

Chandler Refuses to Reveal Sources Writer Gives Probers Marcelló Data

(States-Item Bureau)

BATON ROUGE — A Life magazine reporter today gave a legislative committee probing alleged Mafia activity stacks of documents said to relate to Jefferson Parish rackets figure Carlos Marcelló, but steadfastly declined to reveal any of his news sources.

In an "informal session" in a city courtroom, David L.

Chandler of New Orleans underwent voluntary questioning by the legislative panel under an arrangement worked out Tuesday before Federal District Judge Lansing L. Mitchell.

UNDER THE agreement, Chandler was not under oath and could not be forced to testify to anything he or his attorney objected to.

After about two hours of mostly fruitless questioning, the committee chairman, Sen. Adrian G. Duplantier of New

Orleans, recessed the meeting, saying another session may be held next week.

Gov. John J. McKeithen, barred from the meeting, sent a representative who termed the session "outrageous."

McKeithen wanted Chandler placed under oath and forced to reveal his sources. The governor violently objected to Chandler's article in Life which sparked the legislative probe and caused the state to file a libel suit against Chandler and Life.

IT WAS PARTLY on the pending suit that Chandler and his attorney, Cicero Sessions, based refusal to answer most of the committee's questions.

The main thing the committee got today was the documents relating to Chandler's research, communications between Chandler and his editor and certain public records.

They relate to a variety of matters covered in the Life article, including the drainage

Turn to Page 12, Column 5

Continued from Front Page

of Churchill Farms, a tract of land in Jefferson Parish owned by Marcelló.

THE OPENING of the meeting today was marked by a wrangle over who would be admitted. There was much discussion over whether the proceeding was an "informal meeting," as claimed by Sessions, or a "hearing."

At one point Chandler interjected:

"Why don't we just call it a rendezvous?"

"Shut up, David!" Sessions snapped.

W. W. McDUGALL chief assistant to Gov. McKeithen, sat through the early part of the proceedings, termed them "outrageous," and then departed.

McKeithen himself did not appear.

Sessions advised the committee that Chandler would be limited in the amount of material and information he would provide today because of pending litigation and lack of immunity from potential civil suits. He said although the legislators on the committee are protected by legislative immunity, Chandler is not.

The lawyer said more information will be provided in court in the two suits against Time, Inc., publishers of Life.

CHANDLER'S attorney supplied the committee with a stack of documents covering the author's research and public documents relating to the article published last April and a meeting, between Gov. McKeithen and Life Magazine's editors in 1967.

At the outset, the committee's counsel, Gordon Kean,

told Sessions the committee would like to confine today's discussions to allegations raised in the article. He said the purpose of questions by the committee would be to seek information in respect to the story.

This apparently foreclosed discussions on any other aspects of organized crime that may not have been included in the article.

Sessions told the committee, "There will be much more evidence available to the committee in a short time."

HE SAID it will take the committee and its investigators a considerable amount of time to evaluate and understand the documents which were submitted today. He said Chandler will return voluntarily to explain the documents.

The first set of documents submitted concerned a communication from Chandler to the editor of the investigation department of Life magazine concerning Churchill Farms, the 6,000-acre tract in Jefferson Parish owned by Carlos Marcelló.

Material on a controversial drainage district also was included.

Both parish and state officials have taken the position that the drainage district pumping station shown in the Life Magazine article did not drain Churchill Farms. The documents produced by Chandler contained extracts from a federal tax court case involving Churchill Farms and Marcelló's vast interests.

THE BULK of this particular communication, Chandler said, concerned the ownership of a casino in Jefferson Parish by Marcelló and Frank Costello.

The second set of documents

contained a map, drawn by the chief sanitation director of Jefferson Parish, which Chandler said showed the drainage of Churchill Farms through Bayou Signette. The pumping station is on Bayou Signette, and was built to drain property other than Churchill Farms.

This second set of documents also reflected the vote of the Jefferson Parish council on the drainage district project.

