

Contact Aids Agnew Business Deals

By Jack Anderson

In his fall from power, Spiro Agnew left behind a valuable contact who is now helping him find business deals.

The former Vice President during his glory days arranged a job for one of his supporters, Tilton H. Dobbin, as assistant commerce secretary in charge of domestic and international business. This has put Dobbin in touch with some of the world's most powerful businessmen. Inside sources say he has used his position to open doors for the deposed Agnew.

A forlorn figure, Agnew has lost his political career. He has been disbarred from practicing law. The Internal Revenue Service is squeezing him for back taxes. The Justice Department is considering a suit to recover the bribe money allegedly paid him while he was a government official. Some firebrands at Justice even want to sue to recover his vice presidential salary.

Agnew tried to raise money by writing a novel. But after the reviews appeared, this no longer seemed a promising career. Almost in desperation, he turned to wheeling and dealing.

He has just returned from a swing through the Middle East in search of deals. He visited his Greek homeland, and then Amman and Beirut, then hit the petroleum capitals of Teheran and Kuwait.

The former Vice President still had enough political glamor to gain audiences with the

crown prince in Jordan and the shah in Iran. But Agnew's main stop in Saudi Arabia had to be canceled because his wife became ill.

On the business side, according to our sources, Dobbin helped pave the way. He admitted to us that he does financial favors for his former mentor. Agnew has called on him, Dobbin said, to "get a rundown on a person or a company, or to do a bank or credit check."

But Dobbin denied that he arranged business contacts for Agnew on his latest trip. "I didn't even know he was going until I read about it."

Cutting Corners—Under pressure from House Speaker Carl Albert, Small Business Administrator Tom Kleppe violated regulations to bail out an electronics firm from Albert's home state of Oklahoma.

The struggling company, Oklahoma Aerotronics, didn't qualify for a minority-business government contract. The firm also had money problems, not the least of which was a negative worth of \$900,000.

"To place contracts with Oklahoma Aerotronics under existing conditions," Kleppe notified the speaker on Aug. 17, 1971, "we would have to violate federal regulations and our national directive."

Nevertheless, Albert called Kleppe up to Capitol Hill for a personal meeting and repeated his hope that Kleppe "could find some way" to provide the

electronics firm with minority-business help.

Despite the federal regulations, Kleppe caved in. He dispatched an aide to Oklahoma with orders to make the company fit the requirements, cosmetically if not legally.

Not long afterwards, Oklahoma Aerotronics got its minority-business approval and landed a whopping \$4 million worth of contracts.

Footnote: Albert told us he had relied on an aide who had handled the Oklahoma Aerotronics case for him. The speaker said he didn't intentionally seek to run roughshod over federal regulations. An SBA spokesman said that the company became qualified in October of 1971 when a majority control was transferred to an employee trust.

Military Spending—The idea that boosting military spending creates jobs and is good for the economy, according to an unreleased report, is a myth.

For every billion dollars spent by the Pentagon, on the contrary, the nation actually loses 20,000 jobs. This is the finding of a four-month study by the Public Interest Research Group in Michigan, a Ralph Nader offshoot headquartered in Lansing.

The researchers, directed by Marion Anderson, used the government's own figures and found that the Pentagon generates fewer jobs per billion dollars than any other form of pri-

vate or government spending with the single exception of the space program.

Translating these statistics into jobs, the researchers discovered there is a net loss in employment when money is spent for military purposes, as compared with civilian spending or spending by state and local governments.

The average Pentagon budget of \$80 billion, the study alleges, results in the loss of at least 1,600,000 jobs each year across the nation.

The logical conclusion, therefore, is that the economy would benefit from a slash in the military budget. "It would make no difference," the study states, "whether the cut was all in defense contracts going to civilian industry or military personnel going to state and local governments, the trade-off would still mean a net increase of jobs for the economy."

Footnote: A Pentagon economist acknowledged that the "arithmetic" used by the research group was good but argued that the statistics didn't support the conclusions. "About the only thing you can conclude from these figures," he said, "is that employees of state and local governments and in the civilian economy earn smaller salaries than do defense workers." The figures don't "realistically reflect" what would happen, he said, if highly skilled defense workers were let off as a result of a budget slash.

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