

Civil Service Aide Assailed On Litton Link

By Morton Mintz
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A member of the House Civil Service Committee said yesterday that it is improper for the vice chairman of the Civil Service Commission to be drawing \$7,500 annually from Litton Industries, a defense contractor doing about \$1 billion of government business each year.

A commission official disagreed.

Rep. Jerome R. Waldie (D-Calif.) said that after the inaugural he will introduce a bill to prohibit any of the three commissioners "from undertaking any outside employment."

The commission vice chairman, Jayne Baker Spain, gets a government salary of \$38,000. Waldie termed that sufficient.

In addition, Litton said in a recent proxy statement, Mrs. Spain "has a contract . . . to perform advisory and consulting services until July, 1978, at the rate of \$7,500 per year, plus \$200 per consulting day and expenses. Under the terms of this contract she received \$7,500 during the fiscal year 1972."

Mrs. Spain is also a director of Litton, which in 1965 acquired a Cincinnati industrial firm of which she was president, Alvey-Ferguson. She owns 141 shares of Litton common stock, and 9,400 shares of "preference" stock and has a beneficial interest in 4,465 shares of preferred stock, according to the proxy statement.

She could not be reached for comment.

The White House press release announcing Mrs. Spain's appointment, to a six-year term ending March 1, 1977, said she was a Litton director.

But what prompted Waldie's concern yesterday was the case of Gordon W. Rule, the Navy procurement official who was demoted after criticizing Litton's performance as a defense contractor and President Nixon's selection of Roy L. Ash, former president of Litton, to head the Office of Management and Budget.

Rule made the criticisms in Capitol Hill testimony. Adm. Isaac C. Kidd Jr., chief of the

Navy Material Command, then pressured him to quit and, that failing, demoted him.

"At the minimum," Waldie said, Mrs. Spain "should remove herself from any consideration of the appeal of Mr. Rule."

Similarly, Rep. Les Aspin (D-Wis.), who had requested the Civil Service Commission to make a staff investigation of the Rule case, asked Mrs. Spain to disqualify herself from playing any role in it.

"Mr. Rule has been delivered a series of dirty tricks and raw deals, and I am sure you can fully understand in view of your potential conflict of interest that your participation in any decision about him would be totally inappropriate," Aspin said in a letter to Mrs. Spain.

Rule's case is not formally before the commission, although he has complained to it. Chairman Robert E. Hampton said that under lengthy normal procedures, Rule would file a grievance with the Navy. If he loses, he could carry his case to the commission's autonomous Board of Appeals and Review, and from there to the courts or to the commissioners. If Mrs. Spain did not disqualify herself, he could ask her to.

Waldie's complaint is based on a section of the code of conduct laid down by the commission for its own officers and employees. The section says they shall avoid "any action which might result in, or create the appearance of . . . losing complete independence or impartiality."

Waldie said the Rule case "has created the appearance of losing complete independence and impartiality." He said he did not suggest there has actually been any impropriety, but emphasized that such situations should be avoided hereafter.

Anthony L. Mondello, general counsel of the commission, told a reporter that if the Rule case ever came up before Mrs. Spain containing a Litton element, she might have to disqualify herself. But, he said, her contract with Litton has "no relation whatsoever" to her normal commission duties.