

White House Unit On Antitrust Policy Seems a Mystery

By Morton Mintz
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ERWIN N. GRISWOLD
... threatened to quit

Federal officials expressed surprise yesterday over a Nixon administration statement that the President had once "approved a proposal for creating a central clearing house for information about government antitrust policy within the White House."

"I've just never heard of it," said a high official of the Justice Department's Antitrust Division. "I was astonished," he said.

Another high division official said, "I never heard about it, either."

Both officials were in the Antitrust Division in April 1971—when, according to Tuesday's presidential "White Paper" on the International Telephone and Telegraph antitrust decision, the "clearing house" was approved.

The purpose of the proposal was "to ensure that the President's views on the subject could be made known to all the operating agencies," the "White Paper" said.

It did not say whether the proposal was ever implemented, who was in charge of the "clearing house," if anyone was, or whether the "operating agencies" included the independent ones with antitrust responsibilities, especially the Federal Trade Commission.

"We never hear of it," the FTC's information director, Arthur L. Amolsch, told a reporter. Asked whether it would be proper to include the agency in the "clearing house," Amolsch said, "No sir, it would be inappropriate."

The "White Paper" also left unanswered such questions as why Mr. Nixon had let stand sworn denials by close advisers that he personally had intervened in the ITT case, and

what, precisely, is "government antitrust policy."

One of the close advisers, former Attorney General John N. Mitchell, dealt with the issue of presidential intervention when he testified in March, 1972, at Senate Judiciary Committee hearings on the nomination of his successor, Richard G. Kleindienst.

"Did the President ever call you and say, 'Lay off ITT?'" asked Sen. Roman L. Hruska (R-Neb.).

"Senator, the President has never talked to me about any antitrust case that was in the department," Mitchell said. "But specifically, with respect to ITT or any other litigation, no, I have never talked to the President about it."

In flat contradiction of this, the "White Paper" says that on April 21, 1971, Mitchell "advised the President that in his judgment it was inadvisable for the President to order no appeal to the Supreme Court" of a lower court ruling approving ITT's acquisition of Grinnell Corp.

The purpose of an appeal, sought by then antitrust chief Richard W. McLaren, was to get a final ruling on the legality of conglomerate mergers, in which one firm acquiring another in a different line of business may substantially lessen competition or develop a substantial potential for reciprocal dealings.

"The Attorney General reasoned that, as a personal matter, Mr. Erwin N. Griswold, Solicitor General of the United States, had prepared his brief for appeal and would resign were the appeal not to proceed," the White Paper continued.

"The Attorney General further feared legislative repercussions if the matter were

dropped entirely," the document went on. "Based upon the Attorney General's recommendations, the President reversed his decision of April 19, 1971, and authorized the Department of Justice to proceed with the case..."

The April 19 decision was to order Kleindienst not to appeal, on the ground that the President "wanted to avoid a Supreme Court ruling that would permit antitrust suits to be brought against large American companies simply on the basis of their size," the White Paper said.

Kleindienst said on Nov. 1 that the President ordered him to drop the appeal "without any discussion." Kleindienst said he then sent word to Mr. Nixon that he would resign if the President "persisted."

Kleindienst, as Deputy Attorney General, was in charge of the ITT case because Mitchell had disqualified himself. The reason for disqualification was "that my former law firm had done work for one of ITT's subsidiaries," Mitchell told the Senate Judiciary Committee.

The President had been a partner in the same firm. The White Paper, while noting that Mitchell had disqualified himself, says nothing about a possible conflict of interest for Mr. Nixon.

In San Clemente, Deputy White House press secretary Gerald L. Warren told newsmen that Mr. Nixon has no further plans to explain to the public his role in the Watergate and related scandals. Warren declined to say why Kleindienst's threat to quit was omitted from the White Paper, which he termed "complete and detailed . . . from the perspective of the President."