

Jack Anderson's Washington Merry-go-round

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BY JACK ANDERSON
With Les Whitten

WASHINGTON — We have had our brushes with the FBI which, in times past, has sometimes transgressed the law in the name of law and order. But the Justice Department is now going too far in its efforts to nail more than 30 field agents for those transgressions.

They are under investigation for allegedly breaking into private residences, tapping telephones and opening mail without legal authority.

We have established that the FBI agents, who carried out these assignments, were merely obeying orders. They were under tight discipline. In each instance, the agent received the approval of the section chief, who got his authorization from Washington.

Top FBI officials, furthermore, kept the Justice Department fully informed of these dubious and devious activities. Sources familiar with the operation say the Attorney General, himself, not only knew what the FBI was doing but gave his general authorization.

It will be interesting to see whether the Justice Department can now prosecute lowly agents for carrying out the orders of its own high muck-a-mucks.

Footnote: The targets of most of the FBI break-ins were the Socialist Workers Party and the radical Weathermen. There is evidence that the Weathermen traveled between the United States and Cuba, that they received financial support from Fidel Castro's government and that they were responsible for several bombings in the United States. Under the law, the FBI could conduct warrantless searches and wiretaps if the action was directed against people who were a threat to national security or were connected with a foreign government.

POLITICAL DEAL? The day before Tom Kleppe resigned as small business chief to take over the Interior

Department, he did a quiet, multi-million-dollar favor for friends in the oil business.

Kleppe arbitrarily overruled his staff at the Small Business Administration to allow eight large refineries to qualify for preferential treatment. The decision gives them access to \$20 million in government oil.

It was a last-minute ruling that has the sour smell of politics. For one of the eight beneficiaries, Powerine Oil, a California company, is represented in Washington by the law firm of President Ford's close friend, Robert Collier. In fact, Collier was among the few friends the President invited to his swearing-in ceremony two years ago.

Powerine had become too large to qualify as a small business under the SBA standards for refineries. Therefore, it was about to lose the opportunity to purchase cheap government oil, which is set aside for small refineries.

The government receives oil from the major oil companies as a royalty for drilling on government land. This cheap royalty oil is made available to small companies to help them compete with the giants.

After Powerine outgrew its status as a small business, it tried to get the standards changed so it would still be eligible for the royalty oil. But the SBA staff recommended strongly against it. The cheap oil should be reserved, the staff urged, for firms that refined less than 30,000 barrels per day.

"To increase the capacity standard at a time when royalty oil is in limited supply," the staff cautioned, "would severely diminish the share now going to each small business to a point where (they) may lose economic effectiveness."

Nevertheless, Kleppe raised the standard to 45,000 barrels per day. By an interesting coincidence, Powerine refines 44,120 barrels per day. It looks

almost as if the new standard was set to accommodate the company with the White House connection. However, seven other refineries also will benefit from the ruling.

The day after Kleppe made this multi-million-dollar adjustment in the small business standards, he resigned from the SBA to become the new Interior Secretary. Kleppe claims he made the decision simply to resolve the matter before leaving SBA. He selected the 45,000 figure, he said, as a compromise between the 30,000 his staff recommended and the 60,000 sought by the refineries.

The eight companies that will benefit from Kleppe's decision are hardly small. The smallest among them does an annual \$171 million worth of business. Nor was Kleppe unaware of the friendship between the President and Collier. Our SBA sources say Kleppe had full knowledge that his decision would benefit a presidential crony.

Footnote: Reps. John Moss, D.-Calif., and John Dingell, D.-Mich., asked the General Accounting Office to investigate Kleppe's decision. The GAO found no contact between Kleppe and oil lobbyists. But the GAO investigators noted that they didn't have access to a complete record of Kleppe's contacts.

TRICKY FERDINAND: Philippines President Ferdinand Marcos has found an ingenious means of giving the appearance of respectability to his regime.

He took an advertisement in Fortune magazine, paid well over \$100,000 for it, and then quoted from it as if it were an independent assessment of how he runs his country.

In releases to the captive Philippine press, a Marcos spokesman described the ad as "one of the featured articles in Fortune." Then the spokesman quoted the ad's praise for the Philippines oil reserves, economy, and government.