

A Response by St. Clair to the Panel's I.T.T. Evidence

Special to The New York Times

WASHINGTON, July 19—Following is the text of the statement of information submitted on behalf of President Nixon responding to evidence gathered by the House Judiciary Committee's impeachment inquiry on I.T.T. The statement is the third volume of evidence submitted by the White House in connection with the impeachment inquiry. On July 12 The New York Times published a reply dealing with the Watergate break-in and cover-up and yesterday The Times published a reply dealing with White House surveillance and campaign activity.

STATEMENT OF INFORMATION Submitted on Behalf of the President Department of Justice— I.T.T. Litigation

1. In December, 1968, Richard W. McLaren was interviewed for the position of Assistant Attorney General, Antitrust Division, Department of Justice, by John N. Mitchell and Richard G. Kleindienst. As a condition to his acceptance of that position, Mr. McLaren insisted that antitrust enforcement decisions would be based solely on the merits of any given situation.

2. In 1968, Mr. Nixon appointed a Task Force of Productivity and Competition to review antitrust policy and make recommendations. The task force, headed by Pro. George Stigler of the University of Chicago, presented its report to President Nixon on Feb. 18, 1969, and recommended against immediate legal action re: conglomerate mergers.

3. Apparently, in June of 1969, Mr. Geneen sought to meet with President Nixon about certain financial and economic concerns of I.T.T., including, but not limited to, the antitrust suits. John N. Mitchell, for one, thought the meeting would be inappropriate because of I.T.T.'s legal involvement with the Department of Justice. The meeting was not scheduled.

4. In March, 1971, the Solicitor General authorized an appeal to the Supreme Court from an adverse decision in the

United States v. I.T.T. (Grinnell) case because of practical difficulties in the future if the decision were left standing. The Solicitor General and his associates thought the case to be very hard; his chief deputy thought the government's chances of winning were minimal.

5. After the President's telephone call of April 19, 1971, to Kleindienst ordering him to drop the Grinnell appeal, Kleindienst met, in his office, with McLaren and the Solicitor General and requested the Solicitor General to apply for an extension. McLaren had no objection to the application for an additional extension of time.

Settlement Approved

6. On June 17, 1971, McLaren recommended to Kleindienst that the I.T.T. suits be settled. Kleindienst approved the proposed settlement by writing: "Approved, 6/17/71. RGK." In affixing his approval, Kleindienst relied on the expertise of McLaren.

7. Settlement initiations had taken place in late 1970. I.T.T.'s settlement posture advanced included its keeping the Hartford Fire Insurance Company. McLaren rejected any settlement talk along that line.

In early 1971, I.T.T. began to formulate a plan, based on economic theory, of why it was important for I.T.T. to retain Hartford. Eventually, on April 29, 1971, I.T.T. made an economic presentation to the Department of Justice on national economic consequences if I.T.T. were forced to divest itself of Hartford. As a result of that presentation, in combination with the Ransdem Report from his own independent financial expert, McLaren proposed a settlement offer enabling I.T.T. to retain Hartford.

8. On July 31, 1971, the I.T.T. cases were finally settled. Whether I.T.T. would have to divest itself completely of Grinnell was a principal matter of consideration between June 17, the date of McLaren's proposal, and July 31, and in I.T.T.'s eyes, a matter upon which any settlement hinged.

According to McLaren and Kleindienst, McLaren and his staff were responsible for the settlement. Kleindienst did not talk with McLaren about this matter at any time from June 17 until July 30. Mitchell and McLaren never talked with each other about the cases. There exists no testimonial or documentary evidence to indicate that the President had any part, directly or indirectly, in the settlement of the I.T.T. antitrust cases.

McLaren was unaware of any financial commitment by I.T.T. in regard to San Diego's hosting of the Republican National Convention until long after the negotiations had terminated. McLaren has stated I.T.T.'s contribution had nothing to do with the settlement.

San Diego Selected

9. On July 23, 1971, the Republican National Committee selected San Diego as its selection site for the 1972 Republican National Convention. San Diego was the preferred site by William Timmons, who had investigated that city as a potential site, and the Attorney General's convention task force, and was the highest regarded city for security purposes.

10. In response to a question at the Senate Select Committee, concerning Dita Beard's disappearance on the eve of the Kleindienst hearings, E. Howard Hunt stated that he was not aware of any role Gordon Liddy played in Mrs. Dita Beard's departure from Washington.

11. On June 22, 1974, The New York Times, page 15, carried a story in which Representative Bob Wilson (R-Calif.) said the special prosecutor informed him that no legal action was being considered against him in relation to the I.T.T. matter.

12. On April 4, 1972, the President met with H. R. Haldeman and Attorney General Mitchell in the Oval Office from 4:13 P.M. to 4:50 P.M. during which time the I.T.T. matter was mentioned.

13. During the days following the publication of the "Dita Beard" memorandum on Feb. 29, 1972, several of the top White House aides were involved in investigating the allegations contained in that memorandum.

The actual settlement of the I.T.T. cases as a quid pro quo for an I.T.T. commitment to the Republican National Convention was the focal point of the Kleindienst Confirmation Hearings which began on March 2, 1972. Peter Flanagan, a White House aide, was the object of considerable attention from the Senate Judiciary Committee and press during the coverage of these hearings.

14. The President left for an official visit to the People's Republic of China on Feb. 17, 1972; he returned on Feb. 28, 1972. He spent the weekend following his return at Key Biscayne, Fla. On May 20, 1972, the President went to Moscow, returning on June 1, 1972.

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