

6 HIGH NIXON AIDES LINKED TO ACCORD BY U.S. WITH I.T.T.

Agnew, Connally and Stans
Mentioned in S.E.C. Data
Issued by House Panel

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WASHINGTON, March 19—A

House subcommittee made public today documents purporting to show that at least six high-ranking officials of the Nixon Administration were involved in a successful attempt to persuade the Justice Department to settle its antitrust suits against the International Telephone and Telegraph Corporation on terms acceptable to the company.

The documents made public were summaries of the contents of 34 boxes of I.T.T. files. The summaries were prepared by an official of the Securities and Exchange Commission, which was investigating possible violations of the securities laws by I.T.T. officials and which later filed suit against a number of them.

The Administration officials mentioned in the summaries include Vice President Agnew, whose alleged role is not clear, and John W. Ehrlichman, assistant to the President.

4 Change Jobs

The four other officials named have changed jobs since the 1970 and 1971 events described in the summaries.

They were:

John B. Connally, then Secretary of the Treasury, who has since returned to private law practice.

Charles W. Colson, former special counsel to the President, also now back in law practice.

Peter G. Peterson, then assistant to the President and subsequently Secretary of Commerce, now a special projects aide for the President.

Maurice H. Stans, former Sec-

retary of Commerce and subsequent chief money-raiser for Mr. Nixon's re-election campaign.

Transfer Disputed

Only Mr. Peterson responded to a request for comment. He denied the central implication of what was in the summaries.

Only the S.E.C. summaries are available, rather than the basic documents themselves, because these were turned over to the Justice Department last October after the subcommittee first expressed interest in them. The transfer of the documents to the Justice Department put them legally out of the reach of Congressional subpoenas.

The subcommittee charged today, in a statement accom-

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panying its release of the summaries, that there had been no reason for the swift transfer of the documents, contrary to the testimony of the former chairman of the Securities and Exchange Commission, William E. Casey.

The Federal Bureau of In-

vestigation did not start looking into the case until December, the subcommittee said, and Mr. Casey did not have any written directive to surrender the documents to the Justice Department until at least three weeks after he had done so.

The subcommittee said it had voted to make the summaries public because neither the S.E.C. nor the Justice Department could substantiate a claim that their disclosure would "prejudice the rights of any individual or firm."

The Justice Department never replied to a request for such

substantiation, which was made last Tuesday, and the S.E.C.'s response was philosophical and not factual, the subcommittee said.

In addition to the six Administration aides mentioned, the S.E.C. summaries indicate that former Attorney General John N. Mitchell had talked to President Nixon about the merger cases. Mr. Mitchell specifically denied this when the whole issue of how the antitrust settlements came about was first discussed a year ago in Senate hearings on the confirmation of Richard G. Kleindienst to suc-

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ceed Mr. Mitchell as Attorney General.

At that time, it was disclosed that both Mr. Mitchell and Mr. Kleindienst had talked with I.T.T. officials about the cases, which Richard W. McLaren, the head of the Justice Department's Antitrust Division, had originally resisted settling.

The crucial aspect of the settlement ultimately made was that I.T.T. was permitted to retain control of the huge Hartford Fire Insurance Company, although it was required to divest all or parts of some other much smaller companies.

Mr. McClaren publicly defended the settlement as being as good as any the Government could have won in court. He was subsequently named a Federal judge.

The I.T.T. documents, as summarized at the S.E.C., show that E. J. Gerrity, an I.T.T. vice president, wrote to Vice President Agnew in August, 1970, thanking him for some action that is not spelled out in the summary and suggesting that Mr. Mitchell, then still Attorney General, should make I.T.T.'s

arguments for a settlement known to Mr. McClaren.

The summary of the Gerrity letter implies, without making the point specific, that Mr. Agnew had talked with Mr. McClaren about the I.T.T. cases.

A letter from William Merriam, the head of I.T.T.'s Washington office, to Secretary Connally implies that the Secretary and Mr. Peterson had been responsible for getting Mr. McClaren to delay an appeal to the Supreme Court of one of the antitrust suits against I.T.T. so

that all three suits could be settled in a package.

Mr. Peterson said that he had never, as far as he could recall, talked to anyone in the Justice Department about any aspect of the ITT antitrust suits.

Several documents summarized by the S.E.C. made references to meetings between top I.T.T. executives, including the chairman, Harold S. Geneen, and Mr. Colson and Mr. Ehrlichman. It is not clear whether there was more than one such meeting, or what the officials did, other than listen and sym-

pathize. At the time of the meeting or meetings, Mr. McLaren was reported to be rigidly opposing any settlement.

An I.T.T. lawyer, John Ryan, is reported to have met with Secretary Stans. In his report of the meeting to Mr. Merriam, the I.T.T. Washington representative, Mr. Ryan indicated that he thought Deputy Attorney General Kleindienst would "follow through"—on what, the summary did not say—and that this "may be the break" the company was waiting for.
