
Don Edwards

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ITT GLOSSARY

AIBEL, HOWARD
Senior Vice President and General Counsel, ITT.

ANDERSON, JACK
Syndicated columnist.

BEARD, DITA

BURNS, ARTHUR
Chairman of the Board of Governors of the Federal Reserve System, January 1970 - present.

CASEY, THOMAS
Director, Corporate Planning, ITT.

CASEY, WILLIAM
President of the Export-Import Bank, 1974 - present.

CHAPIN, DWIGHT
Deputy Assistant and Assistant to the President (Appointments Secretary), January 20, 1969 - February 1973.

COLSON, CHARLES

CONNALLY, JOHN
Governor of Texas, 1962 - 1968.
Chairman of "Democrats for Nixon" in the 1972 Presidential campaign.

DOLE, ROBERT
Senator from Kansas, 1968 - present.
EHRlichman, John
Counsel to the President, January 1969 - November 4, 1969.

Fielding, Fred
Assistant to the Counsel to the President, November 12, 1970 - May 1, 1971.

FlAnigan, Peter
Assistant to the President (business and regulatory agencies), April 1969 - 1974.

Geneen, Harold
President, ITT.

Gerrity, Edward
Vice President for Public Relations, ITT.

Gillenwaters, Edgar

Good, Josephine
Convention Director, Republican National Committee.

Griswold, Erwin

Haldeman, H. R.
Assistant to the President (White House Chief of Staff), January 21, 1969 - April 30, 1973.

Higby, Lawrence
Presently employed at the Office of Management and Budget.

Hughes, Col. James
Military Assistant to the President, 1969 - 1972.
HULLIN, TOD

HUME, BRIT
Investigative reporter employed by Jack Anderson.

HUNT, E. HOWARD

JAMES, HOWARD

JOHNSON, WALLACE

KLEIN, HERBERT

KLEINDIENST, RICHARD

KROGH, EGIL
LAIRD, MELVIN
Former Member, United States House of Representatives.
Counsel to the President for Domestic Affairs, June 1973 -

MacGREGOR, CLARK
Former Member, United States House of Representatives.
Counsel to the President for Congressional Relations,
Campaign Director, Committee for the Re-election of the
President, July 1, 1972 - November 1972.

MAGRUDER, JEB
Special Assistant to the President and Deputy Director of
Chief of Staff, Committee for the Re-election of the President,
Deputy Campaign Director for Committee for the Re-election of
the President, July 1972 - November 1972.
Executive Director, Inaugural Committee, November 1972 -
Commerce Department, 1973.

McLAREN, RICHARD
Assistant Attorney General, Antitrust Division, Department
Federal District Judge, Northern District of Illinois,
February 1972 - present.

MARDIAN, ROBERT
General Counsel, Department of Health, Education and Welfare,
Executive Director of Cabinet Committee on Education,
Assistant Attorney General, Internal Security Division,
Department of Justice, November 1970 - April 1972.
Assistant to Campaign Director, Committee for the Re-election
of the President, May 1972 - November 1972.

MERRIAM, WILLIAM
Vice President, ITT.

MITCHELL, JOHN
Richard Nixon's Campaign Director, 1968.
Campaign Director, Committee for the Re-election of the
President, April 9, 1972 - July 1, 1972.
MITCHELL, MICHAEL  
Attorney, New York law firm of Skadden, Arps, Slate, Meagher & Flom.

MOORE, RICHARD  
Special Counsel to the President, April 1971 - present.

NUNN, LEE  
Director of Republican Senatorial Campaign Committee, 1968 - April 1971.  
Regional and State Coordinator, Finance Committee for the Re-election of the President, April 1972 - December 1972.

NUNN, LOUIE  
Unsuccessful candidate for the United States Senate, 1972.

ODLE, ROBERT  
Director of Administration, Committee for the Re-election of the President, May 1971 - May 1973.  

PETE RSON, PETER  
Assistant to the President for International Affairs, and Executive Director of the Council on International Economic Policy, January 1971 - February 1972.  
Secretary of Commerce, February 1972 - December 1972.

POOLE, JOHN  
Attorney, Antitrust Division, Department of Justice, 1971.

RAMSDEN, RICHARD  
Partner, Brokaw, Schaeenen, Clancy and Company (investment advisors).  
White House Fellow, Special Assistant to Director, Office of Economic Opportunity, 1969 - 1970.

REINECKE, HOWARD "Ed"  
Lieutenant Governor of California since 1969.

ROHATYN, FELIX  
Partner, Lazard Freres & Co. (investment banking firm), New York.  
Member, Board of Directors, ITT.
RYAN, JOHN
Deputy Director of Washington Relations, ITT.

SHULTZ, GEORGE
Director, Office of Management and Budget, June 1970 - June 1972.
Secretary of the Treasury, June 1972 - May 1974.

SLOAN, HUGH
Staff assistant to Dwight Chapin in the planning of the President's appointments and travel, January 20, 1969 - March 1971.

STANS, MAURICE

STRACHAN, GORDON
Former attorney, Mudge, Rose, Guthrie & Alexander.

TIMMONS, WILLIAM
Deputy Assistant to the President for Congressional Relations, January 1969 - February 1970.
Assistant to the President for Congressional Relations, February 1970 - 1974.

WALSH, LAWRENCE
Attorney, New York law firm of Davis, Polk & Wardwell which has represented ITT for many years.

WILSON, BOB
Congressman from the 40th District of California (San Diego), 1952 - present.
UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA

v.

HOWARD EDWIN REINECKE,
Defendant.

Criminal No.

Violation of 18 U.S.C.
§ 1621 (perjury).

INDICTMENT
COUNT ONE

The Grand Jury charges:

1. On or about the 19th day of April, 1972, in the District of Columbia, HOWARD EDWIN REINECKE, the DEFENDANT, having duly taken an oath before a competent tribunal, to wit, the Committee on the Judiciary of the United States Senate, conducting official hearings and inquiring into a matter in which a law of the United States authorizes an oath to be administered, that he would testify truly, did unlawfully, willfully, knowingly, and contrary to such oath state material matters hereinafter set forth which he did not believe to be true.

2. At the time and place set forth above, the said Committee was conducting an inquiry and hearing into the qualifications of Richard G. Kleindienst to be Attorney General of the United States and, as part of the said inquiry and hearing, was inquiring into the manner in which the United States Department of Justice had processed antitrust matters and cases involving mergers made and contemplated by the International Telephone and Telegraph Company (hereinafter ITT). One allegation being investigated was
that the settlement of three antitrust cases involving ITT, which settlement was announced by July 31, 1971, was influenced by a commitment or offer of some kind by ITT or the Sheraton Corporation, a subsidiary of ITT, to assist in the financing of the Republican National Convention in 1972 in San Diego. The said hearing and inquiry was being conducted by the said Committee pursuant to the reference to it of the nomination of Richard G. Kleindienst to be Attorney General of the United States.

3. It was material to the said inquiry that the said Committee determine (a) whether John N. Mitchell, who in 1971 was Attorney General of the United States, had any knowledge of any such commitment or offer by ITT or the Sheraton Corporation prior to July 31, 1971, and (b) the first occasion HOWARD EDWIN REINECKE discussed the possibility that the 1972 Republican convention would be in San Diego and whether such discussion was with any individual on the staff of the President of the United States.

4. At the time and place alleged, HOWARD EDWIN REINECKE, the DEFENDANT, appearing as a witness under oath before the said Committee, did willfully and knowingly state with respect to material matters alleged in paragraph 3 as follows:

Senator Kennedy. Now, I believe you had the impression that in your meeting with Mr. Mitchell when you informed him about the ITT financial pledge that he was aware of that earlier. He had been notified of that earlier by Bob Wilson.

Mr. Reinecke. Yes, sir.

Senator Kennedy. Can you tell us how?
Mr. Reinecke. All I said to whichever reporter it was --

Senator Kennedy. To Mr. Walters.

Mr. Reinecke. -- Mr. Walters, that I was not certain that I was the first one to reveal this information to him. So, I have no way of knowing whether or not he had heard of the commitments prior to the time that I am speaking of.

5. The underscored portion of the statements quoted in paragraph 4, made by HOWARD EDWIN REINECKE, the DEFENDANT, was material to the said inquiry and, as he then and there well knew, was false.

(Title 18, United States Code, Section 1621).
The Grand Jury further charges:

1. On or about the 19th day of April, 1972, in the District of Columbia, HOWARD EDWIN REINECKE, the DEFENDANT, having duly taken an oath before a competent tribunal, to wit, the Committee on the Judiciary of the United States Senate, conducting official hearings and inquiring into a matter in which a law of the United States authorizes an oath to be administered, that he would testify truly, did unlawfully, willfully, knowingly, and contrary to such oath state material matters hereinafter set forth which he did not believe to be true.

2. At the time and place set forth above, the said Committee was conducting an inquiry and hearing into the qualifications of Richard G. Kleindienst to be Attorney General of the United States and, as part of the said inquiry and hearing, was inquiring into the manner in which the United States Department of Justice had processed antitrust matters and cases involving mergers made and contemplated by the International Telephone and Telegraph Company (hereinafter ITT). One allegation being investigated was that the settlement of three antitrust cases involving ITT, which settlement was announced by July 31, 1971, was influenced by a commitment or offer of some kind by ITT or the Sheraton Corporation, a subsidiary of ITT, to assist in the financing of the Republican National Convention in 1972 in San Diego. The said hearing and inquiry was being conducted by the said Committee pursuant to the reference to it of the nomination of Richard G. Kleindienst to be Attorney General of the United States.
3. It was material to the said inquiry that the said Committee determine (a) whether John N. Mitchell, who in 1971 was Attorney General of the United States, had any knowledge of any such commitment or offer by ITT or the Sheraton Corporation prior to July 31, 1971, and (b) the first occasion HOWARD EDWIN REINECKE discussed the possibility that the 1972 Republican convention would be in San Diego and whether such discussion was with any individual on the staff of the President of the United States.

4. At the time and place alleged, HOWARD EDWIN REINECKE, the DEFENDANT, appearing as a witness under oath before the said Committee, did willfully and knowingly state with respect to material matters alleged in paragraph 3 as follows:

Senator Fong. Now, in the March 3, 1972, Washington Post, a column written by Jack Anderson makes the first reference to you and he goes on to say that -- the statement says: "The Attorney General was not involved." It refers to the statement by Attorney General Mitchell relative to the ITT matter and the statement says: "The Attorney General was not involved in any way with the Republican National Committee Convention negotiations and had no knowledge of anyone from the committee or elsewhere dealing with International Telephone and Telegraph" and the column goes on to say this is false. "In mid-May last year, California Lieutenant Governor Ed Reincke and an aide, Edgar Gillenwaters, met with Mitchell in his Washington office to discuss efforts to hold the convention in San Diego." Was there a mid-May meeting that you had with him?

Mr. Reincke. No; there was not, sir. I did announce this to the press and so did Mr. Gillenwaters. We were in error because we both made the statement while we were out of the office and before we realized several statements had been made -- they were made in good faith but they were also in error -- but it was corrected and it has been mentioned several times today.
Senator Fong. I see. You had a meeting with Mr. Mitchell but it was not in May?

Mr. Reinecke. The meeting was in September.

Senator Fong. September?

Mr. Reinecke. At which we discussed the convention.

Senator Fong. I see. So the only time you discussed the convention with Mr. Mitchell was in September after the ITT case had already been settled?

Mr. Reinecke. That is correct, Senator.

* * *

Senator Fong. Then the column goes on and says that he like the idea, referring to Mr. Mitchell, "That he like the idea of having the convention in San Diego." Did Mr. Mitchell ever tell you that he liked the idea?

Mr. Gillenwaters. I again had the impression that he was pleased about the idea but do not remember a direct statement.

Senator Fong. I see. When did you give that statement -- to what date do you refer?

Mr. Gillenwaters. The conversation with the Attorney General?

Senator Fong. Yes.

Mr. Gillenwaters. That was on the 17th of September, in his office at 9:30 in the morning.

