# McCloy Scores U.S. for Failing to Act Un Politicians Accepting Illegal Funds

Needs Modification Says Curb on Gifts

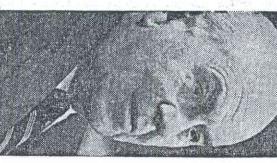
## By MICHAEL C. JENSEN

conducted an investigation into the Gulf Oil Corpora-McCloy, a prominent New York lawyer who recently contributions from corpora-States Government to tion's illegal political activtions is unfair and hypocrithave received illegal political American The failure of the United according to John 10 politicians even condemn pros-

has been taken against the recipients. Most of the polcontributions, prosecuted for making such illegal sources. know the money came from argued that they identified as accepting corles and executives have been While dozens of compancontributions who little have did action have

## Statement Challenged

behind barns and in men's over surreptitiously in motels tion, especially since there was in cash, and were handed corporate contributions were evidence that did not accept that explanadowntown Manhattan that he terview in his law office Mr. McCloy said in an insome of the



John J. McCloy

able to become the President of the United States?" can hold themselves out as who are offenders in terms sealed envelopes," he said you're talking about cash in funds' doesn't wash when "Why is it that the people know these were corporate corporate money received "The statement 'I didn't

Mr. McCloy said it was "Just as improper" for politicians to accept illegal corporate money as it was for

> Calls Policy Unfair and Hypocritical

standard here. It's the hypocrisy that bothers me."
While Mr. McCloy did not companies to give it. "We've heard nothing from the Senate about purifying itself," he said. "There's a double

cians, he suggested that the legal prohibition against such defend the practice of Amerigifts in the United States perhaps ought to be modifunneling money to corporations secretly politi-

### Matter of Policy

cians or political parties. give funds to support politifor companies to

fect to restrictions, isn't bet-ter and wiser than ours." law allowing corporate con-tributions, Mr. McCloy said, should consider whether the lows such contributions, Canadian system, which Congress, in the present cli-On the matter of overseas "It's a fantasy to think that plnom the abstract, sub-21-

payments thought they were companies that made such McCloy said he believed that in some instances American Government political contributions officials.

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## McCloy Scores the U.S. On Funds to Politicians

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in conformity with States Government

cret political slush fund maintained by the company Park Chung Hee from a sein the Bahamas, party headed by President to the Democratic Republican in the 1960's and early 1970's ample, Gulf gave \$4 million In South Korea, for ex-

States Government had recthe payments. ommended that Gulf make ducted a nine-month investimittee he headed, which conevidence that the political activities, found no gation at the behest of Gulf's board, into the company's Mr. McCloy said the com-United

## Gulf Executives Cited

However, he said he had been told by Gulf executives that the company thought it was "in conformity with States policy

> pedite the transition from a military dictatorship to an electoral system."

contributions. politics in that country, including financing of political campaigns known, he said, that they favored "American-style" Korea had made it generally American officials in South by private

"I don't want to suggest that Gulf was relying on United States Government, consent," he added. "It was just part of the atmosphere,"

is 80 years old, is a partner of Milbank, Tweed, Hadley & McCloy. and former Assistant Secre tary of War, Mr. McCloy, who A former chairman of the Chase Manhattan Bank, ex president of the World Bank

tives. tive, and two other top execu-Bob R. Dorsey, its chief execuof directors, Gulf dismissed ceived by the company's board page report on Gulf was re-Fifteen days after his 298