

# Why Nixon Entered ITT

Washington

President Nixon insisted yesterday that he had intervened in the government's antitrust suits against the International Telephone and Telegraph Corp. solely because he believed the suits were based on a philosophy that he disagreed with — that "bigness per se" was bad.

For this reason, the President stated, he had ordered then-Deputy Attorney General Richard G. Kleindienst on April 19, 1971, to instruct Richard W. McLaren, assistant attorney general in charge of the antitrust division, that an appeal of one of the suits should not be filed in the Supreme Court.

Mr. Nixon said further that charges that his intervention was related to an ITT commitment — variously reported to be from \$100,000 to \$400,000 — for the 1972 Republican National convention, originally to be held in San Diego, were "false."

The President said that he was unaware of this commitment, which was made "several weeks" after his intervention in the antitrust case.

The President's long awaited statement on the multifaceted ITT case was unexpectedly brief — eight pages.

It had no new revelations.

And while acknowledging that there had been meetings between coporation and White House officials from 1969 to 1971, it said that the meetings had been to discuss "antitrust policy."

Nowhere did Mr. Nixon mention specific meetings, such as that between then-Vice President Spiro T. Agnew and ITT vice president Edward J. Gerrity on Aug. 4, 1970, or those on the same day between ITT president Harold S. Geneen and John Ehrlichman, then-the President's domestic affairs adviser, and Charles W. Colson, a White House counsel.

It is these meetings, and others involving Secretary of the Treasury John Connally and then-White House foreign economics adviser Peter Peterson, that have drawn criticism on questions of their propriety while the government had litigation pending against the giant concern.

Thirteen memos and letters by ITT officials revealing these meetings were made public last March by the Senate Foreign Relations subcommittee on multinational corporations and by the investigations subcommittee of the House Commerce committee.

In the summer and fall of 1972, the House subcommittee had repeatedly tried to get the Securities and Ex-

change Commission to make available to it these "politically sensitive" memos and letters.

Finally, in order to avoid surrendering them in response to an expected subpoena, the SEC hastily shipped them to the Justice Department on the grounds that they might contain matter on which to base a suit against ITT for obstruction of justice since the corporation had at first failed to deliver the documents to the SEC and did so only after the Dita Beard memo was published.

Mr. Nixon made no mention of these "politically sensitive" documents, nor did he mention six other White House memos that were revealed during the Senate Watergate hearings last summer when a memorandum by Colson was made public.

Colson's memo, dated March 30, 1972, was addressed to H.R. Haldeman, then-White House chief of staff. Colson said that if one of these memos were disclosed, it would reveal that then-Attorney General John N. Mitchell had "constructive notice" of the "\$400,000 arrangement with ITT at that time and before the ITT settlement." facts which he has denied under oath.

There was another memo, Colson said, which "would once again contradict Mitchell's testimony before the Senate Judiciary committee and more importantly directly involve the President."

The President said yesterday that he had been motivated by two major concerns in coming to his conclusion that antitrust suits should not be filed to prevent conglomerate acquisitions "simply on the basis of their size."

First, he said, that while conglomerates had become an important factor in the American economy during the 1960 and had aroused

public fears, he had become convinced by a task force report during his 1968 campaign that said these fears were "nebulous" and "should not be converted into an aggressive antitrust policy on the basis of the knowledge available."

On this point of "bigness per se" not being bad, Mr. Nixon failed to note a speech that Attorney General Mitchell gave at Savannah, Ga., on June 6, 1969, in which he stressed "the increasing threat of economic concentration by conglomerate corporation mergers," and warned that any mergers involving "significant" acquisitions by the nation's top 200 companies might have antitrust problems.

Secondly, Mr. Nixon said he and his advisers had been concerned that "the ability of U.S. companies to compete in the world market might be threatened by antitrust actions against conglomerates" when other nations freely permitted and even sheltered their own "industrial giants."

*New York Times*

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