

Clayton Fritchey

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Two Kinds of Justice

As we near the end of the various Watergate investigations and prosecutions revolving around the multi-million dollar secret slush fund collected for Richard Nixon's re-election in 1972, two significant conclusions can be drawn: It is dangerous for politicians to solicit or accept illegal money, but comparatively safe for business executives illegally to give it.

This has been brought home in recent days by the guilty pleas and the sentencing of Maurice Stans, former Secretary of Commerce and chief fundraiser for Nixon, and Frederick LaRue, another high-ranking official in Nixon's re-election campaign who handled a lot of the hot money.

Like Herbert Kalmbach, Nixon's personal attorney, and numerous others who have been prosecuted for soliciting, accepting, processing, laundering, hiding and misusing countless millions in bootleg political money, they are about to do time or have already done it.

But what of the root of all this evil? What has happened to the corrupters? What punishment has there been for the business executives who set out to subvert the government by trying to buy it with what they knew to be illegal, undercover corporation contributions running into the millions? For all practical purposes, the corporations and their heads have either gone free or, at best, suffered a slap on the wrist. Not a single tycoon has gone to jail for a single day.

Some, perhaps most, of the fault lies

with Special Prosecutors Archibald Cox, Leon Jaworski and Henry S. Ruth, but the Justice Department, the courts, the Congress and some of the government's independent agencies are entitled to a share of the blame. The record of the press is nothing to cheer about either, for if it had been more demanding, the prosecution probably would have been more impressive.

We know that the Committee for the Re-Election of the President raised at least \$60.5 million, but it is still not known how many corporations kicked into this colossal fund, or how much, and it doesn't appear that the Special Prosecutor's Office is ever going to find out, for after two years the results are, at best, quite limited.

Back in 1973, under Special Prosecutor Cox, several large companies and their chief executives were allowed to plead guilty to violating the criminal statutes against political contributions by corporations. Nobody would go to jail and the fines would be nominal. That seemed acceptable at the time because the theory was that this would encourage scores, if not hundreds or thousands, of other companies and company heads to come forward and confess their derelictions.

That, however, is not the way it has worked out. After all this time, only about 20 or so companies and their executives have been charged by the Special Prosecutor and some of them would not have been flushed out at all had it not been for outside in-

vestigations by Common Cause, the Ralph Nader teams, the Securities Exchange Commission, the Civil Aeronautics Board and others.

In 1973, in the Cox days, Gulf Oil pleaded guilty to giving \$125,000 in illegal political contributions. It got off with a \$5,000 fine, equivalent to a parking ticket for this multibillion-dollar corporation. Yet today, under investigation by the SEC, Gulf now admits it really had a \$10 million slush fund for political influence. In return for not being further punished, it promises not to do it again.

Meanwhile, the CAB has charged two airlines—American and Braniff—with diverting more than \$1 million into secret political funds, allegations far more serious than the ones the airlines previously were allowed to plead guilty to, which resulted in trifling fines and no prison sentences.

The situation is best illustrated by the case of George Steinbrenner, chairman of the American Shipbuilding Co., who was indicted by the Special Prosecutor on 14 felony counts of illegal contributions to Nixon's 1972 presidential campaign, which exposed him to 55 years in prison and \$100,000 in fines. Leon Jaworski, however, agreed to drop all but two of the charges against Steinbrenner, and U.S. Judge Leroy Conti then let him off with a fine of \$15,000 and no jail sentence. "It's unbelievable," said a disbelieving junior member of Jaworski's staff.