Senator Fong. So as far as you are concerned, as far as you can recollect, nothing happened prior to the 17th of September between you and Attorney General Mitchell?

Mr. Gillenwaters. Relative to the convention; that is correct.

Senator Fong. Yes. Lt. Governor, so far as you know, nothing transpired to the Attorney General prior to September 17, 1971?

Mr. Reinecke. That is correct, sir.

Senator Fong. Until after the ITT case had been completed?
Mr. Reinecke. Pertaining to the convention; that is right.

* * *

Senator Fong. So as far as your testimony is concerned, Mr. Gillenwaters --

Mr. Gillenwaters. Thank you.

Senator Fong. and Lt. Governor Reinecke, is that prior to the settlement of the ITT case no conversation was had by either one of you to anyone in the Justice Department that the ITT people had promised to do certain things in San Diego?

Mr. Reinecke. That is quite true.

5. The underscored portions of the statements quoted in paragraph 4, made by HOWARD EDWIN REINECKE, the DEFENDANT, were material to the said inquiry and, as he then and there well knew, were false.

(Title 18, United States Code, Section 1621).
COUNT THREE

The Grand Jury further charges:

1. On or about the 19th day of April, 1972, in the District of Columbia, HOWARD EDWIN REINECKE, the DEFENDANT, having duly taken an oath before a competent tribunal, to wit, the Committee on the Judiciary of the United States Senate, conducting official hearings and inquiring into a matter in which a law of the United States authorizes an oath to be administered, that he would testify truly, did unlawfully, willfully, knowingly, and contrary to such oath state material matters hereinafter set forth which he did not believe to be true.

2. At the time and place set forth above, the said Committee was conducting an inquiry and hearing into the qualifications of Richard G. Kleindienst to be Attorney General of the United States and, as part of the said inquiry and hearing, was inquiring into the manner in which the United States Department of Justice had processed antitrust matters and cases involving mergers made and contemplated by the International Telephone and Telegraph Company (hereinafter ITT). One allegation being investigated was that the settlement of three antitrust cases involving ITT, which settlement was announced by July 31, 1971, was influenced by a commitment or offer of some kind by ITT or the Sheraton Corporation, a subsidiary of ITT, to assist in the financing of the Republican National Convention in 1972 in San Diego. The said hearing and inquiry was being conducted by the said Committee pursuant to the reference to it of the nomination of Richard G. Kleindienst to be Attorney General of the United States.
3. It was material to the said inquiry that the said Committee determine (a) whether John N. Mitchell, who in 1971 was Attorney General of the United States, had any knowledge of any such commitment or offer by ITT or the Sheraton Corporation prior to July 31, 1971, and (b) the first occasion HOWARD EDWIN REINECKE discussed the possibility that the 1972 Republican convention would be in San Diego and whether such discussion was with any individual on the staff of the President of the United States.

4. At the time and place alleged, HOWARD EDWIN REINECKE, the DEFENDANT, appearing as a witness under oath before the said Committee, did willfully and knowingly state with respect to material matters alleged in paragraph 3 as follows:

Senator Tunney. When was the first discussion that you had about the possibility of bringing the Republican Convention to San Diego?

Mr. Reinecke. In April.

Senator Tunney. April. With whom? Do you recall?

Mr. Reinecke. Yes. I was back here for reasons of economic development and while we were here there was a social reception that was attended by a large group of people from San Diego who happened to be in town on their own, for their own reasons; but at the same time I think they were Chamber of Commerce people and we discussed the possibility at that point and that was where the idea really hatched.

* * *

Senator Hruska. When did you first conceive of the idea of attracting the convention of the Republicans to San Diego?

Mr. Reinecke. In April at the reception held at the National Committee Building, April 27.
5. The underscored portions of the statements quoted in paragraph 4, made by HOWARD EDWIN REINECKE, the DEFENDANT, were material to the said inquiry and, as he then and there well knew, were false.

(Title 18, United States Code, Section 1621.)

A TRUE BILL

Forelady

LEON JANORSKI
Special Prosecutor

- 10 -
May 30, 1974

Honorable J. J. Pickle
House of Representatives
Washington, D. C.

My dear Congressman Pickle:

Inasmuch as our last communication regarding what is commonly referred to as the "ITT matter" occurred late in November, and a recent review by me of the status of this investigation enables me to arrive at certain judgments, I beg to submit to you the following report:

Except as noted below, that part of the investigation relating to allegations of Federal criminal offenses by ITT executives in connection with the settlement of the antitrust cases announced on July 30, 1971, has failed to disclose the commission of any such violations and although the investigation is not being closed at this time, it is fair to say that there is no present expectation of a disclosure of such offenses.

Under new leadership and a reorganized staff, the investigations referred to in my letter to you of November 27, 1973, relating to allegations of the exercise of improper influence in connection with SEC and IRS proceedings as well as other alleged violations by ITT executives will be vigorously pursued. Mr. Richard Davis, an able prosecutor and experienced investigator, has been placed in charge of the Task Force responsible for this investigation. Of course, the investigation of alleged perjury in proceedings referred to us for attention will be actively pursued.

Should you have any questions regarding this matter, please advise me.

Sincerely,

Leon Jaworski
Special Prosecutor
November 27, 1973

Honorable J. J. Pickle
House of Representatives
Washington, D. C. 20515

Dear Mr. Pickle:

Thank you for your letter of November 16 which makes reference to my letter of November 13 and to a letter written by Mr. Bork regarding the ITT investigation.

I intended to convey by my letter of November 13 the information that this office is vigorously pursuing the investigation into what has been commonly referred to as the "ITT matter". My reference in my letter to matters within the jurisdiction of the Securities and Exchange Commission and the Internal Revenue Service was intended to refer only to certain allegations of violations by ITT: the question whether under the tax laws ITT was entitled to the ruling it obtained is now being re-examined by the Internal Revenue Service, and violations of the securities laws by ITT were investigated by the Securities and Exchange Commission and an enforcement action was brought against ITT. All allegations of misconduct by government officials, including allegations of improper influence in connection with the SEC and IRS proceedings, fall within the jurisdiction of this office and either are being or will be investigated.

In addition, in order to resolve any problems that might stem from dual jurisdiction, Mr. Bork and I have agreed that this office will currently undertake responsibility for investigating all present allegations of federal criminal offenses by ITT executives, including alleged misconduct in the relationship between ITT and any federal agency or official. In the event of subsequent referrals for criminal prosecution made by any federal agency to the Department of Justice which relate to ITT officers or directors, I will consult with the Attorney General to seek mutually satisfactory arrangements for pursuing such additional investigations. I wish to assure you, again, that all aspects of the ITT criminal investigation will receive thorough attention.
I trust that this matter has been clarified by this letter, and, if further information is required, I would welcome an opportunity to discuss the matter with you in person.

Sincerely,

LEON JAWORSKI
Special Prosecutor
37. On Thursday March 2, 1972 pursuant to Kleindienst's request the confirmation hearings resumed and Kleindienst, testifying under oath, denied talking other than casually to the White House and White House staff about the ITT matter. He denied receiving any suggestions from the White House as to the action that the Justice Department should take in the ITT cases.

38. On the same day an ITT attorney delivered copies of one or more of the documents collected by ITT attorneys from ITT's Washington office files to White House aide Wallace H. Johnson. The document or documents were then conveyed by Johnson to John Mitchell. During the following week copies of other documents taken from the ITT Washington office which mentioned the ITT antitrust suits and contacts between ITT and administration officials were delivered by ITT attorneys to Johnson.

38.1 Michael Mitchell affidavit, with attachments, May 1, 1974.
38.2 Wallace Johnson affidavit, April 25, 1974.
38.3 John Mitchell log, March 2, 1972 (received from SSC).
39. On the evening of March 2, 1972 Dita Beard, having spent two days at the ITT offices in New York City, left Washington by airplane for Denver, Colorado en route to West Yellowstone, Montana. During the flight she became ill and on the evening of March 3, 1972 she was admitted to a Denver hospital.

39.1 Dita Beard statement, 2 KCH 741-42.
39.2 Edward Gerrity testimony, 3 KCH 1167.
39.3 United Air Lines passenger ticket, issued to D. Beard on March 2, 1972 for Flight #175, March 2, 1972 (received from United Air Lines).
39.4 Stewardess report on passenger illness of Mrs. Beard, occurring on Flight # 175, March 2, 1972 (received from United Air Lines).
39.5 Letter from J. Edgar Hoover to Chairman James O. Eastland, March 5, 1972, 2 KCH 213.
39.6 Medical Report by Dr. Joseph Snyder, March 13, 1972, 2 KCH 637-39.
40. On Friday, March 3, 1972, Kleindienst, in his testimony before the Senate Committee on the Judiciary, denied consulting with, reporting to, or getting directions from anybody at the White House about the ITT antitrust cases. He also testified that he did not recall why on April 19, 1971, the Department of Justice requested a delay in the appeal of the ITT-Grinnell case to the Supreme Court.

40.1 Richard Kleindienst testimony, 2 KCH 95, 181, 191, 203-04.
41. On the afternoon of Sunday, March 5, 1972, the President and Haldeman returned to Washington, D. C. from Key Biscayne. On Monday, March 6, 1972 the President had conversations with Haldeman, Ehrlichman and Colson. At about 1:30 p.m., shortly after leaving the President's office, Ehrlichman met with SEC Chairman Casey.

| 41.1 | John Ehrlichman log, March 6, 1972 (received from SSC). |
| 41.2 | Meetings and conversations between the President and John Ehrlichman, March 6, 1972 (received from White House). |
| 41.3 | Meetings and conversations between the President and H. R. Haldeman, March 1, March 5 and March 6, 1972 (received from White House). |
| 41.4 | Meetings and conversations between the President and Charles Colson, March 6, 1972 (received from White House). |
| 41.5 | John Ehrlichman log, March 21, 1971 (received from SSC). |
| 41.7 | William Casey calendar, March 6, 1972 (received from U.S. Attorney, Southern District of New York). |
On Tuesday, March 7, 1972 in a prepared statement given under oath before the Senate Committee on the Judiciary, Kleindienst described the circumstances surrounding the request for an extension of time to appeal ITT-Grinnell. He omitted mention of the President's order to drop the case made during their telephone conversation of April 19, 1971.

42.1 Richard Kleindienst testimony, 2 KCH 95, 249-50.
43. On March 8, 1972 Kleindienst testified before the Senate Committee on the Judiciary and denied again that he was interfered with, or pressured, importuned or directed by anybody at the White House in connection with the discharge of his responsibilities in the ITT cases.

43.1 Richard Kleindienst testimony, 2 KCH 95, 323, 353.
44. In early March 1972 a White House task force, consisting of Ehrlichman, Colson, Moore, Dean, Fielding, Johnson, Assistant Attorney General Robert C. Mardian and others, was established to follow the Kleindienst hearings; its activities continued throughout the month. Fielding was given the responsibility of reviewing White House files and collecting all documents relating to ITT, which he proceeded to do.

44.1 Charles Colson testimony, House Interstate and Foreign Commerce Committee, Special Subcommittee on Investigations, Hearings on Legislative Oversight of SEC: Agency Independence and the ITT Case, 218.

44.2 Richard Moore testimony, 5 SSC 1947-48.

44.3 Wallace Johnson affidavit, April 25, 1974.

44.4 Robert Mardian testimony, 6 SSC 2348.

44.5 John Dean testimony, House Interstate and Foreign Commerce Committee, Special Subcommittee on Investigations, Hearings on Legislative Oversight of SEC: Agency Independence and the ITT Case, 66-68.
45. On March 14, 1972 John Mitchell appeared before the Senate Committee on the Judiciary and twice denied under oath that he talked to the President about the ITT antitrust litigation or any antitrust litigation. On the evening of March 14, 1972 the President and Mitchell had a telephone conversation which, according to Mitchell's logs, was their only telephone conversation during the month.

