

The Agnew Bunch—how

BALTIMORE (AP) — Most of the principal witnesses against Spiro T. Agnew have managed to stay out of prison, but they've been in court and hot water in the 3 years since Agnew resigned and pleaded no contest to a tax charge.

Only one of the four main witnesses who said they participated with the former vice president in a kickback scheme actually went to prison.

And he—engineer Allen I. Green—was released on parole after serving the minimum onethird of a 12-month sentence.

Another—developer and mortgage banker I.H. "Bud" Hammerman—won reversal of his conviction and 18-month sentence. The U.S. attorney's office has the option of prosecuting the Hammerman case again, but has shown little inclination of doing so.

Criminal charges were never filed against two of the four—engineers—Jerome B. Wolff and Lester Matz—and court observers say it's increasingly unlikely that they will be charged.

The two were offered, and rejected, a chance to plead guilty to a misdemeanor tax violation in December 1973.

The name of another close Agnew associate—Annapolis banker J. Walter Jones—was frequently connected with the Agnew case. The government prepared its charges against the former vice president without benefit of the banker's testimony.

Jones was later charged as part of the continuing federal probe of Maryland political corruption. Prosecutors alleged during another trial that he was an Agnew bagman, although Jones—like the former vice president—repeatedly professed his innocence.

Efforts to reach the four cooperating witnesses and Jones for their reactions to the effect of the Agnew case on their lives were unsuccessful.

The Agnew case brought the practice of plea bargaining to public attention.

Prosecution of the cases arising from the federal probe of Maryland political corruption also prompted questions of whether plea bargaining and the use of lower-level participants in corruption cases to testify against higher officials is inherently unfair.

Lawyers for Agnew's successor as Baltimore County executive—Dale Anderson—asked during a hearing on his release from prison why Anderson and others convicted as a result of the probe should be imprisoned while their accusers—who admitted participating in kickback schemes—go free.

(The members of the Agnew bunch who talked to prosecutors faced a variety of possible charges ranging from tax violations to—on the part of at least one—bribery of a federal official.)

Barnet Skolnik, an assistant U.S. attorney who worked with the probe, responded to the Anderson lawyers: "You can't prosecute 'everybody' because there are no witnesses against 'everybody.'"

He said political corruption cases such as those made against Agnew and Anderson "are dependant on collaboration by those who have first hand knowledge." He added that in the Anderson case, "Most of those who testified did so only under grants of immunity."

George Beall, who was U.S. attorney for Maryland when the probe started in January 1973 and through the Agnew and Anderson phases, spoke to the same subject during the sentencing of Hammerman and Green.

"Most crimes have innocent victims and innocent witnesses with relevant knowledge who are perfectly willing to provide truthful testimony to the government," Beall said.

"But cases of white-collar crime and political corruption, almost by definition, have as 'victims' only the general public and can rarely be proven through the testimony of innocent witnesses," the prosecutor added.

But while Hammerman, Matz, Wolff and Jones have managed to stay out of prison, they've faced a number of other difficulties. None of them has the position of power and respect he once enjoyed, but Hammerman, Matz, Childs and Jones are thought to be wealthy.

Jones has resigned as chairman of his Annapolis bank, but he still serves on its board of directors. A secretary at his Baltimore office said he wouldn't want to discuss the effects of the Agnew case on his own life.

Green and Matz have sold their engineering firms, which once faced state blacklists because of their activities. Associates say Matz is living in virtual retirement.

Wolff resigned as vice president of the J.E. Greiner Co., and as head of its Greiner Environmental Sciences subsidiary. The head of the State Roads Commission during the Agnew administration, Wolff is said to be handling occasional engineering-related jobs.

Wolff was disbarred although he never practiced law.

Hammerman still heads the Hammerman Organization, but it doesn't seem to figure publically as often as it once did in major land development deals.

Matz and Wolff were expelled from the American Society of Civil Engineers and its state subsidiary in August 1974. Both sought to resign, but the society's board of directors held they couldn't while under disciplinary investigation.

A panel of three U.S. District Court judges sentenced Hammerman and Green on Nov. 25, 1974. Each was fined \$5,000. Green was given a one-year prison sentence and Hammerman was given an 18-month term for his guilty plea to a tax charge.

Beall argued in court against imprisoning Hammerman and Green. He said he was stunned at the judges' rejecting his recommendation.

Green went to prison for four months,

but Hammerman appealed. In October 1975, the 4th U.S. Circuit Court of Appeals threw out the mortgage banker's sentence.

The appeals court was apparently convinced that Hammerman had been misled by prosecutors into pleading guilty in return for what the defendant thought was the signal that he wouldn't be imprisoned.

The decision put prosecutors on notice that they cannot give prospective cooperating conspirators firm assurances that a judge will accept recommendations against imprisonment.

The next move in the Hammerman case is up to the U.S. attorney's office. The prosecutors have not shown any inclination to decide quickly whether to retry the case—assuming Hammerman changes his guilty plea—drop the case or take another approach.

The three engineers—Wolff, Matz and Green—also figured in the phase of the political corruption investigation that led to the indictment of former Anne Arundel County Executive Joseph Alton.

In talking to reporters before his indictment and conviction, Alton admitted taking a white envelope containing \$500 to \$1,000 from Wolff on two occasions. The former executive told the engineer he would use the money for campaign expenses.

Alton also admitted steering county contracts to Wolff, Green and Matz.

The government's 40-page exposition of evidence against Agnew sketched the four witnesses' participation in the kickback scheme, drawing on their own affidavits.

Agnew, in turn, denied the charges in the evidentiary, including a \$10,000 payment from Matz which the evidentiary described in detail and as having taken place in the vice presidential office.

According to the report, Agnew, Hammerman and Wolff, then the state roads chairman, set up a system to divide cash kickbacks from engineering projects soon after Agnew became governor.

The governor got 50 per cent and the others each got a quarter of the kickbacks from seven engineering firms which approached by Hammerman, according to the exposition.

they fared with the law

The report said Agnew asked Green personally for kickbacks.

The president of the engineering firm said he paid the governor \$2,000 to \$3,000 six to nine times a year during his administration in Annapolis. Green said the payments dropped to \$2,000 three or four times annually after Agnew became vice president.

Matz, a principle in Matz, Childs and Associates, began his payments while Agnew was county executive, according to the summary of evidence.

According to the summary, Matz paid Agnew about 5 per cent of the value of public engineering contracts. Matz estimated that he paid \$35,000 to Agnew while he was governor and vice president.

In his testimony at the sentencing of Green and Hammerman, Beall said the exposition of evidence against Agnew was compiled without their knowledge that it was being prepared for public release. He said their lawyers were informed of the summary two hours before it was released to the public.

"That same afternoon, months before they had been led to believe anything would occur, the sky fell in on Messrs. Hammerman and Green," Beall said. "Since that day in October 1973, they have, nevertheless, continued to cooperate in every way."

The U.S. attorney noted that Agnew had twice called the cooperating witnesses against him "liars" and "small men willing to do anything to save their own skin" while speaking on national television.

Speaking of Green and Hammerman—and by implication of Matz and Wolff—Beall said:

"On the basis of my personal knowledge of the two men and of the factors that motivated them, I believe it is fair to state that their motivations included feelings of guilt and anguish at what they themselves had done, and of concern that the man with whom they had engaged in illegal activity was but one step removed from the presidency of the United States."