

Ramparts Publisher Ousted in Fight With Editors

By MARTIN ARNOLD

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SAN FRANCISCO, April 27 — Edward M. Keating, the founder and major shareholder in Ramparts magazine, has been ousted as president and publisher in a bitter struggle for control of the controversial publication.

He has given the magazine corporation until the close of business tomorrow either to pay back \$215,000 he says it owes him or else face court action.

"I put \$360,000 into the magazine and they threw me out like an old shoe," the 42-year-old lawyer and real estate developer said today. "That's the history of Ramparts — when people are no longer financially important, out they go."

Mr. Keating was removed at a tense, but calm, meeting of the board of directors last night in the Ramparts office. It is next to a night club featuring topless entertainers, one of whom dances all night in a small glass cage 10 feet above the street.

Air of 'Calm Insanity'

The meeting was described as "calm insanity" by one participant. Another said, "It was like the McCarthy hearings. He [Mr. Keating] kept saying, 'Point of order, Mr. Chairman,' and things like that."

The vote was 13 to 1 for the publisher's removal, with Mr. Keating voting against it.

Despite the bitterness of the struggle, there were indications today from Mr. Keating's advisers that an attempt would be made to avoid a law suit.

Ramparts has attacked American institutions ranging from the Central Intelligence Agency to James Cardinal McIntyre of Los Angeles.

It was started as a liberal Roman Catholic publication in 1962 by Mr. Keating, a man of inherited wealth, who was a devout Catholic.

In the words of its editor, Warren Hinckle, 3d, the magazine, now a slickly produced monthly on glossy paper, has become dedicated to "intellectual muckracking." The current circulation, based on the March issue, is 228,730.

The magazine now loses an estimated total of \$30,000 a month, but this is less than half of what it was losing one year ago. And Mr. Hinckle believes that if the publication can weather the next nine months it will start to break even.

Mr. Keating's major complaint against the magazine corporation, he said, is its "fiscal irre-



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Edward M. Keating

sponsibility — the instability of the company to practice budgetary controls."

The magazine has a financial committee, headed by Richard Russell of West Hartford, Conn., a businessman. He is an unpaid adviser.

Mr. Keating says he would be partly satisfied if the magazine would adhere to Mr. Russell's budgetary program.

When told that Mr. Russell was supporting Mr. Hinckle in the power struggle, Mr. Keating said, "Hinckle is only giving lip service to Russell's ideas."

The struggle to control Ramparts actually goes back 18 months and involves more than the magazine's business practices.

Keating Out of Cash

By March, 1965, Mr. Keating had simply run out of money. He had put all his cash into the magazine, but was willing to sell stock in a shopping center he owned to keep the magazine going another five or six months. Ramparts' circulation was then about 20,000.

Mr. Keating had tried his hand at fund-raising and had not been too successful. One man he had approached was Hugh Hefner, publisher of Playboy.

"We tried to see him in Chicago. But he was always sleeping or swimming in his pool," Robert Scheer, Ramparts' 31-year-old managing editor said. "Finally Ed [Keating] got in

to see him, but he never gave us a yes or no."

Mr. Hinckle, the 28-year-old editor and associate publisher, said that he and Mr. Scheer would try to raise the needed capital, but that they wanted to control the magazine's editorial policies.

There was dissatisfaction among the editors with projects that Mr. Keating was suggesting. One involved sending a man to Louisiana to dig up a story on an alleged slave camp.

"Keating outfitted this guy with a hollow shoe with a compass in it and a saw blade," one Ramparts employe said.

"The compass was to find his way out of the slave camp. The fellow had never been a reporter and had never written anything. These were the kinds of projects Keating kept bothering us with," he said.

Another project involved the Knights of Columbus. Mr. Scheer said that Mr. Keating believed the organization was "in a plot to take over the country."

At any rate, according to the magazine's current management, Ramparts was being put out on a financial shoestring and was "wasting money on the sex crazy projects."

Then, Mr. Keating allowed Mr. Hinckle and Mr. Scheer a free hand in running the magazine. Between them, they raised funds from a number of sources, notably Frederick C. Mitchell, then a graduate student at the Berkeley campus of the University of California and now an assistant professor of history at the University of Kansas.

Loan of \$100,000

A man of inherited wealth, Professor Mitchell purchased \$200,000 worth of Ramparts' stocks. About four months ago he lent the corporation \$100,000. After Mr. Keating, who owns 42 per cent of the magazine's shares, he is the largest stockholder.

The third largest stockholder is Louis Honig, president of a San Francisco advertising firm, who has invested \$100,000. Another substantial stockholder is Irving Lauchks of Santa Barbara, Calif., 85, a retired inventor, who purchased \$50,000 worth of stock in the hope that Ramparts would be able to help him in his campaign to stop the Vietnam war.

The Ramparts editors believe that a "generation gap" between them and Mr. Keating is the real cause of the crisis.

Last Saturday, Mr. Keating called the magazine's chief fi-

ancial adviser, Mr. Russell, and said he wanted to fly East with three Ramparts' business employes and discuss Mr. Hinckle's "fiscal irresponsibility." There was no dispute on ideological grounds, he said, only on business matters.

Mr. Russell immediately notified Mr. Hinckle, who said the publisher was trying to sow dissension.

Mr. Russell told Mr. Keating not to bother to come East. Last Sunday Mr. Hinckle and Mr. Keating tried to resolve their differences and could not.

Mr. Keating suggested that the editorial and business departments be divided and that he resolve disputes between them. Mr. Hinckle rejected this, saying it would give the business side control of the magazine.

On Monday, three business employes, one of whom had been hired by Mr. Hinckle, were fired. "They were plotting against the magazine and we couldn't allow that," the editor said.

Mr. Hinckle said that since he and the editors took over the fund-raising they had got about \$1-million.

In March, Ramparts had a subscription circulation of 101,825 and a newstand circulation of 126,905. The magazine's projections are that within nine months to a year it can raise its subscriptions to about 200,000.

If so, Mr. Hinckle said, it will start to break even. To do this, however, the magazine will have to raise an additional \$250,000 "to carry us until the break-even point," he said.

National Republican Women Elect Mrs. Finger President

Mrs. John Welchel Finger of 960 Park Avenue was elected president of the Women's National Republican Club yesterday. The club's headquarters is at 3 West 51st Street, here.

Mrs. Finger, who has been a member of the 46-year-old group for 32 years, succeeds Mrs. Elizabeth E. Iglehart. Vice presidents elected were Mrs. Herbert Brownell, wife of the former Attorney General; Mrs. John Davis Lodge, wife of the former Ambassador to Spain; Mrs. William E. Chisholm, Mrs. Oliver M. Presbry and Mrs. Andrew M. McBurney.

Selected as honorary board members were Mrs. Dwight D. Eisenhower and Mrs. Richard M. Nixon.