

The Washington Merry-Go-Round

Nixon's Old Law Firm Doing Very Well

By Jack Anderson

When there's loose money lying around in Washington, President Nixon's old law firm increasingly is available to help pick it up.

Take, for instance, the proposed \$2.55 billion Washington subway, which had become sidetracked until the former Nixon firm got busy behind the scenes.

No one would suggest that Mudge, Rose, Guthrie and Alexander is going to get all \$2.55 billion simply because President Nixon is in the White House and another former partner, John Mitchell, is Attorney General. So far the old Nixon firm has a grip only on about \$200,000.

The subway is being financed in part with an \$880 million bond float, and the lawyers who handle such floats are always sure of rich profits.

While the subway was in its dreaming stages, from 1966 to 1969, the New York firm of Hawkins, Belafield and Wood did a highly acceptable job of working up plans for the bond issues. But the big money was still to come.

Last June, the Hawkins, Delafield firm found out what kind of league they were playing in. Their bond man, Robert Ferdon, who was working on the Washington bond deal, jumped over to the law firm

of Mudge, Rose, Mitchell had been the firm's top municipal bond attorney, and someone unquestionably was needed to step into his shoes.

Behind closed doors, partner Frank Wood of Hawkins, Delafield and Wood fought to keep the Washington Metropolitan Area Transit Authority as a client, citing the firm's long service.

A memorandum of the meeting prepared by WMATA's general manager, Jackson Graham, states that Wood and his colleagues "were, of course, anxious to retain the Authority as a client."

But the memo, obtained by this column, ended with the story of Wood's defeat. The WMATA general manager recommended that a switch be made to Mudge, Rose. The move was officially ratified June 30.

By an amazing coincidence, the Nixon administration and the Washington, D.C., government, both subject to the President, swiftly began to break the logjams that had blocked the much-needed subway.

As Mudge, Rose began to work on the bond issues—which will enrich the firm a minimum of \$200,000 in the next eight to ten years—the voices of discord became voices of harmony.

The city government yielded a bit to the freeway backers who had previously thwarted

the subway. The congressional subcommittees also responded. After wrangling years of disagreement, the President was able to sign and announce a \$1.15 billion authorization on Dec. 9, only five months after his old law firm had been cut into the subway deal.

The "Metro" promises to be a beauty. Its 98 miles will serve both the suburbs and the inner city. No one questions its need.

Robert Ferdon explained to this column that he and the President's old law partners were "brought together by some friends." The WMATA said that Ferdon's know-how "was important enough for us to follow the man rather than the firm."

So everybody is happy. Except Hawkins, Delafield and Wood.

Car Runaround

If anyone outside California walked into a Ford or Chrysler showroom and ordered a new car with the advanced air pollution equipment now required by California law, he would be told he couldn't have it.

Although the devices are the best available, this column has learned that Ford and Chrysler are actively discouraging their sale outside California.

The price manuals issued by both companies to their deal-

ers across the country state unequivocally that the special anti-pollution equipment is available on California cars only.

Furthermore, the Chrysler computer system is programmed to reject automatically an order for the equipment should one come in from one of the other 49 states.

Spokesmen for both Ford and Chrysler, nevertheless, acknowledged to this column that there was no reason why a determined buyer, willing to wait a little longer for his new car, could not obtain the special device.

Thus both companies admit they have issued false information to their dealers, which is bound to discourage the purchase of pollution-control equipment.

The equipment in question is a system which curbs pollution from the evaporation of gasoline in fuel lines, tanks or carburetors. It costs about \$40.

A Ford spokesman said the company "thought it was advisable to test this system for a year to perfect the design and service techniques" before making the equipment available nationally.

He acknowledged, however, there was no doubt that the system worked effectively and he said no particular service problems had been encountered.

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