

Phillips Petroleum Lists Illegal Gifts In Political Races

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By MICHAEL C. JENSEN
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WASHINGTON, Sept. 26—The Phillips Petroleum Company said today it had illegally contributed corporate funds to the campaigns of dozens of Congressional candidates, including Gerald R. Ford, in 1970 and 1972, and to the Presidential campaigns of Richard M. Nixon and Lyndon B. Johnson.

The company said it had illegally made two contributions of \$1,000 each to Mr. Ford's campaigns of 1970 and 1972. Mr. Ford was then serving as a Representative from Michigan.

Asked today if Mr. Ford had known the Phillips contribution was in corporate funds, a White House spokesman said: "Obviously not. He had no idea."

In all, the company said, it distributed an estimated \$585,000 from a secret \$1.35-billion cash fund between 1964 and 1972. In addition to the \$175,000 in Presidential campaign contributions and the \$125,000 for Congressional campaigns, it said it made legal contributions of \$70,000 for political dinners and \$215,000 for state elections.

Phillips said it had illegally contributed \$25,000 in corporate

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funds to Mr. Johnson's campaign in 1964, and \$50,000 in a direct gift to Mr. Nixon in 1968 before he announced his candidacy for the Presidency.

Phillips already has been convicted of making an illegal gift of \$100,000 to President Nixon's 1972 re-election campaign.

The company said Mr. Ford was one of 29 Congressional candidates who received such gifts in 1970 and one of 36 such recipients in 1972.

Violation of Federal Law

The company said it had no indication that any of the Congressional candidates knew the funds had been given illegally. It is a violation of Federal law to contribute corporate funds to candidates for Federal offices.

Phillips had previously disclosed that it contributed funds illegally to politicians, but the names of the recipients were revealed today for the first time in a 54-page document filed with the Securities and Exchange Commission.

The company said in relation to its contributions of \$125,000 to Congressional candidates between 1964 and 1972 that most of the gifts averaged \$1,000 or less.

Phillips said it did not have records of the gifts but relied on the memory of company officials including William W. Keeler, its former chairman, on Presidential gifts, and Carstens Slack, a vice president in

charge of its Washington office, on Congressional gifts.

The company said Mr. Slack did not know the source of the funds provided to him for donations to political campaigns.

Jackson and Scott Listed

Among the members of the Congress who were identified by Phillips as recipients of illegal contributions were Senator Henry M. Jackson, Democrat of Washington, and a declared Presidential candidate; Senator Hugh Scott of Pennsylvania, the Senate Republican leader; and Senator Robert P. Griffin of Michigan, the Republican whip.

Senator Carl T. Curtis of Nebraska, ranking Republican on the Senate Finance Committee, was also listed as a recipient.

Among the Congressmen listed as recipients were Carl Albert, Democrat of Oklahoma, the Speaker of the House; Lester C. Arends, Republican of Illinois, the former House whip, and Thomas P. O'Neil Jr. of Massachusetts, the Democratic leader.

Most of the members of Congress involved had left town before the document was released this afternoon and could not be reached for comment.

Of those who were contacted, the response of Senator Curtis was typical. "This is the first I've heard of this transaction," he declared. No contributions were accepted by me with the knowledge or the reason to believe that they

were corporate funds or otherwise illegal."

Mr. Curtis said that he would investigate the matter and, if it were found that he had accepted an illegal contribution, he would return the money.

Leo Diehl, administrative assistant to Mr. O'Neill, said, "None of us knew if any way, shape or manner that we took an illegal corporate contribution."

Asked whether he had received such gifts, Mr. Arends asserted: "I don't recall it. I know that they have helped many people. But I didn't know it was corporate money."

Phillips is one of a number of large American corporations that has been investigated in recent months for making illegal campaign contributions or foreign payoffs. Others include Ashland Oil, Inc., the Northrop Corporation, the American Ship Building Company and the Gulf Oil Corporation.

Both Phillips and Mr. Keeler, its former chairman, pleaded guilty in December, 1973, to contributing \$310,000 to the Nixon re-election campaign. The company prepared the international report that was made public in conformance with a court action brought by the S.E.C. in which Phillips was charged with diverting \$2.8-million into illegal political contributions and Swiss bank accounts.

Although Phillips did not

identify the amounts of company cash contributed to some of the Congressional candidates, it did say that it had given \$2,500 to Mr. Albert in 1972, in addition to \$500 previously given him in 1970.

Another recipient was said to be Senator Howard H. Baker Jr., the Tennessee Republican who was a member of the Senate Watergate Committee. He was one of five senators who were said to have received an aggregate of \$1,900 in 1972.

Phillips said in its report that it had previously disclosed the list of contributions and recipients to the Watergate special prosecutor.

Regarding the Presidential contributions, the report said that Mr. Keeler did not recall the details of the \$25,000 given to the Johnson campaign in 1964. However, it said he personally delivered an amount he believed to be \$50,000 to Nixon late in 1967 or early in 1968.

Recommendations Given

The contributions to Congressional candidates, the report said, were handled as follows: "Slack would prepare a list of Congressional candidates whom he recommended receive contributions, and the proposed amount."

