

Conflicting Reports on ITT Files

Washington

Ralph E. Erickson, former deputy Attorney General, gave an account yesterday of the hurried transfer of files of the International Telephone and Telegraph Corp. from the Securities and Exchange Commission to the Justice Department last October.

His account was totally at variance with the account given to the same congressional subcommittee by William J. Casey, the regulatory commission's former chairman.

The two versions were, in fact, so irreconcilable that members of the House commerce subcommittee on investigations indicated by their questioning that they are now confronted with questions of possible perjury and falsification of records.

HEARING

At a hearing last December 14, Casey, who is now under-secretary of state for economic affairs, repeatedly told the subcommittee that 34 boxes of ITT files, plus a manila folder containing 13 "politically sensitive" documents, were transferred to the Justice Department on Oct. 6, 1972, because the Justice Department had requested them.

Yesterday Erickson insisted that the Justice Department had not requested the transfer.

In fact, Erickson said, he had emphasized in conversations with both John W. Dean III, then White House counsel, and with Casey that the Justice Department saw no need for the files in connection with an investigation it was then conducting.

That investigation, requested last June by the Senate Judiciary Committee, was into possible perjury by witnesses during the hearing on the nomination of Richard G. Kleindienst to be attorney general.

MEMO

The hearing that resumed in March and April had been

requested by Kleindienst following publication by Jack Anderson of the memo by Dita Beard an ITT lobbyist in Washington, to her boss, vice president William R. Merriam, head of ITT's Washington office.

In the memo, Mrs. Beard suggested that a pledge up to \$400,000 for the Republican Presidential Convention, then planned for San Diego, had influenced a settlement of an antitrust suit by which ITT was allowed to retain the Hartford Fire Insurance Co. in return for divestiture of several other companies.

Concurrent with the Justice Department investigation was the look by the SEC into possible violations of law and regulations connect-

ed with the ITT-Hartford merger.

As a result of that investigation, the SEC had, the preceding June, obtained a court injunction against some ITT officers because of insider trading.

The hearings by the House commerce subcommittee last December resulted from Casey's refusal to honor two requests on September 21 and 27 of Chairman Harley O. Staggers (Dem-W.Va.), to let the subcommittee see the ITT files.

At the hearing, Casey testified that he knew the commission would have to turn over the files if the subcommittee subpoenaed them.

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