45.1 John Mitchell testimony, 2 KCH 539, 541, 552, 571.
45.2 John Mitchell log, March 14, 1972 (received from SSC).
46. On March 15, 1972 E. Howard Hunt met with Colson, Johnson and Timmons. It was determined that Hunt should interview Mrs. Beard respecting the authenticity of the purported Beard memorandum. Hunt flew to Denver and interviewed Mrs. Beard in her hospital room. On March 17, after his return to Washington, he prepared a detailed summary of the interview.

46.1 Charles Colson calendar, March 15, 1972 (received from SSC).

46.2 Howard Hunt testimony, 9 SSC 3735, 3752-53.

46.3 Charles Colson testimony, House Interstate and Foreign Commerce Committee, Special Subcommittee on Investigations, Hearings on Legislative Oversight of SEC: Agency Independence and the ITT Case, 201-03.

46.4 Memorandum, March 17, 1972 (received from White House).
47. "ITT" is written on Colson's calendar for the morning of March 18, 1972. Colson had three telephone conversations with Mitchell during the morning. That afternoon the President and Colson met for more than two hours.

47.1 Charles Colson calendar, March 18, 1972 (received from SSC).
47.2 John Mitchell log, March 18, 1972 (received from SSC).
47.3 Meetings and conversations between the President and Charles Colson, March 18, 1972 (received from White House).
48. On March 24, 1972 the President held his only news conference during the period of the Kleindienst nomination hearings. He stated that nothing had happened in the Senate hearings that shook his confidence in Kleindienst as an able, honest man fully qualified to be Attorney General. He also praised the actions of Richard McLaren, and the administration, in having moved effectively to stop the growth of ITT.

48.1 President Nixon news conference, March 24, 1972, 8 Presidential Documents 673-75.
On the morning of March 30, 1972 Colson, Haldeman and MacGregor met. That afternoon Colson sent a memorandum to Haldeman stating that certain factors should be taken into account in determining whether to continue to support, or to withdraw, Kleindienst's nomination, including the possibility that documents would be revealed tending to show that the President was involved in the ITT situation in 1971 and contradicting statements made by Mitchell under oath during the hearings. Haldeman and Colson each had several conversations with the President on that day.

49.1 Memorandum from Charles Colson to H. R. Haldeman, March 30, 1972, Exhibit No. 121, 8 SSC 3372-76.

49.2 Letter from William Merriam to John Connally, April 22, 1971 (received from White House).

49.3 Letter from William Merriam to Peter Peterson, April 30, 1971 (received from White House).

49.4 Letter from "Ned" (Edward Gerrity) to Vice President Spiro Agnew, August 7, 1970, with attached memorandum (received from White House).

49.5 Memorandum from John Ryan to William Merriam, August 24, 1970, House Interstate and Foreign Commerce Committee, Special Subcommittee on Investigations, Legislative Oversight of SEC: Agency Independence and the ITT Case, 154-56, and partial handwritten copy of memorandum (received from White House).

49.6 Memorandum from Herbert Klein to H. R. Haldeman, June 30, 1971 (received from White House).

49.7 Memorandum from Richard Kleindienst and Richard McLaren to John Ehrlichman, April 23, 1969 (received from White House).

49.8 Memorandum from Tod Hullin to Richard McLaren, August 10, 1970 (received from White House).

49.9 Memorandum from John Ehrlichman to John Mitchell, September 17, 1970 (received from White House).
49.10 Memorandum from John Ehrlichman to John Mitchell, May 5, 1971 (received from White House).

49.11 Memorandum from John Ehrlichman to the President, April 28, 1971 and May 3, 1971 (received from White House).

49.12 H. R. Haldeman testimony, 8 SSC 3216, 3218-19.

49.13 H. R. Haldeman calendar, March 30, 1972 (received from SSC).

49.14 Meetings and conversations between the President and H. R. Haldeman, March 30, 1972 (received from White House).

49.15 Meetings and conversations between the President and Charles Colson, March 30, 1972 (received from White House).
50. On April 4, 1972 Mitchell returned to his office after about two weeks in Florida. That afternoon he met with the President and Haldeman at the White House. According to Haldeman's testimony before the Senate Select Committee on Presidential Campaign Activities, his notes taken during the meeting indicate that the Kleindienst hearings were discussed.

50.1 John Mitchell log, March 21 and April 4, 1972 (received from SSC).

50.2 Meetings and conversations between the President and H. R. Haldeman, April 4, 1972 (received from White House).

50.3 H. R. Haldeman testimony, 7 SSC 2866, 2880-81.
51. On April 27, 1972, the final day of the Kleindienst confirmation hearings, Kleindienst, referring to his earlier testimony about communications with persons at the White House, testified that if someone had called him to instruct him on the handling of the ITT case, he would remember such a call. Kleindienst said that no such conversation occurred.

51.1 Richard Kleindienst testimony, 3 KCH 95, 1673, 1682.

52. The press provided extensive news coverage and frequent editorial commentary on the Kleindienst confirmation hearings. John Mitchell's denials that he discussed the ITT cases with President Nixon were reported. Richard Kleindienst's descriptions of his role in the ITT-Grinnell appeal and settlement were also reported; these descriptions omitted reference to the President's order that the appeal be dropped.


52.4 The Washington Post, April 27, 1972, A-1.


52.6 The Washington Post, April 28, 1972, A-3.
53. By letter dated April 25, 1972 from Senator Eastland, Chairman of the Senate Committee on the Judiciary, to SEC Chairman William Casey, Senator Eastland requested access to ITT documents in the possession of the SEC. This request was denied by Chairman Casey. If Chairman Casey had complied with the Senate Judiciary Committee's request the SEC would have supplied the Committee with, among other things, the following documents not obtained by the Committee during the course of the Kleindienst hearings:

1. Letter dated April 22, 1971 from Harold Geneen to Peter Peterson concerning their April 16, 1971 meeting with memorandum on antitrust policy attached.

2. Letter dated April 22, 1971 from William Merriam to John Connally referring to the ITT antitrust litigation.

3. Letter dated April 26, 1971 from William Merriam to Peter Peterson referring to planned antitrust legislation.

4. Letter dated April 30, 1971 from William Merriam to Peter Peterson referring to Solicitor General Griswold's request for an extension of time to perfect the ITT-Grinnell appeal.

5. Letter dated August 7, 1970 from Thomas Casey of ITT to Charles Colson discussing the pending ITT antitrust litigation.

6. Letter dated August 7, 1970 from "Ned" (Edward Gerrity?) to Vice President Spiro Agnew with memorandum about ITT antitrust litigation attached.

8. ITT inter-corporate memorandum dated August 24, 1970 from William Merriam to John Ryan discussing, among other things, the ITT antitrust litigation, Richard McLaren and contacts with the Administration.

53.1 Letter from Senators Kennedy, Bayh, Hart, Burdick and Tunney to Chairman James Eastland, April 19, 1972, 3 KCH 1664.

53.2 Letter from William Casey to Chairman James Eastland, April 26, 1972, 3 KCH 1664.


53.4 Michael Mitchell affidavit, with attachments, May 1, 1974.

54.1 Congressional Record, June 8, 1972, S9114-15.

54.2 Richard Kleindienst Swearing-In Ceremonies to be Attorney General, June 12, 1972, 8 Presidential Documents 1024.
On three occasions in September 1972 Congressman Harley Staggers, Chairman of the House Interstate and Foreign Commerce Committee, Special Subcommittee on Investigations, requested from SEC Chairman William Casey access to material received from ITT by the SEC in connection with the SEC's investigation of ITT. Chairman Casey discussed Chairman Staggers' request with Mitchell, Dean and Colson. By letters to Chairman Staggers, Chairman Casey refused the requests. The ITT material was transferred by the SEC to the Department of Justice on October 6, 1972. In addition, an envelope containing other documents obtained from ITT which reflected contacts in 1970 and 1971 between representatives of ITT and Administration officials was delivered separately by the SEC to the office of Deputy Attorney General Erickson.

55.1 Letter from Chairman Harley Staggers to William Casey, September 21, 1972, House Interstate and Foreign Commerce Committee, Special Subcommittee on Investigations, Hearings on Legislative Oversight of SEC: Inquiry into Withholding and Transfer of Agency Files Pertaining to ITT, 5.

55.2 Chairman Harley Staggers statement, House Interstate and Foreign Commerce Committee, Hearings on SEC/ITT, 23.

55.3 Letter from Chairman Harley Staggers to William Casey, September 28, 1972, House Interstate and Foreign Commerce Committee, Hearings on SEC/ITT, 6-8.

55.5 Letter from William Casey to Chairman Harley Staggers, September 26, 1973, House Interstate and Foreign Commerce Committee, Hearings on SEC/ITT, 5-6.

55.6 Letter from William Casey to Chairman Harley Staggers, October 6, 1972, House Interstate and Foreign Commerce Committee, Hearings on SEC/ITT, 8-9.

55.7 Letter from William Casey to Ralph Erickson, October 5, 1972, House Interstate and Foreign Commerce Committee, Hearings on SEC/ITT, 135-6.

55.8 Charles Mallory testimony, House Interstate and Foreign Commerce Committee, Hearings on SEC/ITT, 86-9.

55.9 Ralph Erickson testimony, House Interstate and Foreign Commerce Committee, Hearings on SEC/ITT, 128-30, 149-164.
56. In a letter dated October 17, 1972 Chairman Staggers requested from Deputy Attorney General Erickson access to the ITT materials referred to the Department of Justice by the SEC. Erickson denied the request on the grounds that disclosure might prejudice any future criminal proceedings.

56.1 Letter from Chairman Harley Staggers to Ralph Erickson, October 17, 1972, House Interstate and Foreign Commerce Committee, Special Subcommittee on Investigations, Hearings on Legislative Oversight of SEC: Inquiry Into Withholding and Transfer of Agency Files Pertaining to ITT, 9-10.

56.2 Letter from Ralph Erickson to Chairman Harley Staggers, October 26, 1972, House Interstate and Foreign Commerce Committee, Special Subcommittee on Investigations, Hearings on Legislative Oversight of SEC: Inquiry Into Withholding and Transfer of Agency Files Pertaining to ITT, 10-11.
On January 8, 1974 the Office of the White House Press Secretary issued a "White Paper" entitled, "The ITT Anti-Trust Decision," describing the President's role in the ITT antitrust cases and their settlement.

58. On May 16, 1974, Richard Kleindienst pleaded guilty to one count of refusing or failing fully to respond to questions propounded to him by the Senate Committee on the Judiciary on March 2, 3, 7, and 8, and April 27, 1972.

58.1 Information filed against Richard Kleindienst, May 16, 1974, with attached press release (received from Watergate Special Prosecution Force).

58.2 Letter from Leon Jaworski to Herbert J. Miller, May 10, 1974 (received from Watergate Special Prosecution Force).
37. On Thursday March 2, 1972 pursuant to Kleindienst's request the confirmation hearings resumed and Kleindienst, testifying under oath, denied talking other than casually to the White House and White House staff about the ITT matter. He denied receiving any suggestions from the White House as to the action that the Justice Department should take in the ITT cases.

RICHARD G. KLEINDIENST

THURSDAY, MARCH 2, 1972

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, D.C.

The committee met, pursuant to notice, at 10:40 a.m., in room 2228,
New Senate Office Building, Senator James O. Eastland, chairman,

Present: Senators Eastland, Ervin, Hart, Kennedy, Bayh, Burdick,
Tunney, Hruska, Fong, Scott, Thurmond, Cook, Mathias, and
Gurney.
Also present: Francis C. Rosenberger, Peter M. Stockett, Tom
Hart, Hite McLean, Thomas B. Collins, and Robert B. Young, of the
committee staff, and various assistants to Senators.

The CHAIRMAN. The committee will be in order.

Mr. Kleindienst, hold up your hand.
Do you solemnly swear to tell the truth, the whole truth, and nothing
but the truth, so help you God?

Mr. KLEINDIENST. I do.
Mr. McLAREN. I do.
Mr. Rohatyn. I do.

