

WXPost JUN 1 2 1973

Colson Ordered To Testify on SEC

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Former White House special counsel Charles W. Colson has been subpoenaed to appear Thursday before a House subcommittee looking into possible White House political pressure on the Securities and Exchange Commission.

Committee sources said Colson would be questioned about a memo sent to him in April by one of his law partners suggesting that he mobilize "pressure from the White House" and lean on then SEC Chairman G. Bradford Cook to place a particular lawyer in the post of SEC general counsel because it "is a key job in the commission and one of extreme importance to us in representing our clients."

The author of the memo, Charles H. Morin, has also been subpoenaed to testify.

David I. Shapiro, another of Colson's partners who generally acts as his spokesman, said yesterday that Colson and Morin will show up Thursday and testify "fully, openly and without hesitation." Shapiro repeated Colson's assertion, made at the time the memo was disclosed in The Washington Post last month, that the pressure suggested by Morin was never applied.

The hearing is one of a series being conducted by the House Commerce Committee's Special Investigations Subcommittee looking into possible White House intervention in the SEC's case against the International Telephone and Telegraph Corp. With Colson's appearance the Subcommittee will be broadening the scope of its inquiry to include possible pressure on hiring at the SEC and other regulatory agencies.

Colson, who left the White House in March to go into private law practice here, will be questioned also on allegations that he was one of several Nixon administration aides who made private contact with ITT officials before the SEC case was settled, committee sources said.

The SEC case involved charges of "insider" stock trading by corporate officials in connection with the 1971 settlement of a government antitrust suit against ITT's acquisition of Hartford Fire Insurance Co. The SEC's suit was settled by a consent decree.

Last year, Committee Chairman Harley O. Staggers (D-W. Va.) sought to get ITT documents connected with the case, but the SEC turned them over to the Justice Department instead, in

effect, denying them to the Committee. SEC officials have since testified before the Committee that they turned over the documents, some of them politically sensitive, after consulting with then White House counsel John W. Dean III.

The documents, according to a summary finally made available to the Committee, related to the government's antitrust settlement with ITT and detailed the private contacts between Nixon administration officials and company officers before the settlement took place.

Dean appeared in a closed session of the subcommittee last month. The Colson testimony will be in open session.

The Morin memo to Colson, written about six weeks after Colson left the White House, said that then SEC Chairman Cook "ought to be reminded of how he got the job and how he almost did not get the job." Cook, who resigned in May after charges that he yielded to political pressure in the SEC's case against financier Robert Vesco, has denied that Colson got him the job.

Last week, Attorney General Elliot Richardson increased the authority of Watergate Special Prosecutor Archibald Cox to include a full-scale investigation of whether there was any obstruction of justice during the SEC's probe of the ITT.