

# Watergate, ITT Scandals Entangled

By Jack Anderson

The more you try to unravel the Watergate scandal, the more strands you find entangled with the ITT scandal. And the more difficult it becomes to distinguish those who violated the law from those who are supposed to uphold the law.

It was almost exactly a year ago, for example, that Attorney General Richard Kleindienst reopened his confirmation hearings in an effort to explain away the ITT scandal. During the stormy hearings, he turned all ITT matters over to his deputy, L. Patrick Gray. Now a year later, Gray is facing his own confirmation hearings to become FBI director.

The key document in the ITT affair was the astonishing memorandum written by ITT lobbyist Dita Beard, which suggested an antitrust settlement was linked to a \$400,000 political commitment from ITT.

The memo became such an embarrassment that the White House belatedly tried to claim it was a fake. The Washington Post reported that E. Howard Hunt was dispatched to Denver to talk to Mrs. Beard.

Her son, Robert Beard, confirmed that a "very eerie" stranger, wearing "a red wig on cockeyed like he put it on in a dark car," called on his mother. Subsequently, Hunt was arrested in connection with the Watergate break-in, and a similar wig was found in

one of the rooms rented by the Watergate conspirators.

While the bewigged Hunt was pressing Mrs. Beard for her statement, Senate Judiciary Chairman James Eastland slipped the memo to the Justice Department for an FBI analysis. This was done secretly without the knowledge of the other committee members. The FBI confirmed that the memo was written on Dita Beard's typewriter and that the typewriter ribbon was the same one in use the day the memo was dated.

But meanwhile, the document mysteriously turned up in the possession of ITT. Eastland later made clear that he had directed that the document should not leave the FBI's control.

## At Gray's Direction

Our sources say, however, that the memo was slipped to ITT by the Justice Department at Pat Gray's direction.

ITT had it examined by a couple of dubious "experts," who concluded that it was written later than it was dated and, therefore, was a fake. Thus Hunt and Gray appear to have been working in tandem to discredit the memo. Hunt has gone to jail for his Watergate work; Gray has been appointed FBI chief.

Throughout the ITT hearings, Gray was in charge of deciding which Justice Department documents the Senate Judiciary Committee

would be allowed to see. He happily made available the papers which helped Kleindienst, but refused to turn over many others which might have proved embarrassing.

Senators who requested revealing information were repeatedly told they would get it. But often, it would never arrive. Sen. Quentin Burdick, (D-N.D.), for example, asked time and again for a chronological summary of events leading to the ITT antitrust settlement. He never got it. Sen. Ted Kennedy (D-Mass.) repeatedly pressed Gray for the Justice Department's basic file on the ITT settlement. But Gray refused to let the committee see the file.

The Washington Post also reported: "During this period, the White House was growing increasingly concerned about the impact of the ITT allegations and had launched a major effort to discredit columnist Jack Anderson . . ."

This effort was directed largely by the same Mission Impossible team that was later caught in the Watergate scandal. James McCord, then President Nixon's campaign security chief, investigated us and submitted memos to Hunt.

We have been told they coordinated their investigation with ITT, which hired the celebrated private investigative firm Intertel to assist with the project. Inside sources say Intertel was not turned loose to run their own investigation

but received specific assignments through the White House.

Hunt and McCord, instead of discrediting us, wound up discredited. Both were convicted at the Watergate trial, and the effort to discredit us was taken over by Pat Gray and the FBI.

## Tax Dodge Award

America's giant corporations with their batteries of tax attorneys and accountants routinely avoid paying their just share of federal income taxes. Instead, the ordinary citizen and the small businessman wind up picking up the bill.

Last year, for instance, the top 100 corporations paid a federal income tax rate of 26.9 per cent while the small firms had to fork over 44 per cent.

Now former Senator Fred Harris' "Populist Institute" is taking up the fight for the little taxpayer. The Institute's Tax Action Campaign will issue pamphlets naming the biggest corporate tax dodgers.

As our contribution, we will identify a weekly "Tax Avoider of the Week," with our first award going to Shell Oil, the giant Holland-based corporation. In 1971, with profits of \$292,175,000, Shell paid an effective tax rate of only 14.9 per cent. The Internal Revenue Service would like to charge such corporations 43 per cent on their income.