TESTIMONY OF RICHARD G. KLEINDIENST, ACTING ATTORNEY
GENERAL, ACCOMPANIED BY RICHARD W. McLAREN, FORMER
ASSISTANT ATTORNEY GENERAL, ANTITRUST DIVISION; FELIX
G. ROHATYN, DIRECTOR, INTERNATIONAL TELEPHONE & TELE-
GRAPE CORP.; AND WALKER B. COMEGYS, ANTITRUST DIVISION,
DEPARTMENT OF JUSTICE

The CHAIRMAN. This hearing was called at the request of Mr.
Kleindienst.
Now, the way the Chair thinks the proper procedure would be is to
hear Mr. Kleindienst, Mr. McLaren, and the other gentlemen, and
then throw the matter open for questions by whoever on the committee
wants to ask them.
Now, Mr. Kleindienst, you may proceed.
Mr. KLEINDIENST. Thank you, Mr. Chairman, and members of the
committee.
First I want to express my personal appreciation to the committee
for providing me this opportunity at the earliest possible moment to
provide the committee the information that I have with respect to
some of the charges that have been made in the public press in the last
several days.

(35)
The reason why I asked for this hearing, Mr. Chairman, and members of the committee, is because charges have been made that I influenced the settlement of Government antitrust litigation for partisan political reasons. These are serious charges, and by virtue of the fact that the confirmation of my nomination as the Attorney General of the United States is before the U.S. Senate, I would not want that confirmation to take place with a cloud over my head, so to speak, nor would I want the U.S. Senate to act upon my nomination if there was any substantial doubt in the minds of any of the Members of the U.S. Senate to the effect that while I performed my official duties on behalf of the U.S. Government in the past 3 years as the Deputy Attorney General, that I engaged in any improper conduct or in any conduct that would go to or be relevant to the consideration of my confirmation by the U.S. Senate.

I am here this morning with respect to the matters involving the ITT Co. and its antitrust matters before the Department of Justice to tell you what I did. And I have here with me this morning Judge McLaren, the Federal District Judge of the Northern District of Illinois, and Mr. Felix Rohatyn, a member of the board of directors of ITT, being the two persons with whom I had any dealings in connection with these matters to also have them tell you what they did. And to the extent that it involves me, to have them tell you what I did.

I was involved in any way with respect to these antitrust matters by virtue of the fact that the Attorney General, in 1969, disqualified himself from the consideration of any matters involving the I.T. & T. Corp. The reason why he disqualified himself is that his former law firm has performed legal services, I believe, for subsidiaries of I.T. & T. and, therefore, felt from the standpoint of proper conduct that he should not become involved in any matter or consideration or decision that would involve these companies.

In 1969, at the recommendation of then Assistant Attorney General McLaren in the Antitrust Division I signed as the Attorney General in these cases, and as required by law, the complaints or authorized the filing of complaints against the acquisition or proposed acquisition by I.T. & T. in connection with three corporations, the Canteen Corp., the Grinnell Corp., and the Hartford Corp. Those complaints and the nature of those actions will be discussed in more detail, I believe, by Judge McLaren this morning.

But, in any event, all three of those complaints, seeking on behalf of the Government to prevent their acquisition by I.T. & T. were filed in the year 1969 by the Department of Justice.

I really had very little to do or relationship with or knowledge about the ordinary process in those cases in the year 1969. Indeed, I have no recollection of having any meetings other than routine, or of a very nominal nature in that year with respect to any one of those cases.

Approximately April 20, 1969, I received a call from Mr. Felix Rohatyn, who is sitting here to my left, in which he identified himself to me as a member of the board of directors of I.T. & T., and he stated that he was not a lawyer and that he would like to come to my office to discuss some of the economic consequences of the policy of the Department of Justice to require by I.T. & T. a divestiture of the Hartford Insurance Co. As a result of our discussion on the telephone Mr. Rohatyn came to my office on April 20, 1969. He again opened up the conversation, and incidentally, only Mr. Rohatyn and I were
Senator Bayh. Let me throw a couple of other questions at you that have been raised in the press. In the course of this whole business, did you ever talk to anybody down at the White House staff, any advisers to the President, on the ITT matter?

Mr. Kleindienst. Not that I can recall. It is possible that some casual reference could have been made to it, but so far as discussing any policy or any aspect of the case, I did not and I do not discuss antitrust matters there.

Senator Bayh. Could you be a bit more definitive? It leaves an uneasy feeling in the pit of my stomach when you talk about casual references when you realize the significance of this case, politically, economically, financially.

Mr. Kleindienst. You asked me did I discuss the ITT matter with the White House. I do not recollect doing so. But I am on the telephone almost constantly, throughout a day or a week, with somebody on the White House staff or another with respect to some aspect of the operation of the Department of Justice.

For me to say that no one in the White House with whom I might have talked would not have raised the ITT question, I would not be prepared to say that.

So far as discussing with anybody on the staff of the White House what I was doing, what do you think I ought to do, what do you feel about it, what are your recommendations—no.

Senator Bayh. No suggestions coming from the White House as to what action should be taken by the Justice Department?

Mr. Kleindienst. No, sir.

Senator Bayh. Let me go to just one last matter relative to the alleged—and I use that word—

Mr. Kleindienst. Relative to what?

Senator Bayh (continuing). I use the word “alleged” technically—involvement or relationship between the ITT antitrust matter and that San Diego matter.

Mr. Kleindienst. It is alleged only, Senator. It is not a technical use.

Senator Bayh. That is why I used the word, because we have not had any evidence to the contrary before now.

When did you first find out about this offer?

Mr. Kleindienst. About the San Diego convention?

Senator Bayh. Yes.

Mr. Kleindienst. It was some time in December of 1971; my recollection serves me that it was when I was coincidentally in San Diego at a regional meeting of U.S. attorneys that the first public reference to this alleged tie-in was ever revealed. But it was not until December.

Senator Bayh. Nobody brought this matter to your attention in the latter part of November when it appeared in the Washington Star?

Mr. Kleindienst. Well, whenever that first became public, Senator Bayh. But my recollection is that it was around December 3 when I was in San Diego. But whenever it appeared in the public press, that is the first time that I had ever heard about it.

Senator Bayh. And nobody brought this matter to your attention when Congressman Wilson from San Diego in August released the first press report out there?
38. On the same day an ITT attorney delivered copies of one or more of the documents collected by ITT attorneys from ITT's Washington office files to White House aide Wallace H. Johnson. The document or documents were then conveyed by Johnson to John Mitchell. During the following week copies of other documents taken from the ITT Washington office which mentioned the ITT antitrust suits and contacts between ITT and administration officials were delivered by ITT attorneys to Johnson.

38.1 Michael Mitchell affidavit, with attachments, May 1, 1974.
38.2 Wallace Johnson affidavit, April 25, 1974.
38.3 John Mitchell log, March 2, 1972 (received from SSC).
STATE OF NEW YORK )
COUNTY OF NEW YORK)

MICHAEL W. MITCHELL, being duly duly sworn, deposes
and says:

1. I am and at all times hereinafter mentioned
have been a member of the bar of the State of New York and
of the firm of Skadden, Arps, Slate, Meagher & Flom, 919 Third
Avenue, New York, New York (Skadden, Arps). I have been in-
formed that this affidavit may be relied upon by the Committee
on the Judiciary of the House of Representatives in connection
with its impeachment inquiry.

2. At all times hereinafter mentioned, Skadden,
Arps was engaged in the legal representation of the Interna-
tional Telephone and Telegraph Corporation (ITT) and others in
connection with certain proceedings previously instituted in
1970 and 1971 by the Securities and Exchange Commission (SEC)
relating to certain phases of ITT's business and financial
affairs.

3. On or about February 29, 1972, an article by
Jack Anderson was published which concerned a memorandum
dated June 25, 1971 alleged to have been written by an ITT
employee, Dita Beard. I am informed and, based upon such
information, believe that on or about March 1, 1972, Stanley
Sporkin (Sporkin), then Deputy Director of Enforcement of
the SEC, telephoned Joseph H. Flom (Flom), also a member of
Skadden, Arps, and that Sporkin stated that the memorandum referred to in the Anderson article had not been produced pursuant to two subpoenas which the SEC had issued in connection with its investigation and that he wanted to know the facts concerning this. Flom indicated that he was trying to find out and that a search was going to be made promptly of ITT's Washington, D.C. office to determine the facts. Accordingly, the next day -- March 2, 1972 -- two lawyers employed by Skadden, Arps began a review of files in the Washington, D.C. office of ITT.

4. On March 2, 1972, Flom and I attended the opening session of the resumed hearings of the Senate Judiciary Committee on the nomination of Richard G. Kleindienst (Kleindienst) to be Attorney General. The hearings were being held to investigate the subject of the settlement of certain antitrust suits brought by the U.S. Department of Justice against ITT; this general subject was also then under review by the SEC in connection with its investigation of alleged "insider trading" by certain ITT officials.

5. On March 2, 1972, the lawyers reviewing ITT's Washington office files found several documents which they believed were possibly included within the SEC subpoenas and reported this to Flom and me upon our return to the office after the conclusion of the hearings that day. These documents referred to the Government's antitrust lawsuits against ITT and also to contacts between ITT officials and Administration officials in 1970 and 1971. Flom concluded, after discussions with Edward J. Gerrity, Jr. (Gerrity), a Senior Vice President of ITT, that it would be wise and proper to apprise counsel for Government witnesses, including Kleindienst, of the
existence of the documents since testimony in the Senate Judiciary hearings related (and could be expected to relate) in part to such contacts.

6. Pursuant to the instructions of Flom, on that evening (March 2, 1972), I returned to my room at the Sheraton-Carlton Hotel in Washington in order to meet with one Wallace H. Johnson (Johnson). I think, but am not certain, that arrangements for this meeting were initiated by Gerrity.

7. To the best of my recollection, it was during that evening, March 2, 1972, I met with Johnson in my room in the Sheraton-Carlton Hotel. I initially assumed that Johnson was employed by the Department of Justice. However, during the course of our meeting, he stated that, while he had formerly worked for the Justice Department, he was currently employed by the White House and was acting in some sort of liaison role to the Justice Department in connection with the Judiciary Committee hearings. I then turned over certain documents which referred to the antitrust suits and ITT and Administration contacts. Based upon my present recollection, I believe I gave him copies of all the documents annexed here-to, of which I was then aware, with the possible exception of Exhibit B, which did not mention Kleindienst and the information in which was to an extent referred to in other documents which I gave to Johnson.

8. Early in the week of March 6, 1972, I cannot recall the precise date or the place, I turned Exhibit B over to Johnson and perhaps one or two other documents mentioning the antitrust suits and contacts between ITT and Administration officials which had subsequently been discovered in ITT's Washington office files. Attached hereto as Exhibits A and B
are the texts of the documents which, to the best of my information and belief, were given to Johnson on these occasions (the ITT Documents).

9. To the best of my information and belief, between March 2 and March 6, 1972, Flom talked with Sporkin on several occasions to discuss the progress of the search of the Washington office. During these telephone conversations, I am informed, Flom mentioned that additional documents had been found relating to political contacts and suggested that a meeting be arranged with the Staff of the SEC at which the documents could be produced. Sporkin, I understand, during the March 6 conversation with Flom, stated he would not be in Washington for the balance of the week, and a meeting was therefore arranged for Monday of the following week, March 13, 1972. Flom and I met with Sporkin and other SEC officials on March 13, 1972. We offered to turn over the ITT Documents even though we were not convinced that, and questioned whether, they were covered by the SEC subpoenas. However, after our position had been stated and after the general subject matter of the documents had been described, the SEC officials stated that production should be delayed for one week. They requested that during that period we (i) secure an affidavit authenticating the documents and (ii) advise our client, ITT, of the SEC officials' belief that the documents should also be proferred to the Chairman of the Senate Judiciary Committee. We so advised our client and later provided the documents to the SEC.

10. As a result of further conversations with the SEC, the portions of the ITT Documents dated during 1971 and relating to that phase of the SEC investigation involving the 1971 antitrust suit settlement and alleged "insider"
trading in connection therewith, among other documents, were
delivered to the SEC on March 21, 1972, and, to the best of
my recollection, the portions of the ITT Documents dated
during 1970 and relating to that phase of the SEC investiga-
tion involving the 1970 ITT-Hartford Fire Insurance Company
affiliation, among other documents, were delivered to the SEC
on April 14, 1972. I should note that during this period
further reviews of the ITT Washington office files were made
for other documents which might have some relevance to the
SEC investigation and that such documents as were found were
also turned over to the SEC on these dates.