IN THE third set of documents, Chandler listed properties owned or controlled by Marcelló, which he said were compiled from public records and court testimony. This included material covering the murder of a casino operator in Mississippi, deportation matters in Louisiana, photographic possibilities of Cosa Nostra activities in the state, a report on a series of murders involving the Cosa Nostra and a rough draft of a story on corruption in the state which never was published.

The fourth set of documents contained extracts from the tax court hearing, with a full set being available for inspection by the committee at the Masonic Temple Building in New Orleans, according to Sessions. The lawyer said the documents contained testimony under oath and provided background material for the part of the article relating to Churchill farms.

Chandler said the fifth set of documents covered three basic subjects, including a transcript of a meeting in 1967 between McKeithen and Life editors in New York following publication of the first article on organized crime in Louisiana.

IT ALSO covered a log compiled by Chandler citing organized crime cleanup activities by McKeithen which he sent to Life in 1968.

Press clippings on various subjects were included in that set of documents, Chandler said.

In the sixth set of documents, Chandler said he outlined the shortages of money in state agencies, including Charity Hospital in New Orleans. The seventh set contained a report by Chandler on the relationship between District Attorney Jim Garrison and Cosa Nostra figures.

CHANDLER said research material on the article and rough drafts of the material by himself and others on the staff of Life Magazine composed the eighth set of documents submitted to the committee.

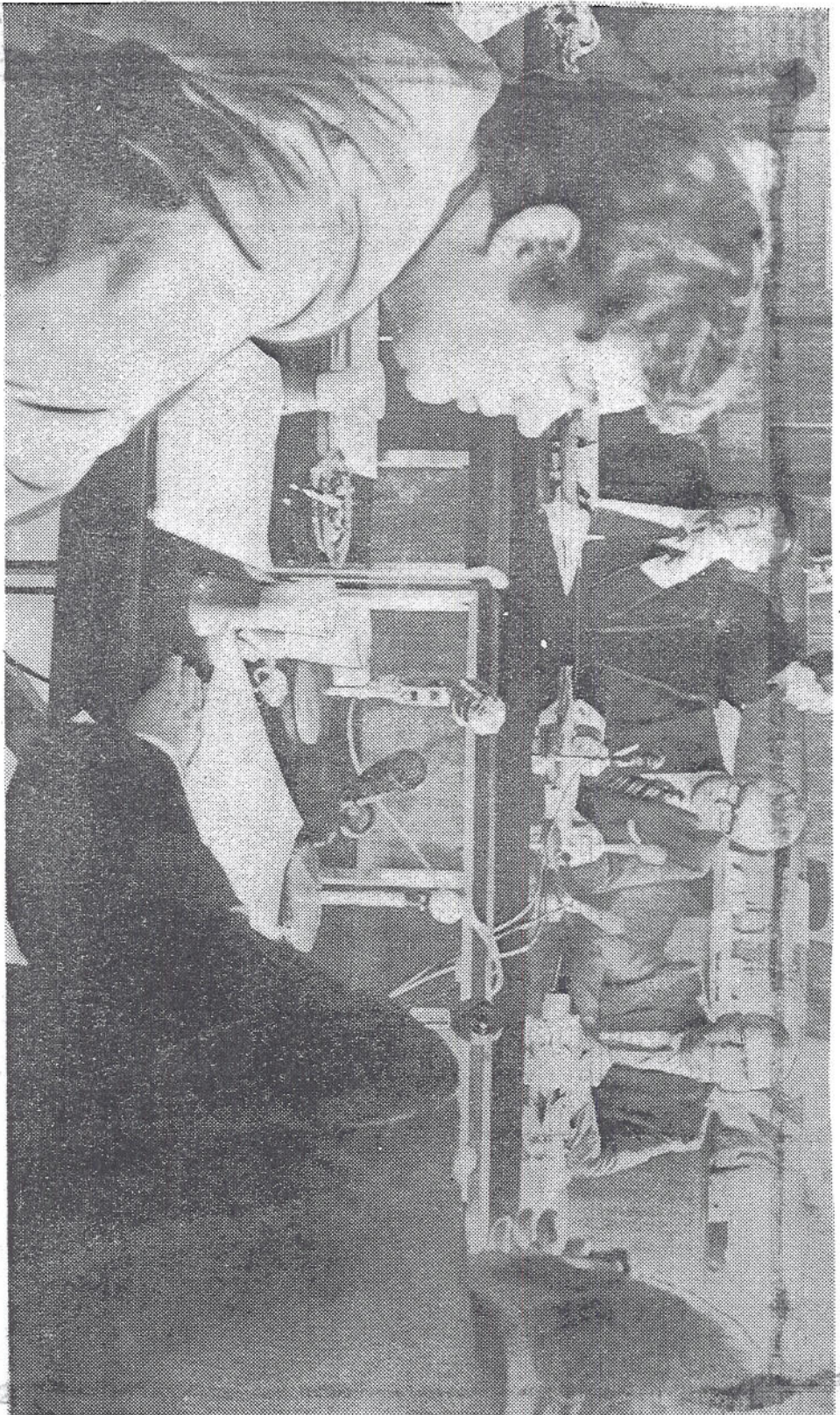
Ninth were suggested picture captions on lobbyists in the Legislature and material

