

Memo Links President to

By Jules Witcover

Washington Post Staff Writer

The Senate Watergate committee yesterday made public a 1972 White House memorandum warning of the existence of other internal memos that would "directly involve" President Nixon in favorable settlement of antitrust suits against International Telephone and Telegraph Corp. and "lay this case on the President's doorstep."

Among the memos then-White House special counsel Charles W. Colson wrote to H. R. Haldeman, White House chief of staff, was one "alluding to discussions between the

President and the Attorney General (then John N. Mitchell) as the 'the agreed-upon ends' in the resolution of the ITT case . . ."

Another memo, Colson wrote, set forth an arrangement whereby an ITT subsidiary, Sheraton Corp. of America, had pledged \$400,000 to help underwrite the 1972 Republican National Convention, then slated to be held in San Diego but later moved to Miami Beach. A copy went to Mitchell, Colson said.

Mitchell, in 1972 testimony before the Senate Judiciary Committee on the confirmation of Richard G. Kleindienst to succeed him as Attorney

General, had said he knew nothing of the \$400,000 arrangement at the time of the ITT settlement. Samuel Dash, chief counsel of the Watergate committee, said the Colson memo appears to show "an act of perjury on the part of Mitchell."

The Colson memo, written in the heat of the Kleindienst confirmation hearings, urged that the Kleindienst nomination be withdrawn, lest the White House involvement in the ITT settlement—always denied—be revealed, and Mitchell be trapped in perjury.

Dash introduced the Colson memo, dated March 30, 1972, in cross-exam-

ITT Antitrust Settlement

ining Haldeman yesterday. Haldeman said he did not recall seeing it.

Dash said the memo came to the committee's attention Tuesday night during a staff interview with "a secretary" responding to a subpoena for documents, and he first learned of it yesterday morning. "We were in luck," he said. "We get things as fresh as milk in the morning."

It was the second time in recent days that a routine staff interview had uncovered explosive information. In a similar session, former White House aide Alexander P. Butterfield told of the automatic presidential bugging system at the White House that led to

the current clamor for President Nixon to turn over tapes dealing with Watergate.

Colson's memo warned Haldeman about a bewildering array of internal ITT and administration memos—none of which was made public yesterday—that, taken together, strongly suggested a White House drive, in concert with ITT officials, to settle the antitrust suit before it reached the Supreme Court.

Last night, Colson said his memo was written to make Haldeman "fully aware" of the concern of himself and other White House aides—"an effort to acquaint Mr. Haldeman with all

the problems—put in their worst context—that might arise out of the continuing hearings."

Colson, in the memo, argued that the Kleindienst nomination be withdrawn rather than risk "the possibility of serious additional exposure" that would make the President vulnerable to Democratic attack.

Among the other memos, Colson wrote, was one to Mr. Nixon that would "once again contradict Mitchell's testimony and more importantly directly involve the President."

The memo laying out the details of the \$400,000 arrangement—which the

See ITT, A18, Col. 1

ITT, From A1

administration always has insisted was unrelated to the ITT settlement in July, 1971—was dated one month before that settlement, Colson's warning to Haldeman said.

The detailed report of the ITT pledge, Colson wrote, "put the AG on constructive notice at least of the ITT commitment at that time and before the settlement, facts which he has denied under oath."

Colson also warned Haldeman that:

- Certain files turned over to the Securities and Exchange Commission would "undermine" testimony of then Solicitor General Erwin N. Griswold that he made the decision to delay taking the government antitrust challenge to the Supreme Court; a challenge ITT officials were lobbying to detour.

- ITT correspondence to then-Secretary of the Treasury John B. Connally and Peter Peterson, a White House aide who later became Secretary of Commerce, credited the delay not to Griswold but "to direct intervention by Peterson and Connally."

- A memo addressed "Dear Ted" from Edward J. "Ned" Gerrity, senior vice president of ITT, to Vice President Spiro T. Agnew "tends to contradict John Mitchell's testimony" because it outlined an agreement Mitchell made with Harold S. Geneen, ITT's president, in August, 1970, to discuss the ITT case with Richard McLaren, then assistant attorney general in charge of the Antitrust Division.

McLaren, prior to the settlement, had been insisting on carrying the case—challenging ITT's acquisition of Canteen Corp., Grinnell Corp. and Hartford Fire Insurance Co.—all the way to the Supreme Court. After the settlement he was appointed a federal judge in Chicago.

- Another ITT memo, from John Ryan, the corporation's Washington public relations man, to William R.

Merriam, vice president in charge of Washington relations, "suggests that Kleindienst is the key man to pressure McLaren, implying that the Vice President would implement this action . . . We believe that all copies of this have been destroyed."

- An April, 1970, memo suggested to McLaren that Mitchell could give him "more specific guidance" on handling the ITT matter.

- A September, 1970, memo from John D. Ehrlichman, the No. 2 White House aide, to Mitchell referred to an "understanding" with Geneen and complained of McLaren's actions.

Mitchell's testimony before the Kleindienst confirmation hearings that he knew nothing of the \$400,000 ITT offer prior to the antitrust settlement had come under challenge earlier.

California Lt. Gov. Edward Reinecke reported that he had notified Mitchell of the arrangement in an April, 1971, meeting, but later said he hadn't met with Mitchell until September, after the settlement. Mitchell said that in April and September meetings with Reinecke they had discussed economic development in California, not the convention.

"If known," Colson warned Haldeman of the memo setting out the terms of the ITT pledge, "this would be considerably more damaging than Reinecke's statement." There was some doubt, he said, that "we have recovered all the copies . . . Despite a search this memo could be lying around anywhere at 1701"—presumably 1701 Pennsylvania Ave. NW, the address of the Committee for the Re-election of the President.

Colson, in his statement last night, said he and two White House legislative aides at the time, Clark MacGregor and Wallace Johnson, "felt it our obligation to advise Mr. Haldeman of some of the matters which could be subject to misinformation and could be damaging to the administration as the hearings (on Kleindienst's confirmation) continued.

"There's significant disagreement within the White

House staff as to whether the Kleindienst nomination should be withdrawn or not," Colson said, and his memo to Haldeman was a "brief" for withdrawal. It was prepared, he said, "on the basis of all the information available to us, including hearsay reports. . . ."

"None of us felt that there was any evidence that there in fact had been any connection between the ITT pledge to the San Diego convention bureau and the ITT settlement, but our concern . . . was that a different case could be built on appearances."

At the White House last night, deputy presidential press secretary Gerald L. Warren, asked to comment on the Colson memo, reiterated that it was White House policy not to comment on testimony before the Watergate Committee.

In confronting Haldeman with the Colson memo yesterday, Dash noted that Haldeman had testified that five days after the date of the Colson memo he discussed the ITT-Kleindienst matter with Mr. Nixon. Dash asked:

"If you had in fact received this memorandum, which had given you information that the Attorney General may have committed perjury in the Kleindienst confirmation hearings, would it not have been a matter that you would have taken up with the President?"

Haldeman answered: "I would have either taken it up with the President or ascertained—or gotten someone who had direct knowledge of the situation to take it up with the President, yes."

The ITT controversy began in 1969 and developed into a major campaign issue in 1972, with Mr. Nixon's Democratic foe, Sen. George McGovern (D-S.D.), charging the administration with striking a deal with ITT on the settlement and the convention pledge.

As early as April, 1969, ITT officials were in touch with Mitchell and Kleindienst, then deputy attorney general, to keep the antitrust matter out of the courts. Out-of-court settlement was suddenly announced on July 31, 1971.