

Postal Chief Has Friends on Payroll

By Jack Anderson

Postmaster General Ted Klassen, like a kindly old uncle, has been padding the postal payroll with his cronies and former business associates.

Our continuing investigation into Klassen's shenanigans has now uncovered a payroll boondoggle of major proportions. We found that Klassen's best friend, and many of his former business associates, have been allowed to feed at the public trough—compliments of the Postmaster General.

"Lew Walters hocked his watch to lend me money once," Klassen often brags about his oldest friend. Now Walters reaps the rewards of his loyalty, collecting a fat consultant fee. What he does is a mystery to practically everyone at the Postal Service, but he gets about \$24,000 a year for doing it.

The highest-paid consultant, however, was Sydney Baron, a former public relations man at American Can, the firm Klassen headed before coming to the Postal Service. Until his contract was canceled May 9, Baron collected \$500 a day—and for Baron, the Postal Service defined a day as one in which "a reasonable amount of time is spent on Postal Service matters."

Baron is not the only alumnus of American Can who has drawn a fat paycheck, and some of the

American Can crowd have formed sort of a pre-retirement village, hanging on the postal payroll until they accrue enough time to retire with a pension.

Ellsworth Pell, for example, retired from American Can and is now holding down a non-job at the rate of \$35,000 a year. Postal sources claim that Pell never made more than \$20,000 a year at American Can.

Harold Larsen, another American Can graduate, was slipped into a do-nothing job by Klassen, too. He was started out as New York Regional Postmaster General, but was removed for inefficiency. Klassen is now taking care of him at \$45,000 a year, with a job at headquarters.

Ben Bailar and Darrell Brown are two former American Can men now in the \$50,000 neighborhood at the Postal Service. Brown's postal section is used by Klassen as a dumping ground for old cronies he is reluctant to fire.

For example, Len Farrell was demoted from Assistant Postmaster General for Labor Relations, but continues to draw a higher salary than his successor. Farrell is hanging on for a pension.

Brown's division also took care of Paul Carlin, who was deposed as a Senior Assistant Postmaster General. Carlin stayed on as an aide to Brown, but still collected about \$46,000.

The man who took over his duties makes about \$43,000.

Meanwhile, middle-level postal hands complain that they cannot get the manpower they need because of budget considerations.

Blacks and women in the mail system protest that none of their number has made it to the top levels of management. Only five blacks, for example, have hit the \$30,000 plateau at the Postal Service.

One of the highest-paid women is Peggy Ford, Klassen's personal secretary. Sources contend that her \$26,000 job is secure, because she knows "where all the bodies are buried." Her husband, a retired military man, is now on the payroll at more than \$30,000.

At the same, postmasters across the nation are being told to tighten their belts. The Postal Service is in financial trouble, and cannot yet ask for another rate increase. Klassen is hoping that economies in the field and a friendly Congress will bail him out.

Footnote: A postal spokesman told my associate Jack Cloherty that Pell, Carlin and Farrell all did necessary jobs at the Postal Service. The spokesman denied that Brown's area was a "dumping ground," and generally defended Klassen's employment practices.

WASHINGTON WHIRL—Although some Republican congressmen are running away from the President, the party itself still hasn't stopped politicking for Richard Nixon. The GOP spent more than \$14,000 to send sanitized summaries of the Watergate transcripts to key Nixon supporters throughout the nation... The Federal Energy Administration has pleaded that the U.S. desperately needs more refineries to overcome the gasoline shortage. Yet the Export-Import Bank, heavily supported with U.S. cash, has granted a \$22.3 million loan at 6 per cent interest to build a Refinery in the West Indies. To build the same refinery in the U.S., an American firm would have to pay 11 per cent interest, plus higher labor and building cost... There may be some complaints about the mail, but not from the White House. Postmaster General Ted Klassen told us that he hasn't spoken with President Nixon for well over a year... The FBI has been doing some public relations work on ex-foreign agent Dusko Popov, who claims in a book that he warned the late J. Edgar Hoover about Pearl Harbor. FBI agents dropped by the publisher, Grosset and Dunlop, and tried to convince vice president Bob Markel that Popov was lying. Markel listened politely, then published the book...

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