Sworn to before me this
/ 5/ day of May, 1974.

Notary Public

LINDA AVONESOLOU
Notary Public, State of New York
No. 4133817
Qualified in Queens County

MICHAEL W. MITCHELL

[5467]
38.1 Attachments to Michael Mitchell affidavit

EXHIBIT A
The Honorable
Peter G. Peterson
Assistant to the President for
International Economic Affairs
Old Executive Building
Washington, D. C. 20500

Dear Pete:

Your time and discussion last week were very much appreciated. Your program would appear to be the first broad constructive approach to the mounting problems of our balance of payments, trade, and overall international position, many factors of which will have direct effect on our economy at home.

I understand that this assignment is new, but let me say it has been urgently needed for a long time.

You have asked if I could suggest some names to work as Committeemen on a fairly intensive basis through a three-month period in the four areas of:

1) Industrial Technology
2) Raw Materials and Clean Energy Source
3) Business - Government Relations, and
4) Productivity

I have attached a list of names for this purpose with some very brief notations.
In addition, if I may, I would like to offer to serve on any of your Committees. I will do my best on time realizing other commitments. The Business - Government Relations and Productivity is where in my opinion the real battle has to be won if we are to be successful in reversing current trends.

On the subject of our conversation last week, I am attaching a brief note which you may find useful as a summation of one aspect of the problem we discussed.

Thank you again for your interest and courtesy.

Sincerely,

Original Signed by
H.S. Geneen
Suggested Names

1. Eugene Black
   Financial
   Former Head World Bank
   Wide Background International
   and Domestic
   Government Service

2. John McCona
   Business and Shipping
   Former Head Atomic Energy
   Government Service

3. Andre Meyer
   Financial
   Wide Background International
   and Domestic

4. Rudolph Peterson
   Former Head Bank of America
   Wide Background on Government
   Commissions

1. C. W. Cook
   Head General Foods

2. Richard Gerstenberg
   Financial Head General Motors

3. John Harper
   Head Aluminum Company of America

know all of these as competent and hard working. The first four are more
cnsior in age and background. The latter three are active in their careers but
ood.
MEMORANDUM ON ANTI-TRUST POLICY AND ITS RELATION TO THE ECONOMIC POLICY OF THE UNITED STATES

The most significant comment on the Antitrust policy as related to the economic policy of the United States, which is the responsibility of the executive branch of the government, is that there has been little past correlation between the two policies although high interdependence is necessary for successful economic progress.

A specific example in this respect is to be found in the Economic Report of the President, dated February, 1970. What follows are excerpts from the broader text.

Page 95 . . . Mergers, even between competitors, are not per se violations of the law, however, and they may even favor healthy competition. The ready marketability of a firm may encourage others to become entrepreneurs and establish new enterprises. Mergers may also be an efficient way of replacing incompetent managements. They may lead to greater economies of scale in production and marketing. And they may make it easier to transfer resources to the industries or enterprises that can most effectively employ them. In addition, access to capital markets may be facilitated. Nonetheless, the law prohibits mergers whose effect " . . . may be substantially to lessen competition, or to tend to create a monopoly." An accomplished effect deleterious to competition need not be proved; it is sufficient if there is a reasonable likelihood that such an effect will follow . . .

Page 96 . . . The Department of Justice has announced that it intends generally to adhere to its 1968 guidelines, but that it probably will oppose any merger among the top 200 manufacturing firms or firms of comparable size in other industries, or any merger by one of the top 200 manufacturing firms with any leading producer in any concentrated industry. This program is based upon recent decisions of the Supreme Court condemning mergers that eliminate significant potential competition, entrench leading firms in concentrated markets, substantially increase the power of large firms to engage in reciprocity, or further a trend of mergers that would lessen competition. The staff of the Federal Trade Commission has recently issued a report on conglomerate mergers. The Commission is planning to continue its study and to coordinate it with a projected Administration study of economic concentration, including conglomerate mergers . . . (underline added)

The key sentence in the above is the statement in reference to the Antitrust Division, is that "this program is based upon recent decisions of the Supreme Court . . ."
The Warren Court, 62 out of 65 cases in this area have been affirmed for the Government. The Supreme Court, therefore, in endorsing and confirming it conceives to be the economic policy desired by the Government almost precisely as presented by the Antitrust Division. In short, the Antitrust Division is writing its own economic policy for the nation. Similar comment can be made in certain respects as to the Federal Trade Commission.

Recent and past events indicate that there is often little relationship between the economic policy desired by the Executive Branch of the Government and the Antitrust Division’s cases, including landmark precedent cases stretching the intent of the law. The latter in many cases are derived from increasingly unreasonable theories and narrow concepts which are unrelated to real “competition” or to today’s realistic problems of Government and present day international and domestic national economic needs.

To emphasize this unreal condition, it should be noted that the most recent amendment by Congress of the Clayton Act was in 1950.

The cases sent by the Antitrust Division to the Supreme Court are therefore in many instances “invitations” to spell out increasingly restrictive economic policy based on the exceedingly vague process of “interpreting” the “intent” of Congress when passing this amendment in 1950.

Since the problems and the conditions faced by the United States today, 20 years later, in its international affairs are almost 180 degrees different than they were in 1950, this at best is a very outmoded model to work from and at worst results in direct conflict with the national interest.

For example, in 1950 -- compared to today’s conditions --

1. There was no European Common Market.

2. Both Europe, including Germany, and most particularly Japan were "flat on their backs" as far as trade competition with the United States was concerned as they were still recovering from their own internal problems.

3. The dollar was in short supply in contrast to present conditions today. Our gold stock was then at $23 billion and has since dropped to $11 billion. Our total international reserve assets have similarly dropped from $24 billion to $14 billion. In sharp contrast our liquid liabilities to foreigners directly or indirectly have risen from $16 billion in 1957 to almost $45 billion in 1970. This is dramatic change from 1950.
Yet, as stated, our government is still forming its broad economic policy of these important areas of our competitive industry capabilities by allowing the Antitrust Division to send to the Supreme Court cases inviting far-reaching new theories of purported "interpretation" of the "intent" of Congress in 1950. This "innovative urge" to expand the meaning of the law through such theoretic devices as, for example, "potentiality," is in sharp contrast with the actual assignment of the pursuit of real anti-competitive practices. This can be economic disaster, since the lawyers presenting to and those comprising the Supreme Court do not have the expertise or responsibility to determine long-term national economic policy.

It would seem clear, therefore, that any meaningful development of economic policy will require review for at least a commonality of purpose of these cases by other areas of the Executive Branch of the Government and of the economic theories and philosophy and legal arguments contained in these requested decisions before they are sent to the courts. Only in this manner can agreement and support be reached for the other areas of the Executive Branch who do have the broad responsibilities for the national economic future -- and who must, therefore, participate actively in such decisions to be taken in the national interest and in the selection of such cases as will give constructive economic policy, or at least to prevent seeking destructive policy, before such "interpretations" are sought and then become binding law, equivalent in impact to major new Congressional legislation.
The Honorable
John B. Connally
The Secretary of The Treasury
Washington, D. C. 20220

Dear Mr. Secretary:

Pete Peterson and I thought you would be interested in the results of the calls Harold S. Geneen and I made on Friday, April 16, when we discussed antitrust matters and their impact on the economy of the country.

I am sure you heard that the Justice Department agreed to postpone for thirty days their filing of jurisdictional papers on the ITT-Grinnell case. This, of course, was great plus and will give us time to work out a settlement. Actually, the thirty-day Administration sponsored delay came as a surprise because we understood that on Monday morning Dick Kleindienst had been negative about a delay.

You might also be interested in knowing that Felix Rohatyn had a very productive conversation on Tuesday of this week with Mr. Kleindienst. The purpose of this visit was to explain to the Deputy Attorney General all of the domestic and international economic ramifications if ITT had to divest Hartford. A meeting between Mr. Rohatyn and Mr. McLaren is now scheduled for May 5 at 3 p.m. Mr. Kleindienst plans to sit in and monitor this meeting.

I will, of course, keep you posted. In the meantime, if there is anything further you think I should do with other members of the Administration, please do not hesitate to let us know.
Hal and I are most appreciative of the fact that you were able to see us the other day on such short notice. We are certain that you and Pete were most instrumental for the delay.

Kindest personal regards,

Bill Nye
April 26, 1971

The Honorable
Peter G. Peterson
Assistant to the President for
International Economic Affairs
Old Executive Building
Washington, D.C. 20500

Dear Pete:

In a long conversation with Hal this morning from Florida, he asked me to check in with you to be sure you had heard about the fact that Mr. Celler, the Chairman of the House Judiciary Committee, was planning to introduce legislation that would prohibit the nation's 500 largest industrial corporations from merging with each other or with any small companies with assets of $100,000 or more.

I am sure you realize that he is concerned about this; and while I tried to assure him that such a bill had very little chance of being passed, he is afraid that the press might grab it and blow it out of proportion thus affecting the delicate negotiations we are beginning with Mr. McLaren on Thursday, the 29th. You might have heard of the Attorney General's speech in Savannah almost two years ago in which he cited as antitrust policy for the Nixon Administration almost the same thing that Emanuel Celler has proposed. Mitchell said that none of the top 200 companies should be allowed to merge. We have alerted Clark MacGregor to this matter, and we plan to generate some speeches ridiculing the Chairman's proposed legislation.

We would appreciate any suggestions you might have on what we should do about the matter. Perhaps this is the time...
The Honorable
Peter G. Peterson
April 26, 1971
Page 2

To resurrect the Stigler Report which was prepared by the Administration in the beginning of Mr. Nixon's term.

Please excuse me for bothering you everyday, but I am sure things will get better sometime soon.

With warm regards,

Original Signed By
William R. Herrman

I enc
April 30, 1971

The Honorable
Peter G. Peterson
Assistant to the President for
International Economic Affairs
Old Executive Building
Washington, D.C. 20500

Dear Pete:

Hal Caneen thought you would be interested in seeing a copy of the application for further extension of time, which was submitted by Mr. Griswold as a result, I am sure, of action on the part of certain Administration principals. Hal is particularly impressed with the last paragraph of the application which states:

"The additional time is needed for further study of the case and to permit consultation among various interested government agencies with regard to whether the government should perfect its appeal."

We all are hopeful, of course, that during the next twenty days Paul and the two Johns can convince the Department that the merger policy as now practiced will be suicidal for the economy of the country. I am sure you agree with us that Hal's memorandum which we left with you several weeks ago could serve as a guideline for future merger policy.

The work you and your associates have done has been highly effective—so much so that the Antitrust Division seems to show some evidence of concern. This is a step in the right direction.

With warm regards,

[Signature]

[5479]
August 7, 1970

Mr. Charles Colson
Special Counsel to the President
1600 Pennsylvania Avenue, N.W.
Washington, D.C.

Dear Chuck:

Mr. Geneen has asked me to write to you and express his appreciation for the extremely cooperative response and interest you and Mr. Ehrlichman expressed in regard to ITT's areas of concern during his recent meeting.

He also asked me to forward to you excerpts from the "Stipulated Statement of Facts" recently filed by the Department of Justice in the LTV - Jones & Laughlin case. After you have reviewed these excerpts, I am sure you will realize his concern.

During his meeting with Attorney General Mitchell, Mr. Geneen and the Attorney General both agreed that because of the recent changes in the tax law, the decision of the Accounting Principles Board and the depressed state of the stock market and economy, the merger wave was over and we would not see such happenings again. The Attorney General stated that it was not the intent of the Department of Justice to challenge economic concentration or bigness per se, or big mergers as such. During Mr. Geneen's conversation with Mr. Ehrlichman and you, he was told that the President himself has stated that bigness as a merger consideration is not the policy of his Administration.

