

A Kleindienst 'Lie' In Anti-Trust Case



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WE HAVE NOW established that Attorney General-designate Richard Kleindienst told an outright lie about the Justice Department's sudden out-of-court settlement of the Nixon Administration's biggest anti-trust case.

The case involved the International Telephone and Telegraph conglomerate, which appeared on the way to a Supreme Court showdown with the Justice Department over ITT's takeover of the huge Hartford Fire Insurance Company.

Last July, however, the case was abruptly settled. The terms, considered highly favorable to ITT, were announced at the same time ITT secretly pledged up to \$400,000 to support the Republican Convention in San Diego this year. A check for \$100,000 has already been written.

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ENYING any connection between the convention cash and the anti-trust settlement. Kleindienst insisted that the Justice Department's anti-trust staff had been free from any political pressure from above.

"The settlement between the Department of Justice and ITT was handled and negotiated exclusively by Assistant Attorney General Richard W. McLaren (then head of the Anti-Trust Division)," Kleindienst said in a letter to Democratic National Chairman Larry O'Brien.

However, we have now learned that Kleindienst himself held roughly a half-dozen secret meetings on the ITT case

with a director of the company before the settlement was reached.

The director, Wall Street financier Felix Rohatyn, conceded to us that he met in private with Kleindienst, who was then Deputy Attorney General, at the same time McLaren was negotiating with ITT's lawyers.

"I was supposed to make the case on the economic side of it," Rohatyn told my associate Brit Hume. He said he particularly stressed to Kleindienst's arguments for keeping Hartford Fire.

Kleindienst's duplicity is further evidence that the administration has much to hide in the ITT affair, which looks more suspicious the more we investigate it.

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NOT ONLY Kleindienst, but his boss, outgoing Attorney General John Mitchell, has now been linked to the settlement. Mitchell had officially disqualified himself from the case because of an old relationship with ITT. Yet Dita Beard, the company's top lobbyist, has now acknowledged that she arranged the settlement with Mitchell in a private conversation at the governor's mansion in Kentucky after last year's Kentucky Derby.

Her confession came after we obtained an extraordinary confidential memo, written by her, from ITT's files. The memo suggested strongly that the settlement was made in exchange for ITT's pledge of cash support for the Republican Convention.

Mitchell would not discuss the matter with us.