

Report on 'Sale' of Diplomatic Post

Washington

Ruth L. Farkas, the American ambassador to Luxemburg, told the Watergate grand jury last spring that she won her diplomatic post in a direct and explicit exchange for a \$300,000 contribution to the Nixon re-election campaign of 1972, according to a source close to the Farkas family in New York.

But, the source said, Mrs. Farkas is hoping to save herself from indictment by charging that Louise C. Wyman, the Republican claimant to New Hampshire's contested Senate seat, "Tricked" and "seduced" her and her husband into the deal.

Wyman denied the accusation yesterday in a telephone interview from Wolfeboro, N.H., where he awaits further Senate deliberation on the outcome of his 1974 Senate race against John A. Durkin, a Democrat.

A source friendly to the Farkas and familiar with their testimony said yesterday that they had told the grand jury last April of a meeting with Wyman at the

Palm Beach Country Club in the last days of 1971.

As the source recounted the Palm Beach story, George Farkas, the millionaire founder of Alexander's department store in New York, told Wyman that he wanted an embassy for his wife — preferably in Europe and ideally in Luxemburg.

Wyman allegedly responded that such a post would cost \$300,000, to which Farkas replied, "Done."

According to the same Farkas source, the agreement and the price were confirmed by Maurice H. Stans then the chief fundraiser for the Nixon campaign, at a meeting with Mrs. Farkas and Wyman in Washington in late March, 1972.

Stans' lawyer, Robert W. Barker, said yesterday that Stans acknowledged that meeting in grand jury testimony "several months ago." But he said that Stans said "his recollection is there was no discussion of an ambassadorship" at that time.

Subsequently, according to the Farkas source after the State Department and the

government of Luxemburg had given preliminary clearance to her appointment, Mrs. Farkas began writing substantial checks to different Nixon campaign committees.

She was formally nominated by President Nixon in February, 1973, and confirmed by the Senate after a short investigation into the circumstances that most of her \$300,000 contribution was delivered to the Nixon campaign after the election was over.

In her most recent grand jury testimony, Mrs. Farkas is said to have recanted her sworn statement to the Senate Foreign Relations Committee in March, 1973, that her contribution "had absolutely nothing to do with whether I was getting an ambassadorship or not."

They are contending now, the source said that legal culpability, if any, falls on Wyman, not on the Farkases. "They feel they were cajoled, exhorted or tricked into this," the source said.

"They felt they had guidance from someone, who ought to know the law, that this was legal. It turns out he was wrong."

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