In light of this, let me advise you of a meeting yesterday between Canteen's counsel from Chicago, Mr. Ham Chaffetz, who represents Canteen in its case, and Mr. McLaren and his trial people. This meeting was held at the request of Judge Austin who will hear the case. Judge Austin suggested that a possible settlement might be reached. They reviewed the case and Mr. Chaffetz said he was ready to settle.
since Justice really had no case; i.e., they could not show reciprocity, etc., and that all that was alleged was that ITT was getting too big.

Mr. McLaren said he thinks he has a reciprocity case, but that is "only half the case and even if we did not have that, we would still be proceeding against ITT anyway" because of ITT's series of acquisitions. Further statements by Mr. McLaren were to the effect that

ITT is continuing to make acquisitions "and has to be stopped."

ITT is one of the leaders in making acquisitions.

Mr. Geneen has gotten away with a lot of acquisitions that the Department did not challenge.

ITT has made all these acquisitions and is now in the top ten companies.

ITT just keeps going on and everyone else goes along with ITT doing the same thing.

If ITT does it, other people will do it too and "ITT has got to be stopped."

Mr. McLaren referred to the "legislative history" of Section 7 as indicating the Congressional intention to stop increasing concentration and the trend of mergers. He indicated clearly that this was the "other half" of his cases against ITT. Mr. Chaffetz pointed out that Section 7 provides that in each individual case the Government must show an adverse effect on competition. However, Mr. McLaren would not focus on this point at all and merely made statements to the effect that "mere power is enough."

It seems plain that Mr. McLaren's views were not and are not consistent with those of the Attorney General and the White House as expressed to us. Apparently, we are going to be prosecuted, contrary to what the Attorney General, Mr. Ehrlichman and you told Mr. Geneen, not on law but on theory. This is an interesting attitude
in view of Judge Timbers' decision refusing to allow the preliminary injunction in the Hartford and Grinnell cases. Pointing out that Section 7 of the Clayton Act "proscribes only those mergers the effect of which 'may be substantially to lessen competition', not those mergers the effect of which may be substantially to increase economic concentration," the Judge then concluded (Opinion, p. 71-72):

"The alleged adverse effects of economic concentration brought about by merger activity, especially merger activity of large diversified corporations such as ITT, arguably may be such that, as a matter of social and economic policy, the standard by which the legality of a merger should be measured under the antitrust laws is the degree to which it may increase economic concentration--not merely the degree to which it may lessen competition. If the standard is to be changed, however, in the opinion of this Court it is fundamental under our system of government that that determination be made by the Congress and not by the courts."

Should you care to go into this matter in any detail, I'd be willing to discuss it--only at lunch.

Personal regards,

[Signature]

Thomas H. Casey
Director
Corporate Planning

Enclosure
STIPULATED STATEMENT OF FACTS

The parties to this action, by their attorneys, stipulate for purposes of this action only, and for no other purpose, as follows:

I. JURISDICTION

1. On April 14, 1969, plaintiff United States of America instituted this action under Section 15 of the Act of Congress of October 15, 1914, as amended (15 U.S.C. § 25), commonly known as the Clayton Act, in order to prevent and restrain an alleged violation of Section 7 of that Act, as amended (15 U.S.C. § 12). Section 15 of the Act vests jurisdiction in "the several district courts of the United States . . . to prevent and restrain violations of this Act." Among other things, Section 7 of the Act prohibits any corporation engaged in commerce from acquiring, directly or
which preceded agreement between the parties on the terms of the proposed Final Judgment. The consummation of the proposal does not contravene the divestiture requirements of the proposed Final Judgment and was expressly excepted, in Subparagraph (f) on page 9 of the proposed Final Judgment from the restrictions otherwise imposed upon defendants by Subsection IV(E) of the proposed Final Judgment.

16. This action is one of several cases brought by the Department of Justice predicated in part on its claim that Section 7 of the Clayton Act prohibits acquisitions by large conglomerate corporations in the course of, and which tend to proliferate, a merger movement where concentration of control of manufacturing assets will be substantially increased and the trend to further concentration will be encouraged. Although a United States District Court in Illinois and another in the Northern District of Connecticut rejected this contention in the course of denying the Government's motions for preliminary injunctions, it appears that this issue will be fully

litigated and finally adjudicated in these cases now being prepared for trial. In Allis-Chalmers Mfg. Co. v. White Consolidated Indus., Inc., 414 F.2d 506, 523 (3d Cir. 1969), cert. denied, 396 U.S. 1069 (1969), this contention was supported by the Justice who wrote the "OPINION OF THE COURT." (Another Justice concurred solely on the reciprocity aspect of the opinion, id. at 526-27, and the third Justice dissented, id. at 527 at seq.)

17. The proposed Final Judgment requires LTV to divest all of its interest in Braniff and Okonite, or, in the alternative, all of its interest in J&L. Accordingly, the proposed Final Judgment contemplates a minimum divestiture of more than $500 million of assets.

As stated in plaintiff's press release announcing the proposed Final Judgment -- subject to the Court's approval -- the Attorney General stated that it "calls for the most substantial corporate divestiture of any antitrust decree in recent years." (A copy of that press release is attached hereto as Exhibit 1.) Section IV(D) of the proposed Final Judgment contains numerous prohibitions and safeguards to insure that the companies to be divested will be maintained as viable going business entities pending the completion of the required divestiture.

19. The proposed Final Judgment, if entered, will among other things, reduce the concentration of control of manufacturing assets and should assist in arresting the encouragement of a trend to further concentration as alleged in the complaint. It, therefore, conforms to the claims of the Department of Justice that the Congressional intent in amending Section 7 of the Clayton Act was to prevent undue concentration of economic power through horizontal, vertical or conglomerate acquisitions.

20. The proposed Final Judgment provides relief which is consistent with the main theories upon which this action was instituted and, in particular, with the plaintiff's understanding of the Congressional purpose underlying Section 7 of the Clayton Act "to limit future increases in the level of economic concentration resulting from corporate mergers and acquisitions." S. Rep. 1775, 81st Cong., 2d Sess. 3 (1950).

21. In agreeing to a divestiture of the magnitude required by the proposed Final Judgment, LTV recognized that, upon entry thereof, it would forego its opportunity to contest, inter alia, plaintiff's claim that Section 7 of the Clayton Act bars acquisitions by reason of the anti-competitive effects resulting from mergers which constitute part of, and contribute to, a merger movement and which effect substantial increases in economic concentration. LTV nevertheless agreed to such a divestiture in the belief that a consent settlement would benefit the more than 45,000 public stockholders of LTV and J.I. because the protracted litigation would divert the energies of the management of
enforced by civil or criminal contempt proceedings as may be appropriate under the circumstances.

32. In view of the facts recited in Paragraphs 27 through 31 above, the plaintiff believes that the defendants' agreement to the anti-reciprocity provisions of Sections VII and VIII of the proposed Final Judgment provides substantial protection against the anticompetitive effects which would otherwise result from the acquisition and is therefore in the public interest.

C. Ban on Acquisitions

33. Section V of the proposed Final Judgment prohibits LTV and J&L (if not divested or disposed of) for a period of ten years from the date of entry of the Judgment (or until LTV disposes of all its interest in J&L) from acquiring any firm having assets in excess of $100 million without the prior approval of the plaintiff, or failing such approval, of the Court.

34. The plaintiff represents that this restriction on future acquisitions by defendants LTV and J&L addresses itself to a principal objective of the Complaint herein, namely, the merger rampant among large firms and the accelerating trend toward economic concentration in the American economy and, under all the circumstances, is in the public interest.
John:

As a follow-up to what we did Friday with Colson et al in re antitrust it is important that Bob Schmidt, Dita Beard, Horner-Goodrich, and whomever else should be aware, that we acquaint key people with what happened last Tuesday, followed by the Chaffetz meeting on Thursday, plus our actions on Friday. The purpose is not to have these people act but to have them informed so that they may be ready to act—if needed.

I discussed this with Bill Merriam and Tom Casey and Ed Wallace is aboard here. (Keith is en route to Rio with Hendrix for a two-week visit.) Dita, for example, should brief Rog, Bob et al. Schmidt and the rest, Ray and Bert, will know what to do and Jack and Bernie should be aware and keep their ears open in re what is happening to "Mac," the key to the whole thing.

Bill McPike should be intimately aware and I ask that you and Tom Casey review this closely with him and confirm to me or Ed Wallace that this has been done. I will give you every available input from this end. And, Tom, don't forget Kevin. I'll call Jack today.

One last key reminder: when Hal saw John, he commented on the Savannah speech of June 6, 1969 to this effect: We do not say that bigness is bad; we said that if you merge within the top 200 you may have antitrust problems. Some mergers are good. It is interesting and important that we note that Mac is more responsive to Hart and Celler than to John and the President. It is also important to remember that Chaffetz went to Mac at the suggestion of Judge Austin to see if an agreement could be worked out. Our job is to keep reporting what is happening.

cc: Beard, Casey, Schmidt, Goodrich, Horner, Wallace, Perkins
To: Mr. W. R. Merriam

From: John F. Ryan

Subject: Highpoints

Bill,

Here are just a few items that I wanted to be sure I don't miss when I bring you up to date verbally:

1. Antitrust

You know of my call on Stans on the 19th (you have a copy of my note covering the visit which I sent to Ned), and HSG's call to me of the 20th. I attempted to explain to Hal that Stans' comments shouldn't necessarily be construed to be a recommendation -- it was more in the vein of Stans thinking out loud, suggesting some tangible starting point. Hal's posture is, as you well know, that we have done nothing wrong, that we will do nothing wrong, and that Justice (McLaren) is unfairly harrassing us. As we discussed this morning, the first trial dates are rapidly approaching. Obviously, somebody is going to have to get the ball rolling, either on their side or ours!, if there is to be a settlement.

I assume that following our telecon this morning you looked at Ned's memo describing his visit with Agnew. If Kleindienst follows through, this may be the break for which we have been looking. An obvious question here is: How will McLaren react? -- or another way to put it, How good a Republican is McLaren?
38.1 Attachments to Michael Mitchell affidavit

EXHIBIT B
August 7, 1970

The Honorable
Spiro T. Agnew

Ted:

I deeply appreciate your assistance concerning the attached memo. Our problem is to get to John the facts concerning McLaren's attitude because, as my memo indicates, McLaren seems to be running all by himself.

I think it is rather strange that he is more responsive to Phil Hart and Manny Celler than to the policy of the Administration.

After you read this, I would appreciate your reaction on how we should proceed.

\[\text{Ned}\]
MEMORANDUM

August 7, 1970

You will recall at our meeting on Tuesday I told you of our efforts to try and settle the three antitrust suits that Mr. McLaren has brought. Before we met, Hal had a very friendly session with John, whom, as you know, he admires greatly and in whom he has the greatest confidence. John made plain to him that the President was not opposed to mergers per se, that he believed some mergers were good and that in no case had we been sued because "bigness is bad." Hal discussed this in detail because McLaren has said and in his complaints indicated strongly that bigness is bad. John made plain that was not the case. Hal said on that basis he was certain we could work out something. John said he would talk with McLaren and get back to Hal.

While you and I were at lunch, Hal and Bill Merriam, who runs our local office, met with Chuck Colson and John Ehrlichman, and Hal told them of his meeting with John. Ehrlichman said flatly that the President was not enforcing a bigness-is-bad policy and that the President had instructed the Justice Department along these lines. He supported strongly what John had told Hal. Again, Hal was encouraged. I learned the details of this meeting after our lunch.

Yesterday our outside counsel from Chicago, Ham Chaffetz, who represents us in the Canteen case vs. the Justice Department, had a pre-trial meeting with McLaren and his trial people. They reviewed the case, and Chaffetz said he was ready to settle since Justice really had no case, i.e., they could not show reciprocity, etc., and that all that was alleged was that ITT was getting too big. McLaren, ignoring the evidence, said that ITT must be stopped, that the merger movement must be stopped, etc., in effect saying he was running a campaign based on his own beliefs and he intended to prosecute diligently. It is quite plain that Mr. McLaren's approach to the entire merger movement in the United States is keyed into the present cases involving ITT. Therefore, it is equally plain that he feels that if a judgment is obtained against ITT in any of these cases then the merger movement in the United States will be stopped. His approach obviously becomes an emotional one regardless of fact.

