

DREW PEARSON

Clifford Big Plus For Uncle Sam

WASHINGTON—Every secretary of defense since the office was established in 1947 has represented the industrial-military alliance which President Eisenhower warned against in his last message to the American people. They have been either industrialists themselves or lawyers like Louis Johnson or bankers like James Forrestal representing big defense industries.

The new secretary of defense, Clark Clifford, is no exception.

The only real exception was Robert S. McNamara who, though head of the second largest motor company in the world — Ford — had been a teacher, was essentially humanitarian, and time after time bucked the alliance which Eisenhower warned against. McNamara's theory, which he successfully sold to LBJ, was that nuclear war was so catastrophic the only solution was not to increase our already bristling arsenal of missiles but to negotiate missile and nuclear agreements with Russia instead.

Time after time McNamara refused to spend the billions voted by Rep. Mendel Rivers, D-S.C., and other hawks in Congress for atomic-powered airplane carriers, the B-70 bomber and an anti-ballistic missile network. This eventually contributed to his downfall. The hawkish-minded politicians on Capitol Hill, plus the military-industrial alliance, packed too much of a punch with Congress.

Clark Clifford, on the other hand, has spent all of his career as a private attorney defending some of the defense giants. He has been on their side in their battles against the same U.S. government which he will now represent as secretary of defense.

THESE clients have pulled down in the fiscal year 1967 the sum total of \$1,890,200,000 in defense contracts plus \$494,659,000 in research grants, all from Uncle Sam.

General Electric, in the fiscal year 1967, ranked fourth among the defense contrac-



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tors of the nation, with a total of \$1,289,800,000 in war orders. GE also received as a gift for Uncle Sam a total of \$439,090,000 for research and development.

Another of Clifford's clients, the Radio Corporation of America, received \$263,000,000 in defense contracts, plus \$54,429,000 in grants from Uncle Sam.

Du Pont received \$179,600,000 in defense contracts, and \$1,140,000 in grants for research.

Standard Oil of California, another Clifford client, received \$152,800,000 in defense contracts.

Clifford has done a phenomenal job for these clients.

He helped to get Phillips Petroleum the right to build a refinery in Puerto Rico when all other oil companies were opposed.

He got the DuPont family's tax bill drastically reduced when they faced the prospect of paying Uncle Sam \$470 million in taxes after the court decreed they had to sell their General Motors stock. This was done by an act of Congress.

LATER, WHEN General Motors stock went up in value, Clifford saved the Du Pont family around \$56 million additional by persuading the Treasury to write a special tax ruling for the Du Ponts.

Clifford has also represented the largest pipeline company in the world, El Paso natural gas, which three times has been cracked down on by the Supreme Court for trying to combine with Pacific Northwest Gas. Somehow or other the battery of astute lawyers always got El Paso's dubious claims past a complacent Justice Department and a previously supine federal power commission, now much improved. They were not successful, however, in lulling the Supreme Court.

It should be noted that Clifford was not alone. For

various legal footwork, El Paso paid Richard Nixon's law firm \$77,629.20 in one year and the John Foster Dulles law firm of Sullivan and Cromwell \$946,645.54 over a longer period of time. Not of record are the fees paid to Clark Clifford, but they must have been considerable because he did a Herculean job for El Paso.

AS SECRETARY of Defense, Clifford will be in the position of switching his very considerable talents for Uncle Sam. The only question is whether he has been so long steeped in the atmosphere of his industrial clients that he can make the switch. His friends, including Lyndon B. Johnson, are convinced he can.

He understands the language of the defense giants and could be just as tough on them as he was with the U.S. government when he represented the giants against the government.

Another asset will be his ability to speak the language of Capitol Hill. Clifford is an old poker-playing Truman Democrat who has taken money away from the toughest hawks in the House and Senate. Unlike Bob McNamara, who talked with graphs and computers, Clark Clifford can talk the language of the bourbon highball. Unfortunately this is almost essential when it comes to dealing with headstrong congressmen such as Mendel Rivers who are convinced they know more about missiles and carriers than any secretary of defense.

Making the transition from a tough corporation lawyer to a tough lawyer for Uncle Sam will not be easy. Some lawyers, when they join the government, never get it done. But we believe Clifford will do it. He is an honest and extremely able man.