on the conversation Chandler had with Marcelló.

The last set of documents covered a report which he compiled on the arrest of Frank "Tickie" Saia, Baton Rouge electrical contractor and political crony of a number of top politicians in the state. The report discussed a slaying in Texas connected with Saia's arrest in Houston on gambling charges. The charges were later dismissed.

This file also included information on the Louisiana Loan and Thrift Corp., U.S. Sen. Russell B. Long and William "Buddy" Gill.

WHEN LONG'S name was mentioned, the committee broke in and asked Chandler to cover his explanation of the documents in swifter fashion.



LIFE MAGAZINE REPORTER DAVID CHANDLER, left, appears before a legislative committee in Baton Rouge investigating charges of Mafia influence in the state. In background are attorneys for the committee, from left, TOM MALIK and GOR-

—AP WIREPHOTO.
 DON KEAN, and Committee chairman SEN. ADRIAN G. PLANTIER. With back to camera is Life attorney CICERO SESSIONS.

Chandler asked if what they were after was for him not to mention names, but they told him to go ahead.

At that point, Sessions offered the committee an account by Chandler of "two versions of an affidavit" by Louisiana Commissioner of Revenue Ashton J. Mouton.

Sessions said one version of the affidavit was included in the report by W. W. McDougall to Gov. McKeithen on the Life article.

HE SAID the second version of the affidavit was distributed to department heads within the revenue division by Mouton.

Duplantier at that point said he would prefer to have Chandler questioned by Thomas Malik, a lawyer from LaPlace, who conducted the investigation of the Louisiana Loan and Thrift Corp.

Sessions said he was concerned that the committee didn't want to hear Chandler's statements on the Mouton affidavits, but finally relented.

Turn to Page 46, Column 1

Continued from Page 12, 20 and agreed to save that for subsequent meetings.

THE FOLLOWING questions and answers ensued between Malik, Chandler and Sessions.

Malik asked — "Could you give us the names of other employees who either work for Time, Inc., or worked for Time, Inc., who this committee could call to get additional help in our investigation?"

Chandler — Yes. Unless I indicate otherwise, these persons can be reached at the Time-Life building in New York City: Russell Sackett; Tom Flaherty; Scott Leavitt; Ralph Graves; Art Shea, a photographer from Deerfield, Ala.; A. Frank Brinkley, a judge in Cordele, Ga., and Sandy Smith of Time Magazine.

Malik — On page 34 of the Life article you refer to the alleged hiring and placement of state revenue agents by Carlos Marcello. Could you identify these agents?

Sessions — I am not going to allow him to answer that question.

At that point, a discussion ensued between Duplantier and Sessions in which the senator from New Orleans said the committee understood that

Chandler could only answer certain questions in view of pending lawsuits and did not intend to force him to reveal informers.

Sessions agreed that Chandler would only answer questions that did not either "increase his exposure in pending lawsuits" or place the reporter in the position of revealing confidential informants.

SESSIONS was then asked by the committee if he would be willing to have Chandler give the names of the revenue agents allegedly connected to Marcello at a later date.

Chandler replied he could not possibly foresee future legal developments that might affect his decision one way or another.

