

Timing of the Delivery of 'Politically Sensitive' I.T.T. Papers to White House Poses New Questions

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Special to The New York Times

WASHINGTON, Nov. 18—Federal investigators have learned that on March 6, 1972, an attorney for the International Telephone and Telegraph Corporation delivered to the White House a set of what later became known as the "politically sensitive" documents in the I.T.T. affair.

On the same day the documents were delivered, John D. Ehrlichman, then President Nixon's domestic adviser, called William J. Casey, the chairman of the Securities and Exchange Commission, and suggested that the S.E.C.'s Enforcement Division not seek the documents by subpoena.

Mr. Casey testified about the call from Mr. Ehrlichman at a Congressional hearing last June.

These 13 documents are considered central to the investigation—first entrusted to the Justice Department but shifted to the special Watergate prosecutor last June — of possible perjury and obstruction of justice in connection with the settlement in July, 1971, of three antitrust suits against the corporation.

The documents are memos and letters by company officers detailing meetings of several high I.T.T. executives, including the president, Harold S. Geneen, with Administration officials in 1970 and 1971.

These officials were at the time Vice President Agnew, Attorney General John N. Mitchell, Deputy Attorney General Richard G. Kleindienst, Secretary of the Treasury John B. Connally, Secretary of Commerce Maurice H. Stans, the White House foreign economic adviser, Peter G. Peterson, and Charles W. Colson, counsel to the President.

With the discovery of the March 6, 1972, delivery of the documents to the White House, the investigators believe they have found the answer to two key questions: How and when did Mr. Mitchell, Mr. Kleindienst, Mr. Ehrlichman, Mr. Colson and John W. Dean 3d, the dismissed counsel to the President, first see the documents?

All Five in March

Hitherto, on the basis of testimony last May and June before the investigations subcommittee of the House Commerce Committee, it was believed that Mr. Mitchell might have seen the documents as early as March, 1972, that Mr. Dean might have seen them about July 1, and that Mr. Kleindienst first saw them on Aug. 25, when he asked Mr. Casey for a set.

Investigators now believe that all three, plus Mr. Ehrlichman and Mr. Colson, saw the documents in March. And this has raised the following questions connected with possible perjury and obstruction of justice:

¶Why, when the corporation was under subpoena to produce all documents relevant to an inquiry at that time by the Securities and Exchange Commission into the merger of I.T.T. and the Hartford Fire Insurance Company, did I.T.T. deliver the politically sensitive documents, which up to this time it had withheld, to the White House two weeks before surrendering them to the S.E.C.? Was there White House collusion in this?

Mr. Casey, acting with the approval of the other commissioners, rushed the documents to the Justice Department in October, 1972, on the ground that I.T.T. might have obstructed justice by initially withholding them. Why did not one of the Administration officials who had seen them, and possibly had copies, turn them over to the Justice Department months earlier?

¶Did Mr. Colson perjure himself when he told the House Commerce subcommittee last June 14 that, with the exception of one memo addressed to himself, he had "read it [the politically sensitive file] today for the first time" after the subcommittee staff had shown it to him?

¶Finally, was Mr. Nixon told about the documents delivered to the White House on March 6, 1972?

Federal investigators say they have learned that the I.T.T. lawyer who delivered the file was Michael W. Mitchell of the New York firm of Skadden, Arps, Slate, Meagher & Flom. They also say that the man who received it was Wallace H. Johnson, at that time the White House legislative liaison with the Senate.

Asked in a telephone interview last week about the delivery of the "politically sensitive documents" on March 6, 1972, Michael Mitchell said, "I never heard of that." He refused further comment on the ground that he represented the corporation.

However, in another telephone interview, Mr. Johnson, now an Assistant Attorney General, said: "I did meet with an attorney from I.T.T. and I did receive some of those documents, which I subsequently turned over to a representative of the legal counsel of the White House." Mr. Johnson said that the attorney was "Mike Mitchell."

