

Kleindienst Inquiry Changes

By DAVID E. ROSENBAUM

Special to The New York Times

WASHINGTON, April 11—The Senate Judiciary Committee temporarily turned its attention away from the International Telephone and Telegraph Corporation today and heard the Justice Department's side of an alleged political scandal in San Diego.

Both investigations involve Richard G. Kleindienst, whose nomination to be Attorney General is under consideration by the committee.

Today, the chief of the department's Criminal Division, Henry E. Petersen told the committee that the United States Attorney in San Diego, Harry Steward, engaged in "highly improper" conduct when he intervened in a Federal investigation of a close personal and political friend.

No Evidence of Gain

But Mr. Petersen, a key adviser of Mr. Kleindienst's, said Mr. Kleindienst, as Deputy Attorney General, had not dismissed Mr. Steward because there was no evidence that the San Diego prosecutor had benefited financially.

Mr. Petersen, testifying under oath, was expanding on an affidavit he filed last Friday.

The charges concerning Mr. Steward first gained national attention three weeks ago when they were reported by Life magazine. Mr. Petersen characterized the magazine article as "irresponsible," but he con-

firmed some of the magazine's allegations about Mr. Steward. According to the account Mr. Petersen gave the committee today, a Federal strike force, consisting of investigators and lawyers from several agencies, in 1970 was investigating allegations of an illegal political contribution to President Nixon's 1968 campaign. Mr. Peter-

Its Focus

sen said that Mr. Kleindienst had ordered the investigation.

The investigators wished to question Frank Thornton, an influential San Diego Republican, about charges that a payment of \$2,068 to his advertising agency was a cover for an illegal campaign contribution.

Mr. Steward, according to Life, had worked with Mr. Thornton as a Republican fundraiser before his appointment as United States Attorney. Mr. Thornton's boss is C. Arnholt Smith, who is a close friend of President Nixon and a major contributor to his campaigns.

Without Mr. Steward's knowledge, the magazine said, the strike force agents issued a subpoena to require Mr. Thornton to appear before a Federal grand jury. Mr. Steward, before the subpoena was served, found out about it and told the investigators that he would talk with Mr. Thornton personally.

Mr. Petersen acknowledged to the committee that Mr. Steward had told the investigators that Mr. Thornton was a friend who had arranged his appointment as United States Attorney and who was promoting him within the Nixon Administration for a Federal judgeship.



The New York Times

TESTIFIES ABOUT COAST AIDE: Henry E. Petersen, chief of Justice Department's Criminal Division, before Senate Judiciary Committee yesterday. He told of activities of Harry Steward, U.S. Attorney in San Diego.