Malik — Are there any other state employees we might be able to contact to get additional information?

Chandler — I decline to answer that on the advice of my attorney.

Malik — On page 34 of the Life article you say that following a gambling arrest in Houston a police officer was sent from Louisiana to arrange bail. Will you identify that person?

Sessions — Now, I won't let him answer that. Please stop asking for his informants.

Malik — Also in the article, you refer to certain telephone records in Houston. Did you get them from public records? I have a hunch you did.

Chandler — Telephone records are not public. I got them from an informant.

Malik — On page 34 you refer to Louisiana Loan and Thrift loans to certain firms allegedly connected to Marcello. Is that clarified in exhibit 4 you just gave to this committee?

Chandler — There is a federal audit of LL&T which is available to the public. I suggest the committee obtain it.

Malik — Are there other records?

Sessions — I am not going to let him answer that. You are seeking to force him to reveal his informants. I wish you would stop.

Duplantier then reiterated the committee only wants information from Chandler that the reporter does not consider confidential.

Chandler — There are other public records in the office of the Secretary of State of Louisiana relating to the ownership of these companies.

Several other members of the committee then joined in

the questioning, asking Chandler about his background and journalistic experience. Chandler gave them a brief account of it.

The hearing concluded at 10 a.m. with Duplantier saying that a further session for a later date could be arranged by Sessions and counsel for the committee.

He said it could not be before next week.

AFTER THE session, Chandler's only comment was that he regretted not being able to discuss the Mouton affidavits in detail with the committee.

The hassle over access to the meeting room erupted when Sen. John Schwegmann of Metairie and Rep. Pary P. Branton of Shongaloo, not members of the committee, showed up. Sessions sought to bar them but finally agreed, under protest, to let them attend.

Earlier Sessions had insisted, successfully, that Gov. McKeithen not be allowed to be there. To avoid any possibility that he might walk in, the proceeding was shifted from the Capitol to the city courtroom.

Sen. Duplantier and Sessions immediately began to argue about whether legislators could be admitted to the informal conference.

Duplantier twice referred to the meeting as a "hearing" and Sessions rejoined: "Mr. Chairman, if you keep referring to this as a hearing instead of an informal conference which is what we agreed to in Judge Mitchell's court, we're going to leave."

Sessions said it was agreed the press could attend the hearing but no mention was made on Tuesday in Judge Mitchell's court about having the general public present.

THE ATTORNEY for Chandler held there is "ample precedent" for having an informal conference with the press present but not the general public.

Duplantier disagreed, saying that in 10 years in the Legislature he knew of no instance where a press conference or informal hearing had been held from which public officials or the general public was excluded while the press was allowed in. Sessions replied that the only purpose for Chandler coming to Baton Rouge today was to give the committee "a great deal of information" and he did not propose to return to New Or-

leans over a question of protocol.

"Therefore, Mr. Chairman," Sessions said, "under protest we're going to go forward."

"HOWEVER, I object to this deviation and protest going forward with this deviation."

Sessions said he had wanted to ban the general public from the informal conference because he feared a thousand spectators might turn up and reduce the meeting to a "Roman holiday."

Duplantier replied that the committee did not propose to conduct any kind of "Roman holiday."

The meeting was conducted in the City Court on the second floor of Baton Rouge's Municipal Building. The large paneled room is also used for meetings of the Baton Rouge City Council.

The members of the legislative committee sat behind a long table near the front of the room facing a smaller table where Chandler sat with his three attorneys. He was accompanied by Sessions and Robert Barclay of New Orleans and Dennis Cross of New York City.

Several members of the advisory committee were present at the informal conference.

At first, Sessions also stipulated the public and press be barred. He changed his mind about the press. The conference, originally scheduled at a lawyer's office, was then shifted to the courtroom where there is more space.

"Accusing the magazine of "smear and run," McKeithen once threatened to have Chandler arrested on a perjury charge if he told the committee, under oath, that the Life report is true.

AFTER A strong complaint from Duplantier, McKeithen withdrew his threat but criticized the compromise which led to the "informal" conference with Chandler.