

NYTimes NOV 21 1973

# Saxbe's Route to Capital Began on Ohio Campus

By WILLIAM E. FARRELL  
Special to The New York Times

Years ago, the boys of Si U's would gather at Smitty's drug store on the fringes of the Ohio State University campus before and after football games to fill up on chili and political chit-chat.

Most of them were regarded in those days as "have nots" and were not avidly sought out by the established fraternities on campus. So one of them dreamed up Si U's with a motto that ran something like: No dues, No pins, No house, just friendship.

Now in their 50's and 60's, the boys of Si U's are mostly "haves" and they hold boisterous annual reunions after Ohio State football games where the motif is "jockularity."

At least two of them became big names in Ohio Republican politics—former Gov. James A. Rhodes, who is attempting a gubernatorial comeback, and William Bart Saxbe, the state's senior Senator and the man President Nixon has picked to be his fourth Attorney General.

Now, at a time when Washington is reeling from Watergate and its labyrinthine aftermath, Senator Saxbe's past, his acquaintances and his views on major issues are of more than routine interest.

## Constitutional Issue

The Senate Judiciary Committee voted yesterday to let the full Senate decide on the constitutionality of a bill designed to make Mr. Saxbe eligible for the Attorney General's post.

The bill would cut the Attorney General's salary from \$60,000 to \$35,000. It is an attempt to skirt the clause in the Constitution that prohibits members of the Senate or House, during the term for which they were elected, from being appointed to a civil office for which the salary was increased during their term.

Both Mr. Rhodes and Mr. Saxbe were in the vanguard of a long era of Republican political control in Ohio—a time when the G.O.P. had a hammer-look on about every state office of importance and thus had the power to dispense patronage and favors to its own.

While Mr. Rhodes was elbowing his way to the State House and earning a reputation for political acuity and toughness that evoked the spirit of Mark Hanna, Mr. Saxbe was serving in the legislature, where he spent eight years in the House of Representatives—two of them as majority leader and two as speaker.

Cultivating a "chaw"-chewing, tobacco-spitting image, Mr. Saxbe was elected Ohio attorney general—a post he filled for eight years and one that under Ohio law permits a good deal of patronage and largess to be spread around.

For instance, there is the state's special counsel and fee system, in which the attorney general doles out claims to lawyers for collection—usually delinquent sales taxes.



United Press International  
Senator William B. Saxbe

The lawyers' fees for these collections are lucrative, generally amounting to about one-third of the delinquent taxes collected for the state. Under this system, the lawyers given the collection tasks tend to be the county chairmen of the party in power or their designates.

The 57-year-old Mr. Saxbe was an integral part of the Rhodes years in Ohio—years in which Mr. Rhodes's talents as a super-salesman were used to lure business into the state and when his slogan was "Profit is not a dirty word in Ohio."

## 'Fluke' Election

According to politicians in both parties here, Mr. Saxbe's election to the United States Senate in 1968 was "a bit of a fluke," as one of them put it.

The incumbent Democratic senator, Frank J. Lausche, was the state's No. 1 vote-getter, a man who attracted Democrats and Republicans statewide. The conventional political thinking of the time was that the only way Mr. Lausche could be toppled was in the Democratic primary and this seemed most unlikely.

Thus, according to these politicians, Mr. Saxbe's nomination as a Republican candidate was, in the minds of many, in the "sacrificial lamb" category.

But Senator Lausche did lose a Democratic primary to John J. Gilligan, who is currently Governor of Ohio, and Mr. Saxbe defeated Mr. Gilligan after an issue-oriented campaign that one prominent Democrat said was launched because "we never had anything on him."

Mr. Saxbe, who is known to some as "Billy Bart" in his hometown of Mechanicsburg about 30 miles west of Columbus and who is referred to in local newspapers as "the Squire of Mechanicsburg," took his folksy, outspoken manner to Washington, D.C.

He had not been there long before he was telling reporters for Ohio newspapers that he had very little affection for the place and that the Senate was a frustrating place.

Some months before President Nixon announced on Nov. 1 that Mr. Saxbe was his choice to succeed Elliot L. Richardson as Attorney General, the Senator had announced that he would not seek re-election when his term

expires in 1975. There were rumors in Ohio that he wanted to be governor but that he would not buck his old political ally, Mr. Rhodes, in his comeback attempt.

An association that Mr. Saxbe is expected to be queried about, if and when Senate hearings on his nomination to be Attorney General are held, is one with Sam W. Klein, an elusive Cleveland millionaire who is said to be the largest shareholder in the Bally Manufacturing Corporation of Chicago, the world's largest maker of slot machines.

Recently the Dayton Daily News, in a copyrighted story, said it possessed a confidential Ohio Liquor Control Department report that said that Mr. Klein "is allegedly connected with the Cleveland organized crime element and probably controls the major portion of the coin machine business in Ohio."

## Mafia Figure Named

At one time, Mr. Klein, who contributed \$2,500 to Mr. Saxbe's 1968 senatorial campaign, was associated in the Bally Company with Gerardo (Jerry) Catena, described by law enforcement officials as an East Coast Mafia figure. Catena is reported to be no longer associated with the company.

In March, 1969, the year Bally stock went public, Mr. Saxbe purchased 400 shares, which subsequently split to 600. More than a year later, when the Senator's stock purchase was publicly disclosed, he sold it.

At that time Mr. Saxbe defended his purchase of stock in a company that makes gambling machines, saying the concern's major outlets were abroad and "they can't be used in Ohio."

Another area of inquiry could focus on the propriety of a \$70,000 bank loan that was obtained for the Saxbe senatorial campaign in 1968 on the signatures of Governor Rhodes and three other prominent Ohio Republicans—John McElroy, then the governor's key aide, John S. Andrews, then Republican state chairman, and Gerald A. Donahue, then the Senator's campaign manager and close associate and a man who became the central figure in a later loan scandal.

## Repaid Quickly

The loan was obtained from City National Bank in Columbus in September, 1968, and was repaid about two months later. The four participants said it was legal since it was made to four individuals and not to a political candidate or campaign committee—a violation of Federal law.

The check, however, was made payable to the Saxbe campaign committee.

James Duerk, a spokesman for the Senator, said that Mr. Saxbe knew nothing at the time about arrangements for the loan and that "Bill says he wasn't even consulted" about it.

In 1970, a loan scandal unleashed a fratricidal struggle in the Ohio Republican party that some political observers say abetted the Democrats in the gubernatorial election.

A key figure in it was Mr. Donahue, who had been Mr. Saxbe's chief assistant when he was Ohio's attorney general, and then a law partner in addition to managing his campaigns.

Criminal charges that Mr. Donahue and two associates had made false statements to obtain loans from the state treasury were eventually dismissed in court.

Other issues that may be raised in eventual Senate confirmation hearings are the following:

Recently Mr. Saxbe—who supported former Attorney General John N. Mitchell's refusal in 1970 to convene a grand jury to investigate the fatal shooting of four Kent State University students by Ohio National Guardsmen—said he "might stop" the new inquiry ordered by former Attorney General Richardson.

"I might stop it," he told reporters in Washington recently. "If they are hitting pay dirt, that's another thing." He said he saw no conflict of interest in the fact that he is a retired colonel in the Ohio National Guard or that the man who ordered the guard onto the campus—Mr. Rhodes—is a long-time Saxbe associate.