It was plain that McLaren's views were not and are not consistent with those of the Attorney General and the White House. We are being pursued, contrary to what John told Hal, not on law but on theory bordering on the fanatic.
In his conversation with Hal, John agreed that the steam had gone out of the merger movement because of tax reform legislation, the new accounting principles and general developments in the economy. John agreed with Hal that there was no need for a "crusade" to halt the merger movement because of the reasons I have indicated above. It is plain, therefore, that McLaren is operating on a completely different basis from John and the White House. I believe it has reached the point where he is more concerned about his personal views than those of his superior or the President.

My question to you is, should we get this development back to John, so he is aware, and how do we do it? What is the best way? I would appreciate your help and advice.
AFFIDAVIT

CITY OF WASHINGTON }
)ss:
DISTRICT OF COLUMBIA)

WALLACE H. JOHNSON, being duly sworn, deposes and says:

1. I am an Assistant Attorney General of the United States in charge of the Land and Natural Resources Division of the Department of Justice. I make this affidavit, knowing that the House Judiciary Committee may rely thereon in connection with proceedings before it. All statements contained herein are made to the best of my present recollection.

2. From about January, 1972, until April, 1973, I was Special Assistant to the President of the United States. As such Special Assistant, from February through June, 1972, I assumed various duties with respect to the confirmation by the Senate of Richard G. Kleindienst to be Attorney General of the United States.

3. In connection with said duties, in late February or early March, 1972, I was with Robert C. Mardian and John N. Mitchell at Mr. Mitchell's office at 1701 Pennsylvania Avenue, NW, Washington, D. C. During the course of the evening, I
was instructed to meet with an attorney representing the International Telephone and Telegraph Corporation (ITT) at the Sheraton-Carlton Hotel in Washington. I went to the Sheraton-Carlton and met with Michael Mitchell, who subsequently gave me a copy of a document which I delivered to John Mitchell. I understood that the document had some relevance to John Mitchell's testimony before the Senate Judiciary Committee, although I do not now know what, if any, relevance it had. Charles Colson was probably mentioned by name in the document, for I recall his being in John Mitchell's office that same evening.

4. At a later time, the precise date of which I do not recall, I had in my possession copies of three additional documents. I do not recall any inconsistency between the contents of these documents, or the document referred to above, and the testimony of any witness at the confirmation hearings, nor do I know whether the documents were authentic. I recall showing the documents to Mr. Mardian, but do not recall his reading them. Richard Moore was present when this occurred and the three of us were in the Deputy Attorney General's conference room. I believe, but do not specifically recall, that I received these documents from Michael Mitchell and ultimately gave them to Fred F. Fielding of the White House staff.
5. A group of individuals met informally from time to time during March and/or April, 1972, in John Ehrlichman's White House office for the purpose of discussing the progress of the Kleindienst hearings. They included Mr. Ehrlichman, Mr. Colson, Mr. Fielding, Richard Moore, William Timmons, Mr. Mardian and me. Others would sometimes attend as well. The participants in any one meeting, or even at any one time during a specific meeting, varied. I did not attend every meeting. The subjects covered at said meetings were, generally, the occurrences of the day, assignments and expected developments. I cannot recall any discussion as to possible perjury committed during the Kleindienst hearings by John Mitchell or Mr. Kleindienst, nor do I recall that any information came to my attention either during those meetings or at any other time which indicated to me that either of them testified other than fully and truthfully.

6. On the morning of the testimony of Ed Reinecke before the Senate Judiciary Committee, I recall seeing Mr. Reinecke and his aide Edgar Gillenwaters in or around Mr. MacGregor's office in the White House. I believe Mr. Mardian was also there. I do not know the substance of any conversation they may have had nor did I meet Mr. Reinecke or Mr. Gillenwaters.

7. I never met with the President with respect to the
Kleindienst hearings and I have no personal knowledge of the President's activities, if any, relating to those hearings.

Sworn to before me this 25th day of April, 1974.

Notary Public

My Commission Expires August 31, 1976
Mr. Mitchell  THURSDAY, MARCH 2, 1972

8:15   AG arrived in office
8:45   DAG called AG and t.
9:00   Dick Herman called AG and T.
9:15   AG SAW Arthur Becker
9:20   Pat Gray called and AB T.
9:30   DAG called AG and T.
10:00  AG t. to Gov. Nelson Rockefeller
12:00  Wally Johnson called AG and t.
12:12  AG SAW Fred LaRue
12:15  AG left for National Leadership Conf.
       Main Speaker, Washington Hilton
       Reception-12:15
       Luncheon  12:30
2:34   AG ret. to office
2:40   AG ret. Wally Johnson's call
2:50   AG left for meeting at George
       Shultz's office at WH
4:45   AG went to Kleindienst hearings on
       hill. (left from Shultz's office)
5:20   AG went to meeting at Senator
       Eastland's office.
7:15   AG ret. to office and met with
       Wally Johnson and Bob Mardian
10:01  AG called Tom Evans and T.
10:49  AG ret. Chuck Colson's call and T.
11:30  AG saw Colson, Mardian and Johnson
On the evening of March 2, 1972 Dita Beard, having spent two days at the ITT offices in New York City, left Washington by airplane for Denver, Colorado en route to West Yellowstone, Montana. During the flight she became ill and on the evening of March 3, 1972 she was admitted to a Denver hospital.

39.1 Dita Beard statement, 2 KCH 741-42.

39.2 Edward Gerrity testimony, 3 KCH 1167.

39.3 United Air Lines passenger ticket, issued to D. Beard on March 2, 1972 for Flight #175, March 2, 1972 (received from United Air Lines).

39.4 Stewardess report on passenger illness of Mrs. Beard, occurring on Flight #175, March 2, 1972 (received from United Air Lines).

39.5 Letter from J. Edgar Hoover to Chairman James O. Eastland, March 5, 1972, 2 KCH 213.

39.6 Medical Report by Dr. Joseph Snyder, March 13, 1972, 2 KCH 637-39.
RICHARD G. KLEINDIENST—RESUMED

HEARINGS
BEFORE THE
COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE
NINETY-SECOND CONGRESS
SECOND SESSION
ON
NOMINATION OF RICHARD G. KLEINDIENST, OF ARIZONA,
TO BE ATTORNEY GENERAL

PART 2
MARCH 2, 3, 6, 7, 8, 9, 10, 14, 15, 16, 26, and 29, 1972

Printed for the use of the Committee on the Judiciary

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I said, "Who in their right mind would write something like this? This isn't mine."

He said over and over again, "I don't care what you say—I'm going to prove a connection between San Diego and the settlement, and I'm going to use you to prove it."

I did tell Mr. Hume that I recalled writing a memo sometime around that date about the convention but not this one.

I tried to explain to him I had no knowledge of any connection between the pledge by Sheraton to the convention bureau in San Diego and the antitrust settlements. For 2 hours, despite the fact that I again and again asked to be left alone, he continued to grill me. Several times when I began to break down, he seemed to relent by saying, "Well, maybe there isn't a story here after all."

I do recall breaking down and crying hysterically and leaving the room. Beyond that point, I cannot recall very much of what I said, except asking him again and again, "Why are you trying to destroy me?" I recall some conversation about the Kentucky Derby after he asked me about it and my conversation with Mr. Mitchell, but I can in no way recall what I said to Hume. I do know that I was trying desperately to convince him of something that I knew was the truth—namely, the lack of any connection between the antitrust cases and the pledge to the San Diego Convention Bureau. I had had several drinks. I was suffering intense chest pains at that time.

The following day, Friday, February 25, 1972, Hume called me on the phone in midafternoon and asked me the details of a so-called deal I had made with Attorney General Mitchell at the Kentucky Derby party on May 1, 1971—a deal whereby the antitrust suits would be settled. When he called, I was in full control of my faculties and told him, "What deal?" I said, "I made no deal—are you out of your mind?" He replied that I had told him about a deal the night before. I replied, "I couldn't have, there was no deal," and I further said that such a thing was absurd. He then dropped that subject, and asked for the date that I had discussed the possibility of the convention with Hal Geneen, and the date of the Kentucky Derby party. I told him I would provide those dates.

He called again on Saturday, February 26. By this time I had suffered another attack. I was in bed, having taken tranquilizers and medicine under my doctor's direction and I told him I was too ill to talk to him. However, I did tell him that the date I talked to Hal Geneen about the convention was May 12 and the Derby party was May 1.

On Monday, February 28, I was instructed by Mr. Gerrity to come to New York. I spent part of Tuesday and Wednesday, February 29 and March 1 in New York. I told Mr. Gerrity and others that I could not explain the Anderson memorandum, in spite of Mr. Gerrity's assertions that I had written it.

It was my impression that they did not believe me. I knew it was not my memo but I had no way to prove it without assistance which had to come from ITT and which was not tendered at that time.

I asked time and time again to talk to Mr. Geneen, but was prevented from doing so. On Wednesday afternoon, March 1, I announced to Mr. Gerrity and Mr. Jack Hanway, Mr. Geneen's assistant, that I was going away for a rest to West Yellowstone. I had not had a vacation in many years. I was told to keep Bill Merriam
informed as to where I would be. I could not reach Mr. Merriam that night, but I had told Mr. Gerrity I could be reached through my daughter. I returned to Washington that night and on Thursday, March 2, I left by plane with the intent of changing planes in Denver to fly to Bozeman, Mont., and taking ground transportation to West Yellowstone. I suffered another attack on the plane. I was attended by a stewardess. This is the reason for my presence in Denver.

I am informed that the committee has been told of a certain meeting between former Attorney General John Mitchell and myself in Kentucky.

The facts surrounding my encounter with Mr. Mitchell are as follows:

I had been invited by written invitation as in years past by Governor and Mrs. Louie Nunn to attend the Kentucky Derby and the party following the Derby at the Governor’s mansion.

Mr. Mitchell was among those present at the buffet that evening.

I approached Mr. Mitchell two or three times that evening and told him I was unhappy about the way the Justice Department was treating my company. He told me each time that he couldn’t discuss it with me; he had disqualified himself from the case and the proper approach was to leave it to the attorneys.

My persistence resulted in my being told the last time to quit lobbying him, or words to that effect. Shortly thereafter, during dinner, I had severe chest pains, necessitating my taking a nitroglycerin pill and leaving the party.

Next, referring to a news release issued by ITT March 20, 1972, regarding what is called in that release the “genuine Beard memorandum” dictated by me on June 25, 1971, I hereby submit an affidavit of Susan Lichtman, my secretary during that period of time surrounding June 25, 1971.

This affidavit, dated March 23, 1972, verifies her previous affidavit on file with the committee. It further discloses another fact proving the Anderson memorandum is not my memorandum.

In paragraph 7 of this affidavit, she states:

When I was first shown the “alleged memorandum” by a representative of International Telephone and Telegraph Corporation, I was skeptical of my having typed the “alleged memorandum” as the word commitment was misspelled in four different places. It was spelled “commitment”; the correct spelling is commitment.

I would further call the committee’s attention to paragraph 12 of this affidavit which corrects any misunderstanding arising from the ITT news release of March 20 wherein the “genuine” Beard memorandum is mentioned. It states:

I have been shown by Mr. Harold E. White, cocounsel for Mrs. Dita Beard, a draft memorandum relating to a job description referred to in the International Telephone and Telegraph Corp. press release of March 20th, 1972 at page 2 as "the genuine Beard memorandum", dated June 25th, 1971 addressed to W. R. Merriam from D. D. Beard. I do not recall typing it in final form for Mrs. Beard. It is definitely not the memorandum I refer to in paragraph 8 of my statement under oath dated March 15th, 1972.

I want this committee and the world to know that the Anderson memorandum is not my memorandum, that I am innocent of any wrong-doing and that I shall spend the rest of my life, for however long that might be, in an unceasing effort to find out who did this to me and why.

(The affidavit referred to follows:)
Senator Hart. Did you give her any advice as to what she should say to Mr. Hume?

