

## Senate Hearina Ends

# Flanigan Balks on ITT

WASHINGTON — (UPI) — Presidential aide Peter M. Flanigan refused to tell at a Senate hearing about his contacts with ITT spokesmen regarding the out-of-court settlement of an antitrust suit against the conglomerate.

Flanigan said such questions were beyond the scope of an agreement worked out between the Senate Judiciary Committee and the White House on his appearance as a witness.

After failing to pry new information out of Flanigan, the committee voted to end its tangled inquiry into ITT, the anti-trust settlement, a pledge of at least \$200,000 to the Republican National Convention and the nomination of Richard G. Kleindienst to be attorney general.

On a 7-7 tie vote, a Democratic motion to continue the hearings was defeated and the committee reaffirmed its previous decision to finish today and file a report in one week on Kleindienst's nomination.

### Sustained

Committee chairman James O. Eastland (D-Miss.) sustained Flanigan's refusal to answer the questions.

Eastland cited an exchange of letters between the committee and the White House in which it was agreed that Flanigan's testimony would be limited to his knowledge of four subjects. The agreement was approved by a 12-1 committee vote.

They included the selection of San Diego as the site of the Republican convention

and matters which occurred in his presence at meetings in the office of former Attorney General John Mitchell last April concerning a number of brokerage houses going bankrupt because of the falling stock market.

They also included his involvement with former Assistant Attorney General Richard W. McLaren, who made the out-of-court settlement, and details of a meeting with ITT president Harold S. Geneen.

At a private lunch-hour meeting, the committee refused by a vote of 9 to 5 to broaden the scope of its inquiry so that Flanigan would be compelled to answer when he returned to the witness stand in the afternoon.

### Hart Question

The impasse arose when Sen. Philip Hart (D-Mich.) asked Flanigan if other than two meetings in the attorney general's office, Felix Rohatyn "or anyone else on behalf of ITT expressed concern to you about the effect of a Hartford (Fire Insurance Co.) divestiture?"

"I regret that under the limitations voted by the committee I am not permitted to answer that question," Flanigan answered.

Flanigan procured the services of Wall Street analyst Richard J. Ramsden to make an independent study of the financial impact of divestiture of the Hartford Co. which was being sought by McLaren's antitrust division.

Flanigan conceded that he gave Ramsden a document prepared by Rohatyn, an ITT director, which Rohatyn had used as an argument to get the Department of Justice to drop its suit and settle out of court.

Flanigan denied, however, that he attempted to influence the Ramsden report.

On other points, Flanigan testified:

- He had nothing to do with the selection of San Diego for the convention.

- He was "merely assisting another overworked public servant" when he obtained Ramsden's analysis at the request of McLaren.

"Did you have any interest, personal or political, in what kind of conclusion Ramsden came to?" Sen. Sam J. Ervin (D-N.C.) asked. Flanigan responded "Senator, I did not."

Flanigan said he got the ITT document, which he gave to Ramsden, from McLaren and not from ITT.

He said he did not recall that McLaren told him that it was prepared by an ITT official "but I assumed that it was because it clearly presented their case."

He contended he was only a "conduit" for contacting

Ramsden and relaying McLaren's wish for an outside appraisal of ITT's contentions.

"Why didn't you tell Ramsden to drop by and see McLaren instead of having him come by to your office to be instructed?" Ervin asked.

"It would have saved me a lot of time, including today," Flanigan replied.

Flanigan testified that two meetings he attended April 29, 1971, with ITT officials — one at the White House and a second in Mitchell's office — had nothing to do with ITT's antitrust problems and there were no questions raised involving the firm.

The White House meeting, he said, was part of a series of gatherings President Nixon was holding at the time to discuss his economic re-

covery policies with businessmen.

The meeting with Mitchell, Flanigan said, was to discuss involvement of billionaire Ross Perot with the DuPont Corp. ITT director Rohatyn was present not as an official of that company but as an official of the New York Stock Exchange, Flanigan said.