

NYTimes  
Memo Prompts Call by Tunney for New Suit

AUG 3 1973

AUG 3 1973

By CHRISTOPHER LYDON

Special to The New York Times

WASHINGTON, Aug. 2

The 1972 White House memo regarding the International Telephone and Telegraph Corporation that came to light in the Senate Watergate hearings yesterday produced numerous sharp reactions in Congress today.

The sharpest came from Senator John V. Tunney, who said that the Government should file a new antitrust suit to split the Hartford Fire Insurance Company from I.T.T.

The memo, written on March 30, 1972 by Charles W. Colson, then a special counsel to President Nixon, to H. R. Haldeman, chief of the White House staff, confirmed broad pressures from the corporation on top Administration officials to drop the antitrust suit. The Justice Department finally did that in July, 1971.

As Senator Tunney, a California Democrat, read it, "The memo suggests that the I.T.T. settlements were nothing more than a fraud on the public."

#### \$400,000 Arrangement

Noting the memo's reference to the "\$400,000 arrangement" in which corporation-owned hotels pledged support to the Republicans' 1972 convention, Mr. Tunney charged that the corporation bargained to settle the antitrust suits "with the understanding that \$400,000 would be slipped under the table." The memo makes clear, he contended, that "the fix was in."

Senator Edward M. Kennedy, Democrat of Massachusetts, said that William D. Ruckelshaus, President Nixon's nominee to be Deputy Attorney General, could become a "pawn" in the Senate Judiciary Committee's new fight for Justice Department documents on the I.T.T. case.

And Senator Birch Bayh, Democrat of Indiana, renewed the Judiciary Committee's year-old demand for prosecution of

perjury by witnesses in the confirmation hearings on former Attorney General Richard G. Kleindienst last year. The hearings focused on questions of political interference in the settlement of the case.

Meanwhile, the White House declined comment on the Colson memo's warning that leakage of secret documents could "directly involve" President Nixon in the disputed decision to drop the Government's objection to the corporation's acquisition of Hartford.

After dismissing questions on the memo, Gerald L. Warren, the deputy White House press secretary, added: "Whatever policy decisions the President may have relayed regarding antitrust matters in general would be entirely within the prerogative of the President and entirely within the proper application of antitrust laws."

Vice President Agnew, whose meeting and correspondence with an I.T.T. executive on the case was mentioned in the Colson memo, commented through a spokesman today that he had relayed the corporation's complaints to then-attorney General John N. Mitchell in August, 1970, but that Mr. Agnew had not interfered in the case.

Edward J. Gerrity, the corporation's public relations, had been a wartime friend of Mr. Agnew's, the Vice President's office explained. Three years ago, said Marsh Thompson, Mr. Agnew's spokesman, Mr. Gerrity asked the Vice President to tell Mr. Mitchell that I.T.T. was not Richard G. McLaren, then

ment's antitrust division. "But that was the end of it," Mr. Thompson said. Mr. Agnew never spoke to Mr. McLaren. He just relayed the message.

Mr. Gerrity's Aug. 7, 1970, memorandum to Mr. Agnew, now a public document, declares, however, that Mr. Mitchell had recently met with Harold S. Geneen, the corporation's chairman, and agreed to "talk with McLaren" — a

point that Mr. Mitchell denied when he testified in favor of Mr. Kleindienst's confirmation on March 14, 1972.

"I never discussed the content of my conversation with Mr. Geneen with any member of the department, nor did I communicate with them about it," Mr. Mitchell told he Senate hearings last year.

That is only one of several apparent contradictions that angered Senate Democrats to-

day. Senator Kennedy said that the Colson memo suggested further evidence that witnesses had "lied" in the Kleindienst hearings.

Senator Bayh said he had long believed there was "perjury" in those hearings, but he said today he was assured that Archibald Cox, the special Watergate prosecutor, is proceeding in a formal investigation of the matter.

A spokesman for Mr. Cox

## Against I.T.T.

confirmed this afternoon that one of five task forces in the special prosecutor's office was concentrating on possible criminal violations in the I.T.T. settlement, including allegations of perjury in the Kleindienst hearings.

Mr. McLaren, now a Federal district judge in Chicago, indicated through an aide today that he is "not making any comments or granting any interviews" on the settlement.