is not very anxious to talk about his new work as he sits in a near-barren downtown office with a single secretary.

His major client since last August has been the Gulf Oil Corp., for whom, he and Gulf say, he is providing "emergency" advice on tax and other legislation vital to the corporation's interests.

A shareholders' suit forced his resignation. It was stipulated that he could be re-employed by Gulf only in an "emergency." Those who brought the suit the Project on Corporate Re-

sponsibility, have demanded an explanation from Gulf.

Gulf spokesmen here and at the firm's Pittsburgh headquarters, as well as Wild himself, will not say how much he is being paid. Wild said he has "a couple of other clients in the same area of interest," but he declines to identify them.

Wild has steadfastly held that in the \$10.3 million donation of Gulf corporate funds in violation of federal law, he was the only responsible executive who knew about the slush fund and who drew from it and par-

celed money out to federal candidates.

He and other Gulf executives have said the fund was established by a Gulf official, since deceased, and hidden in a Bahamas subsidiary before any of them joined the firm, and Wild has testified he alone was authorized to draw from it without needing clearance from anyone.

With the SEC complaint pending against him and moving toward trial, Wild is unwilling to discuss any aspect of the case. But as one

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of the last of the big-time givers—a new campaign finance law continues to outlaw corporate giving and limits individual contributions to any candidate to \$1,000—Wild is taking his medicine and not complaining.

Is it unfair that he is the only former or current Gulf executive singled out in the SEC case?

"I don't consider what's fair and what's not fair," he said in a slow, even-tempered voice that suggests he has come to terms with the matter. "I had a responsibility to look after the interests of my client, the corporation, and I obviously thought I had the discretion and the power to do some things I'm not pleased about. But I did them.

"I don't rejoice having my name in the newspapers," said Wild, a stocky, bald man who could pass for a tight-lipped sheriff in a sleepy Texas town. "I think the press generally has given more play and emphasis to those, not only myself, who have been involved on the giving end, rather than the recipients.

"I don't think it's been stressed enough the pressures put on businessmen in Washington or anyone else, on the politicians themselves for funds to run their campaigns. I don't think enough has been said about how two-sided it is. One pressure begets another pressure."

Wild said much the same thing about the arm-twisting aspects of corporate giving when he testified before the Senate Watergate Committee of Nov. 14, 1973.

But one lawyer familiar with the record said Wild did not require much, if any, arm-twisting, but was "a nymphomaniac giver."

Whatever Wild's personal attitude about corporate giving, that is all behind him and he's trying to make the best of a shattered career. Having been in Washington for 25 years representing major oil interests, he is not about to pull up stakes and go back to Texas.

"After all, I spent half my life here," he said. "I know something about the ways government works, the interrelationship between



CLAUDE C. WILD JR.
 ... "I don't rejoice"

business and government workers, and that should be a salable commodity. I'm not one who's going to run and hide someplace."

Claude Wild's trouble started in July, 1973. A campaign contributions suit by Common Cause shook loose a list of nearly 500 contributors to the 1972 Nixon re-election campaign compiled and held by Rose Mary Woods, Nixon's personal secretary.

A special task force within the Watergate special prosecutor's office seized upon the list. The investigators dubbed it "Rosemary's Baby," and pored over it for telltale signs of hanky-panky.

They looked for such potential signals as large gifts by individuals tied to large corporations whose jobs and wealth did not seem likely to support such generosity, wealth did not seem likely to support such generosity, and who made the payments in cash.

Among the first that caught the eye of Thomas McBride, head of the task force and his associates was one that read: "Employees of Gulf Oil Corp.; Mr. and Mrs. Claude C. Wild Jr., \$100,000; 73." The "73," the prosecutor's office quickly determined, meant "cash."

"That one jumped out at us probably more than any other," said one of the investigators.

The further fact that Wild was Washington-based, with a wide knowledge of politi-

cians and bureaucrats, a former area and club golf champion at Burning Tree, further pointed to him as a subject for intensive investigation.

By this time, however, Wild already had every reason to believe that the prosecutor's office would be calling on him. Around July 1, as the investigators zestfully sifted through Miss Woods' list, a representative of American Airlines walked through the door and told all.

