

# 'Allegations—False'

Following is the statement issued yesterday by the White House on its release of papers relating to the "milk case" and the "ITT case":

For several months, there have been repeated allegations that two presidential actions in 1971—one relating to federal support prices for milk and the other to antitrust action against the International Telephone and Telegraph Corporation—were taken either in return for political contributions or the promise of such contributions. Both allegations, given broad circulation, have been repeatedly denied and are utterly false.

Today the White House is issuing separate papers on the milk case and the ITT case. They support the President's previous statements that his actions were totally proper.

With regard to milk supports, as the paper indicates, the President's action was based upon several factors—first and foremost, intensive congressional pressure, generated in part by the dairy interests; secondly, the economic merits of the case itself; and finally, traditional political considerations relating to the needs of the farm states. The economic consequences of that milk decision show it to have been in the national interest.

With regard to the settlement of the ITT antitrust cases, the President's only actions in the matter came in April of 1971. The President was not aware at that time of any pledge by ITT to make a contribution toward expenses of the Republican National Convention, nor, in fact, had such a pledge even been made. The President's telephoned instructions to the Department of Justice regarding the antitrust cases against ITT were issued because, in

the President's judgment, the department's plan to appeal the matter to the Supreme Court was in direct contravention of the administration's antitrust policy, as enunciated by the President himself in various meetings with members of his administration. The President had a strong interest in preserving and strengthening the ability of American corporations to compete in the international market. He feared that an adverse ruling by the Supreme Court on the ITT matter, based on a Justice Department argument that bigness per se violates the antitrust statutes, would seriously weaken major American companies. Those concerns endure; that policy remains today. And the ultimate resolution of the ITT matter—requiring ITT to undergo the (largest) divestiture in antitrust history—was itself judged to be reasonable and fair by two former solicitors general, Erwin Griswold and Archibald Cox.

Tapes, papers and other documents relating to the milk and ITT matters have previously been delivered voluntarily by the White House to the special prosecutor and are available to the grand jury. The decision to turn over these materials reflects the President's desire to cooperate with the ongoing investigations and his confidence that the special prosecutor and the grand jury will respect their confidentiality. Consistent with his stated determination to maintain that confidentiality, these materials are not being publicly released today. In view of the fact that the documents are on file with the special prosecutor, it should be clear that the accounts published today are consistent with the basic facts contained in those documents and tapes.