

How U.S. Lifted a Teamster Wiretap

Los Angeles

Two ranking officials of the Department of Justice turned down eight weeks ago a request by the FBI to continue electronic surveillance that had begun to penetrate Teamsters union connections with the Mafia, according to reliable government sources.

Attorney General Richard G. Kleindienst and Assistant Attorney General Henry E. Petersen were said to have made the decision after 40 days of FBI wiretapping had begun to help strip the cover from a Mafia plan to reap millions of dollars in payoffs from the welfare funds of the International Brotherhood of Teamsters.

The officials acted on the grounds that investigation had failed to show "probable cause" to continue eavesdropping, the sources said.

EMBARRASS

They reportedly acted after having received a memorandum, prepared at the direction of L. Patrick Gray III, who was then the bureau's acting director. The memorandum indicated the sensitivity of the investigation, which was reportedly producing disclosures potentially damaging and certainly embarrassing to Teamsters president Frank E. Fitzsimmons, the Nixon Administration's staunchest ally within the labor movement.

Justice Department spokesman Horace Webb told Reuters yesterday the department would have no comment on any investigation, past or present.

He also said, though, that such electronic surveillance



Pushups

AP Wirephoto

Former Teamsters president James Hoffa, 60, smiled as he finished 21 pushups Saturday night in Washington, D.C. He got his chance to show how fit he is after being honored there for his work in prison reform by the National Association for Justice.

operations are not the only means of conducting an investigation. "If the surveillance ends, that does not mean the investigation has stopped," he added.

The administration's courtship of the two million member union culminated last year in a Teamster endorsement of the President's reelection, and Mr. Nixon has made it clear that the door to his office is always open to Fitzsimmons.

LEGAL

The Kleindienst-Petersen decision came less than a month before Charles W. Colson, special counsel to the President, left the White House to join a Washington law firm to which Fitzsimmons had transferred the union's legal business.

Before leaving the White House, Colson had been instrumental in formulating administration strategy regarding organized labor.

The electronic surveil-

lance began on January 26 under an order of the U.S. District Court in Los Angeles authorizing the FBI to tap 11 telephone numbers in the offices of People's Industrial Consultants of Los Angeles, Justice Department sources said.

The consulting firm is a Mafia front set up to channel Teamster welfare money to underworld figures, the sources said.

On February 14, the court authorized an extension of the taps until March 6. The taps were requested and installed under the Omnibus Crime Control and Safe Streets Act of 1968.

AFFIDAVIT

What was learned from the taps was described in an FBI affidavit submitted to Justice Department lawyers. The affidavit asked for continuance of the existing surveillance for 20 days and installation of new taps on a

public telephone and the office telephones of an alleged mobster implicated in the plot to siphon money from the Teamsters.

The affidavit said that investigation up to then, including the use of electronic listening devices, had indicated "a pattern of racketeering activity — that is, a series of payments of commissions of rickbacks" flowing from corporations controlled by a doctor in league with the job through People's Industrial Consultants "to the officers and agents of the employee welfare benefit plan," in violation of federal statutes.

Petersen and Kleindienst, however, would not allow an application for renewal of the court order.

A request to the Justice Department for comment from the two government officials went unanswered.

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