The surrender startled the investigators. They immediately recognized that by offering some leniency, and by exploiting the knowledge among contributors that they had "Rosemary's Baby," they might well induce many others to come forward.

The office determined that in each case it would be necessary that criminal charges be brought, and that the corporate officer chiefly responsible be charged, for the sake of deterring illegal corporate giving. But within those requirements, it was decided some incentives could be given.

The corporation and chief violator could be charged with a misdemeanor, rather than a felony; by charging only one official, others in the corporate structure might be persuaded to talk.

And so, on July 5, 1973, the special prosecutor's office issued a press release on American Airlines' voluntary confession, announcing at the same time that others who came in on their own would receive consideration.

Before the task force could move against Gulf, Cloyd C. Millot, counsel for Gulf in Pittsburgh, walked into McBride's office, nervous and penitent. He volunteered that the \$100,000 on Miss Woods' list was an illegal corporation contribution.

Wild was called in and he disclosed how he was approached by Lee Nunn of the Committee for the Re-election of the President in early 1972 and asked to contribute \$100,000.

Wild said he visited then Attorney General John N. Mitchell at the Justice Department to verify that such a committee had been

formed and that Nunn was involved with it. Satisfied, he phoned William Viglia, controller of the Bahamas Exploration Company, Ltd., a wholly owned Gulf subsidiary (since dissolved), and asked him to send him \$50,000, which he turned over to Nunn. A year later Wild said, Nunn hit him up for the remaining \$50,000 and the Bahamas "Bank" was tapped again.

The investigators immediately began hammering at Wild and other Gulf brass on one key point: Who had set up this political slush fund, and who had authorized Wild to draw from it? Wild's repeated answer was that the fund existed when he went to Gulf and he acted on his own authority. The other executives concurred.

Because the task force had already decided to charge only the chiefly responsible corporate officer, the matter was not pursued further. Viglia was not called in to testify.

But Wild's admissions, like those of scores of other executives of other corporations lured in by the offer of leniency, not only made the case, but gave various federal agencies a strong starting point for exploring other federal violations.

Early on, McBride's office conferred and cooperated with investigative counterparts at the SEC, at the Internal Revenue Service and at the Civil Aeronautics Board, which later brought an additional action against American Airlines and Braniff Airlines as well.

The McBride task force was authorized to explore contributions going back only five years, within the statute of limitations. But the SEC went beyond that, and finally pieced together Gulf's \$10.3 million figure over 13 years, by far the largest amount of corporate giving yet disclosed. Once officials had talked to the special prosecutor's office, they could not refuse to cooperate in the agencies' investigations.

The special prosecutor set as the prime goal public disclosure in order to deter future violations, and most convicted firms and individuals got off with small fines. Gulf was assessed a \$5,000

fine—peanuts for the corporate giant—and Wild \$1,000.

But Gulf must now settle with the SEC, which the corporation has agreed to do, and Wild, who has not signed a consent decree, faces trial.

Also, in the shareholders' suit brought against Gulf and Wild, Wild was obliged to resign and promise to pay back \$25,000 to the corporation. Another shareholder, William Shlensky of Chicago, is suing Wild, seven other current or former Gulf executives and Gulf's auditor, Price Waterhouse and Co., for \$20 million on the ground they "wasted corporate funds for illegal purposes."

Beyond that, there is the matter of tax liability. IRS investigators have been working within the special prosecutor's office almost from the beginning, and no promise of immunity has been given in this area.

Why have some corporations contributed so much money illegally in the past?

In the opinion of one veteran investigator, really sophisticated organizations usually haven't. They simply "encourage" their executives to give individually, which is legal, the same way the AFL-CIO's Committee on Political Education (COPE) encourages labor union members to give.

"Those who used corpo-

rate funds," this investigator says, "were either fools or were carried along in a long-time tradition."

The McBride task force, after hundreds of investigations, has concluded most of its work involving corporations but is still examining the roles of a number of key individuals in giving or receiving corporate funds.

These include C. G. (Bebe) Rebozo, close friend of Richard Nixon; Armand Hammer, chairman of Occidental Petroleum Corp., and Democratic National chairman Robert S. Strauss. To date, the task force has achieved 28 convictions or guilty pleas from individuals and 20 from corporations.

UPI (SFEx 6 Apr 75)
says statute of
limitations is
ends 3 Apr 75