

# Surprises, Intrigue At ITT Hearing

By Peter Lisagor

WASHINGTON — (CDN) — The Senate Judiciary Committee resumed its inquiry today into charges of political influence by a multibillion-dollar company in an atmosphere crackling with friendly aspersions on the emotional stability of the central figure in the case.

Mrs. Dita Beard, the aggressive lobbyist for the International Telephone and Telegraph Corp., may feel compelled to leave her sickbed in a Denver hospital to defend herself against the damaging testimony of her erstwhile friends.

## Civic Spirit

It was an interoffice memorandum purportedly written by Mrs. Beard and published by columnist Jack Anderson that linked anti-trust settlements by the Justice Department with an ITT subsidiary's contribution of a reported \$400,000 to the Re-

publican National Convention in San Diego.

The GOP arrangements committee for the 1972 convention said yesterday it has not and does not expect to take any contributions from either ITT or its subsidiary, the Sheraton Corp., which had made the reported contribution.

R. L. Herman, vice president of the committee and national committeeman from Nebraska, said he understood an offer had been made to the San Diego civic committee to help that city get the convention. If that is the case, ITT should be commended for "its civic spirit," he said.

Herman added that it would be "improper to take such a disproportionate share of the Republican Party's needs from a single source." He said ITT and Sheraton, like other major firms, would be offered the opportunity to advertise in the official convention program.

## Irrational

Mrs. Beard's doctor, heart specialist Victor Liszka, of nearby Arlington, Va., testified Monday that his patient suffered from irrational flights of behavior, and had disavowed the memorandum as the outcome of "a mental block" at the time she composed it. Mrs. Beard is under subpoena, but, according

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to her doctor, too ill to travel.

Mrs. Beard's behavior was the core of testimony yesterday given by Kentucky Gov. Louie Nunn, a surprise witness who told the committee of a running verbal bout between the woman lobbyist and Attorney General John Mitchell over the ITT case in the governor's mansion after the Kentucky Derby last May.

The affair, which Nunn described as embarrassing, ended up with Mrs. Beard on the floor, suffering from either a heart attack, exhaustion, too much drink or all three, according to the governor, who said he was relaying information from others at the party.

## Martha

As the governor remembered the incident, Mitchell was standing about "telling stories about Martha and the telephone" when Mrs. Beard broached the ITT case and asked why he didn't do something about it.

Mitchell said he had disqualified himself from the case and that the governor's buffet dinner was not the time or place to talk about it. But Mrs. Beard, whose persistence would have won her a bonus from most firms, kept returning to the subject as they walked along in the mansion toward the buffet table.

Later, as Mitchell and the governor sat eating, Mrs. Beard approached the attorney general again as Nunn recalled, and Mitchell "became very disturbed about it. He said he was sick and tired of hearing about it, and he didn't want to hear any more about it."

## Bibulous

Next thing he knew, the governor said, someone reported to him that Mrs. Beard had become ill and was lifted from the floor and taken back to her hotel.

Nunn, who said he had known Mrs. Beard for "five, six, seven years" and had seen her intermittently at governors' conferences and other affairs in Washington, pictured her as bibulous, ag-

gressive, but not irresponsible.

The Kentucky governor denied allegations in her memo that he was in any way involved in the effort to settle the anti-trust suits against ITT, or that he ever discussed a financial contribution by ITT with anyone, including Attorney General-designate Richard Kleindienst.

## Vague

Kleindienst, whose memory of the ITT affair has been repeatedly refreshed by his own admissions, has been a model of vagueness and imprecision under questioning.

He has treated questions about his involvement in the settlement with an almost light-hearted casualness, and left the burden of explaining Justice Department actions to U.S. District Judge Richard McLaren, who was the chief of the Antitrust Division at the time of the settlement.

McLaren has emphatically rejected any suggestion that he may have acted under political pressure to drop an action that would have forced ITT to divest itself of the Hartford Life Insurance Co.

He has emphasized that the big conglomerate was forced to shed half a dozen other companies, including Avis and Grinnell, a water sprinkler firm, and that those actions stopped the anti-competitive trend initiated by ITT's acquisition of those firms.

## Judgment

McLaren was regarded as a tough and highly respected trust-buster while he was in the Justice Department. And he told reporters the most that he could be charged with was "bad judgment."

McLaren admitted he had telephoned White House aide Peter Flanigan to get Richard Ramsden, a young investment consultant and former White House fellow, to make a study of the financial hardship that ITT claimed it would suffer if forced to divest itself of Hartford.

Flanigan acted only as "a conduit," McLaren said. When asked why, inasmuch as he knew Ramsden, he hadn't called him directly,

McLaren said he had "no particular reason" for his action except that Flanigan had originally secured Ramsden's services for the Justice Department in other work. It was disclosed that Ramsden's Wall Street firm holds \$200,000 worth of ITT stock. McLaren said he was unaware of that.

#### Fascination

The White House said Flanigan had done nothing "improper" in the ITT case.

The inquiry has deviated from trying to establish a link between the ITT settlements and the donation to the GOP convention, but the disclosures of how the Justice Department functions in pursuing antitrust cases has fascinated, intrigued and puzzled the committee members.

McLaren himself revealed that the judgment to drop action to prevent the ITT merger with Hartford was based in large part upon the devastating impact that preventing it would have had upon the national economy, as well as upon the financial condition of the conglomerate.