Early in the election year, the report said, Mr. Slack would submit his list to John Houchin, former deputy chairman of the Phillips, who would review the list with the company's chief

executive. After getting approval of the list, Mr. Slack would receive cash from Mr. Houchin, taken from the secret fund maintained by the company.

"No records were kept by any of those involved as to the contributions made," the report said. "Slack similarly kept no list or notes after the contributions were delivered, and thus had no records as to recipients or amounts."

Oklahoma and Texas

Phillips said the cash fund also was used as a source of contributions in state elections, and to reimburse company officers who purchased tickets to fund-raising dinners held by the national or state Republican and Democratic parties. It said the state contributions were largely concentrated in Oklahoma and Texas.

Regarding a previously disclosed transaction, in which Phillips said it paid \$1.3-million to foreign associates through a Swiss corporation, the report said that none of the money was used to pay "any bribe, commission, contribution, or other payment to any government official, politician, or political party."

Phillips said the investigation that preceded its report to the S.E.C. was conducted by the Washington law firm of Clifford, Warnke, Glass, McIlwain & Finney. Clark M. Clifford, the senior partner of the firm has been a director of Phillips since 1969.

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List of Contributions

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WASHINGTON, Sept. 26 — The following is a complete list of the Congressional contributions made by the Phillips Petroleum Company in 1970 and 1972 and disclosed today in a document filed with the Securities and Exchange Commission:

Those receiving \$1,000 contributions in 1970 were:

William E. Brock, Republican, Tennessee; Paul J. Fannin, Republican, Arizona; Roman L. Hruska, Republican, Nebraska, and John S. Weld, Republican, Wyoming.

Those receiving \$1,000 contributions in 1972 were said to be:

Gordon Allott, Republican, Colorado; Carl T. Curtis, Republican, Nebraska; Clifford P. Hansen, Republican, Wyoming; Mark O. Hatfield, Republican, Oregon; B. Everett Jordan, Democrat, North Carolina; Jack Miller, Republican, Iowa; James B. Pearson, Republican, Kansas; Jennings Randolph, Democrat, West Virginia; Strom Thurmond, Republican, South Carolina, and John Tower, Republican, Texas.

A \$1,000 contribution was made to a Congressional campaign committee for Senator Ted Stevens, Republican, Alaska.

Two contributions totaling approximately \$11,000 were made to the 1972 campaign of Ed Edmondson, a Democratic candidate for the Senate in Oklahoma.

There were said to be smaller contributions, totaling \$1,700, in 1970 to the campaigns of Hiram L. Fong, Republican, Hawaii; Henry M. Jackson, Democrat, Washington; William C. Cramer, Republican, Florida; Clark MacGregor, Republican, Minnesota; Frank E. Moss, Democrat, Utah; George Murphy, Republican, California, and Hugh Scott, Republican, Pennsylvania.

There were five smaller contributions, totaling \$1,900, in 1972 to the campaigns of Howard H. Baker, Jr., Republican, Tennessee; Robert P. Griffin, Republican, Michigan; James A. McClure, Republican,

Idaho; Sam Nunn, Democrat, Georgia, and Wesley Powell, Republican, New Hampshire.

There were these contributions, according to the report, to candidates for the House of Representatives:

crat, Oklahoma, in 1970; \$1,000 to John N. Camp, Republican, Oklahoma, in 1972; \$2,500 to Ed Edmondson, Democrat, Oklahoma, in 1970; \$1,000 to Gerald R. Ford, Republican, Michigan, in both 1970 and 1972; \$3,000 to John Jarman, Democrat, Oklahoma, in both 1970 and 1972, and \$2,000 to Tom Steed, Democrat, Oklahoma, in both 1970 and 1972.

There were said to be contributions of \$500 each to 13 candidates for the House of Representatives in 1970:

Carl Albert, Democrat, Oklahoma; Leslie C. Arends, Republican, Illinois; Wayne Aspinall, Democrat, Colorado; John W. Byrne, Republican, Wisconsin; Durward G. Hall, Republican, Missouri; Phil M. Landrum, Democrat, Georgia; Catherine May, Republican, Kansas; Joe Skubitz, Republican, Kansas; Jerome R. Waldie, Democrat, California; John C. Watts, Democrat, Kentucky, and Rob Wilson, Republican, California.

There were said to be contributions of \$500 to eight house candidates in 1972:

Leslie C. Arends, Republican, Illinois; Nick Begich, Democrat, Alaska; Harold R. Collier, Republican, Illinois; William H. Harsha, Republican, Ohio; Garner E. Shriver, Republican, Kansas; Joe Skubitz, Republican, Kansas; Jerome R. Waldie, Democrat, California, and Bob Wilson, Democrat, California.

Phillips said a representative often made smaller contributions to house candidates by attending fund-raising receptions. There were said to be contributions of \$200 each to seven House candidates in 1972:

Wayne Aspinall, Democrat, Colorado; Hale Boggs, Democrat, Louisiana; Omar Burlison, Democrat, Texas; Elford A. Cederberg, Republican, Michigan; Barber B. Conable Jr., Republican, New York; Thomas P. O'Neill Jr., Democrat, Massachusetts, and John J. Rooney, Democrat New York.