

# Business Regulation Pledge Kept

By Jack Anderson

President Nixon has faithfully kept a campaign pledge, given privately to fat cat contributors, that he would ease the government's regulation of their businesses.

Quietly, he has filled the vacancies on the regulatory agencies with reluctant regulators, who are supposed to protect the public but who have shown more inclination to protect the special interests.

We have already reported, for instance, on how Federal Power Chairman John Nassikas, a Nixon appointee, ignored the warnings of his own economists and accepted the findings of the gas industry in an attempt to stick the consumers with \$4 billion in higher gas bills.

Now the Nixon administration has gone to the industry for a candidate to fill a Democratic vacancy and serve with Nassikas on the Federal Power Commission.

The final selection hasn't been made, but insiders say the favorite is an able, 40-year-old, Midland, Tex., corporate attorney named Rush Moody.

Spokesmen for certain Texas oil and utility interests first sounded out Moody's law partner, Tom Sealy, about accepting the appointment. Later, Sealy received another

inquiry from the Liejtke brothers, William and Hugh, who run Pennzoil United.

## Conflict of Interest

The giant oil firm has several valuable producer applications before the FPC. The Liejtkes, therefore, would like to get a friend on the commission. Sealy not only was a personal friend, but his law firm had handled legal work for Pennzoil.

He decided, however, he didn't want to go to Washington and suggested his law partner for the FPC vacancy. The Liejtkes immediately began pulling wires inside the White House to get Moody appointed.

The Liejtke brothers were big contributors to the Nixon campaign chest. We have traced \$18,000 in GOP donations from J. Hugh Liejtke, another \$14,000 from William C. Liejtke in 1968. Insiders say the actual total was even higher.

We reached William Liejtke, who said it would be "improper" for him to comment on the FPC appointment before it is made. All he would say was that Moody "is a bright young man."

Moody told us he wouldn't allow his past associations with Pennzoil to affect his judgment if he should receive the FPC appointment. Those who know him say he is highly qualified.

But anyone who wears the

gas industry label shouldn't be appointed to regulate gas rates. The public can understand the petty chiseling of a Bobby Baker or an Adam Clayton Powell much easier than a \$4 billion windfall to the natural gas industry.

Footnote: Another example of the Nixon administration's approach to government regulation is the unannounced appointment of Peter Hutt as general counsel for the Food and Drug Administration. He comes out of the famed, influential Washington law firm, Covington and Burling, which represents some of the nation's biggest drug companies. The firm's lawyers are known for their backroom persuasiveness in getting the FDA to go easy on their clients. Hutt, however, insists that backroom dealing was not his specialty and that he is completely severing his ties with the law firm.

## Pentagon Pass

With the Pentagon brass riding off in all directions trying to plug security leaks, the case of James Lewis Jones has brought them new agony.

The 24-year-old Jones needed some repairs on his teeth but lacked the \$2,000 to pay for it. So he got hold of a GI uniform, put some sergeant stripes on it and, in an unofficial way, joined the Army for, oh, a month or so.

He accomplished this simply by walking on the Ft. Myer,

Va., base and easing his way into the daily routine of a soldier. He took the necessary time off to make a series of visits to the base dentist. All the while, the Army lodged and fed him in a manner becoming a noncommissioned officer.

But somewhere along the way, Jones blew his cover and was arraigned on six counts in U.S. District Court in Alexandria. Among the charges (impersonation of a noncommissioned officer, possession of an Army ID card, wearing an Army uniform, et al) stands one that has the Pentagon brass in a dither: illegal possession of a pass to the Pentagon.

How Jones came by the card isn't known. All he wanted was his teeth fixed.

## Washington Whirl

**POSTAL PARTY**—The new U.S. Postal Service began operations with a bang last Thursday by throwing a two-party bash that, temporarily at least, set the taxpayers back some \$20,000. Postmaster General Winton Blount segregated the lesser employees into the headquarters building auditorium while the top brass whooped it up in the Postmaster General's reception room. The \$20,000 tab, according to a Postal Service spokesman, will be "covered by the sale of special souvenir posters throughout the country."

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