Beard Memo

The sensitive documents had been delivered to the White House only four days after the Kleindienst hearings began. The hearings had been reopened at the request of Mr. Kleindienst, who sought a chance to dispel assertions made by Jack Anderson, the columnist. On Feb. 29 his column had described the now famous memo by Dita D. Beard, an I.T.T. lobbyist, to her

superior, William R. Merriam, head of the Washington office. In that memo, dated June 25, 1971, Mrs. Beard said that the "noble commitment" of the corporation to contribute \$400,000 for the 1972 Republican National Convention, then planned for San Diego, "has gone a long way toward our negotiations on the mergers eventually coming out as Hal [Geneen] wants them."

At that time, the corporation was trying to persuade Richard W. McLaren, the Assistant Attorney General in charge of the Antitrust Division, to permit retention of the \$1.5-billion Hartford Fire Insurance Com-

pany, even if I.T.T. had to divest itself of the Grinnell Corporation and the Canteen Corporation. These were the three mergers against which Mr. McLaren had brought suit.

The Beard memo had also raised a flurry of interest in another quarter—the Securities and Exchange Commission. For about two years the S.E.C. had been intensively investigating any irregularities connected with the Hartford merger, such as insider trading, and had issued subpoenas for all documents relating to the merger and the eventual settlement.

Stanley Sporkin, the commission's deputy director of en-

forcement, was in charge of the investigation. After he read the Beard memo in the Anderson column, he is said to have called Joseph H. Flom, I.T.T.'s principal attorney, on March 2 or 3, and asked why this memo had not been supplied in response to the subpoena. He also asked whether any similar items had been held back.

On March 6—the day the documents were delivered—Mr. Ehrlichman called Mr. Casey and asked the commission chairman to go to the White House, according to Mr. Casey's testimony last June 27 and 28 before the investigations sub-

committee of the House Commerce Committee.

When he got there, Mr. Casey testified, Mr. Ehrlichman was "unhappy," and asked him "why the commission was chasing after additional I.T.T. documents," and "whether this was necessary."

Mr. Casey testified that he had told Mr. Ehrlichman that he supported his enforcement officials and "didn't interfere with their procedures." He also told the subcommittee, headed by Representative Harley O. Staggers, Democrat of West Virginia, that he regarded Mr. Ehrlichman's implied request to call off the quest for further

documents as "clearly improper."

On March 13, 1972, Mr. Flom is said to have called on Mr. Sporkin, told him that there were additional documents along the lines of the Dita Beard memo, which I.T.T. was willing to have Mr. Sporkin examine but did not wish him to keep. Mr. Sporkin said that that was not the way he did business. On March 21, Mr. Flom delivered the documents and asked Mr. Sporkin to lock them in his safe. Mr. Sporkin testified that he did so.

On Aug. 15, 1972, Senator Edward M. Kennedy, Democrat of Massachusetts, wrote Mr.

Casey, asking for all "correspondence, memoranda" on the I.T.T. case. As a result of this request, Mr. Kleindienst met on Aug. 25 with Mr. Casey, who testified later that he had told the Attorney General about the 13 sensitive documents. Mr. Kleindienst obtained a set from Mr. Casey.

Mr. Casey refused Mr. Kennedy's request on the ground that the commission had always refused to give Congressional committees material from an open investigation file.

When Mr. Staggers made the same request on Sept. 21, Mr. Casey made the same refusal.

Mr. Casey testified that on Oct. 3 he met with Mr. Dean at the White House, and they decided the way out was to ship all the I.T.T. files, including the 13 documents, to the Justice Department. They agreed that the stated reason for doing this would be that because the Justice Department was already charged with investigating the Kleindienst hearing record for perjury, it should combine the inquiry with an investigation of obstruction of justice by I.T.T. for failure to supply the 13 documents in the first places. On Oct. 6, the transfer was made.