Mr. Gerrity. I said that if she wanted to see Mr. Hume and she felt that was her best judgment, I said, "Look, because there is no connection, there is no truth in what this memorandum says," I said, "tell Mr. Hume the truth about it," and that was the only advice I gave her, sir.

Senator Hart. You did not suggest to her that she deny that she had written it?

Mr. Gerrity. No, sir, at least I do not recall that, sir.

Senator Hart. Is your testimony that you do not recall whether you gave her that advice, or affirmatively that you know you did not?

Mr. Gerrity. Let me clear that up, sir. I did not tell her to tell Mr. Hume because at that point in time, sir, I did not know whether she had written the memorandum or not.

Senator Bayh. I am sorry, would he repeat that? I did not hear it. You did not tell her what?

Mr. Gerrity. I did not tell her to tell Hume she had not written the memorandum.

Senator Hart. Did you have any further conversation with Mrs. Beard before she came to you in the New York office?

Mr. Gerrity. I think I had one more phone call from Mrs. Beard, sir, on either Friday or Saturday of that week, and she told me she had spent several hours with Mr. Hume and that Mr. Hume had told her as a result of his conversation that he was not certain whether he had a story or not, and I did not talk to her again until the following week.

Senator Hart. Would you describe fully the circumstances of your conversation with her the following week?

Mr. Gerrity. The following week, sir, I came back to New York, I got back to my office on the following Monday, and I asked Mrs. Beard to come to New York the next day, which was Tuesday, I believe that would have been the 29th of February, and she arrived by midday. We had a conversation about the memorandum. We went to lunch and we talked more about the memorandum, and after lunch we talked some more about the memorandum, and I think that was the limit of my conversations with her about the memo, sir.

Senator Hart. It is my impression that Mr. Hume told the committee that Mrs. Beard said that she had been instructed by you, Mr. Gerrity, to come to New York at this time. Is that correct?

Mr. Gerrity. Sir, I do not remember. I do know I asked her to come to New York, I believe I asked her to come on Monday and she got there on Tuesday.

Senator Hart. So, she went to New York at your instruction?

Mr. Gerrity. Yes, sir.

Senator Hart. Mrs. Beard's testimony indicated that she, Mrs. Beard, told you that she could not really explain the Anderson memorandum. She said that, "I told Mr. Gerrity and others that I could not explain the Anderson memorandum, in spite of Mr. Gerrity's assertion that I had written it. It was my impression that they did not believe me." At the time she was talking to you then on Tuesday or Wednesday in New York was she telling you that the memorandum was not hers?
### United Airlines Ticket

**Flight Number:** 57

**Date & Time:** 7/2/72

**Departure:** Washington, D.C.

**Arrival:** Denver, CO

**Fare:** $32.00

**Passenger:**

**Name:** Dita Beard

**Ticket Number:** 854376269

<table>
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<tr>
<th>Flight Coupon No. 3</th>
<th>Date of Issue</th>
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**Notes:**

1. If the passenger's journey involves an ultimate destination or stop in a country other than the country of departure, the Warsaw Convention may be applicable and the Convention governs in respect of loss of or damage to baggage. 

2. The Warsaw Convention governs in respect of death or personal injury. 

3. If the passenger's journey involves an ultimate destination or stop in a country other than the country of departure, the Warsaw Convention may be applicable and the Convention governs in respect of loss of or damage to baggage. 

4. The Warsaw Convention governs in respect of death or personal injury.
About an hour before arriving in Denver a woman, who later identified herself as Mrs. Beard, came to me in the buffet and complained of feeling very warm. I asked her if she felt faint and she answered "yes". I seated her in the forward lounge and got an ammonia inhaler for her. After a few minutes she started turning gray and blue around the mouth. She gasped "purse". I went to her seat and returned with her purse. She indicated that she wanted a pill from a case in her purse. I located it and gave one to her. She then asked for whiskey which I got for her.

Meanwhile Mrs. Oba (formerly of DCASW), who was traveling on a pass, obtained a forward lounge stewardess oxygen bottle for me. I administered oxygen for about a minute before she began to come around. At the same time Stewardess Mrs. Paree came forward from the aft cabin and asked if the Captain had been notified. I told her "no" and she immediately notified him. The Captain asked if the passenger wanted a doctor. The passenger, who by now had recovered, vehemently refused. The passenger appeared to recover completely and left the airplane at Denver without assistance.

a/s (Mrs.) M. J. McCausland, F/S

R.P.D.

/s
RICHARD G. KLEINDIENST—RESUMED

HEARINGS
BEFORE THE
COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE
NINETY-SECOND CONGRESS
SECOND SESSION
ON
NOMINATION OF RICHARD G. KLEINDIENST, OF ARIZONA,
TO BE ATTORNEY GENERAL

PART 2
MARCH 2, 3, 6, 7, 8, 9, 10, 14, 15, 16, 26, and 29, 1972

Printed for the use of the Committee on the Judiciary

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RICHARD G. KLEINDIENST

MONDAY, MARCH 6, 1972

U.S. Senate,
Committee on the Judiciary,
Washington, D.C.

The committee met, pursuant to recess, at 10:45 a.m., in room 2228, New Senate Office Building, Senator James O. Eastland, chairman, presiding.

Present: Senators Eastland, Ervin, Hart, Kennedy, Burdick, Hruska, Fong, Scott, Thurmond, Cook, Mathias, and Gurney.

Also present: John H. Holloman, chief counsel, Francis C. Rosenberger, Peter M. Stockett, Tom Hart, Hite McLean, Thomas B. Collins, and Robert B. Young, of the committee staff, and various assistants to Senators.

The CHAIRMAN: I am going to read into the record a letter which I received this morning from Mr. J. Edgar Hoover, Director of the Federal Bureau of Investigation.

DEAR MR. CHAIRMAN: On Thursday evening, March 2, 1972, this Bureau was requested to locate Mrs. Dita D. Beard for service of a subpoena calling for her appearance before the Senate Judiciary Committee.

Investigation was instituted immediately and it was learned that Mrs. Beard had flown to Denver, Colorado on March 2, 1972. It was also determined that her three children had followed her to Denver on March 2 and 3, 1972.

Mrs. Beard was determined to be in the Rocky Mountain Osteopathic Hospital, Denver, Colorado, where she was admitted on the evening of March 3, 1972.

The attending physician would allow no visitors until Mrs. Beard could be examined by a heart specialist on the morning of March 4, 1972. After examination by a specialist, Special Agents were advised that Mrs. Beard had severe angina pectoris and an impending coronary occlusion. The doctors would not permit agents to serve the subpoena on the afternoon of March 4, 1972. Mrs. Beard's personal physician flew to Denver on March 4, 1972. and after examining Mrs. Beard advised Bureau agents that she was not well enough to receive the subpoena and that Mrs. Beard would not be able to travel for a week or more.

Later on the evening of March 4, 1972, Mrs. Beard's physician advised that her condition would now permit service of the subpoena and the subpoena was served by a Special Agent at nine p.m., March 4, 1972.

Will you stand up, please, sir?

Hold your hand up, please. Do you solemnly swear the testimony you are about to give is the truth, the whole truth and nothing but the truth, so help you God?

TESTIMONY OF DR. VICTOR L. LISZKA

Dr. Liszka, I do.

The CHAIRMAN: You are Dr. Liszka?

Dr. Liszka: That is right.

The CHAIRMAN: Give us your initials and where you practice medicine, Doctor?

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RICHARD G. KLEINDIENST—RESUMED

HEARINGS
BEFORE THE
COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE
NINETY-SECOND CONGRESS
SECOND SESSION
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NOMINATION OF RICHARD G. KLEINDIENST, OF ARIZONA,
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Printed for the use of the Committee on the Judiciary

U.S. GOVERNMENT PRINTING OFFICE
73-633
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For sale by the Superintendent of Documents, U.S. Government Printing Office
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MEDICAL REPORT BY DR. JOSEPH SNYDER, THE PRESBYTERIAN MEDICAL CENTER, DENVER, COLO.


Re Beard, Dita Davis

HISTORY

This 53-year-old, divorced female was seen at the Rocky Mountain Osteopathic Hospital on March 12, 1972 at the request of the U.S. Senate Judiciary Committee. The patient was questioned and examined and additional information was obtained from the hospital chart and from her physicians, Dr. Dave Garland and Dr. Leo Radetsky.

This patient was admitted to the Rocky Mountain Osteopathic Hospital on March 3, 1972 with a primary complaint of chest pain.

A review of the history reveals that the patient had a murmur in childhood, but this has not been heard on subsequent occasions. At the age 16 she apparently first developed some chest pains, the nature of which are difficult for her to describe. However, she had no real difficulty with chest pain until 1956 when while in Florida she developed severe chest pain and was hospitalized for two days. This pain was associated with dyspnea and she was allegedly told by her physicians that she had a "coronary".

During the past four to five years she has had infrequent episodes of pain. She has gone as long as one year without having pain and then will have episodes of pain occurring four to five times per day for two weeks. The chest pains are usually described as substernal, "grabbing", associated with numbness in the left arm and spreading of the pain into the upper chest and occasionally into the throat. She describes this pain by using the clenched-fist sign of Levine. She denies radiation of the pain into the jaw or into her teeth. She has noted the pain will occasionally spread into the left shoulder and into the interscapular area. There is no associated abdominal discomfort with this pain. The duration of the pain is quite variable, lasting from five to ten minutes or longer periods of time. She occasionally notices perspiration with her episodes of pain. She is unable to directly correlate her pain with exertion or emotional episodes. She has had nocturnal pain on rare occasions. She has had at least one episode of pain related to walking in the snow in Washington, D.C., but continues to state that "I can't make any sense out of this pain". She has had nitroglycerin available to her for a number of years and notes that if she rests and takes nitroglycerin promptly, she will usually obtain relief in a matter of several minutes.

On the day prior to her admission while on the plane flying to Denver, she developed some chest pain and allegedly fainted for a few seconds. She was given nitroglycerin by the stewardesses, and this combined with a small amount of alcohol appeared to ease her pain.

On March 3, 1972, the day of admission, the patient began to have chest pain which was unremitting. This pain was substernal and associated with numbness of the left arm. She called Dr. Garland and was admitted to the Rocky Mountain Osteopathic Hospital Coronary Care Unit at 7:30 p.m. She is vague about the duration of the pain but the hospital records reveal that she had pain of a minor degree for the next 36 to 48 hours. She subsequently did well until the morning of March 9, 1972 when, while still in the Coronary Care Unit, she developed substernal pain which lasted approximately 10 minutes. This was associated with the appearance of ventricular premature beats on the cardiac monitor and she subsequently was started on a xilocaine infusion and then switched to Pronestyl. Since that time there have been no further episodes of chest pain, and there have been no further episodes of arrhythmia.

There is no past history of hypertension. She denies orthopnea and nocturnal dyspnea. She states that she has reasonably good exercise reserve and states that she is able to swim without difficult five or six pool lengths. She is usually able to walk without developing chest pain. She has noted the appearance of "skipped" heart rhythm on occasions. She has noted some edema in summertime in the past and for this has taken a diuretic.

The patient was transferred from the Coronary Care Unit to the ward on March 12, 1972 and as mentioned above, has had no evidence of chest pain or documented arrhythmia since March 9, 1972.

Current Hospital Medical Program:
1. Heparin.
2. Pronestyl 250 mg. every six hours.
3. Valium 10 mg. q6hrs.
4. Isoridil 5 mg. t.i.d.
5. Cardilate 10 mg. four times a day.
6. Placidyl 500 mg. hs.
7. Ambodyl 50 mg. three times a day.
8. Dylase one daily.
9. interferon.

Habits.—The patient is a one pack a day smoker and has smoked since the age of 20. She is a moderately heavy drinker, necessitated allegedly by her occupation (lobbyist for ITT).

Family History.—The father died of carcinoma of the pancreas. The father was a moderately heavy drinker. The mother died at age 64 of multiple myeloma with secondary renal involvement. One sister died at 54 of cancer. There were no brothers. There is no family history of heart disease. The patient has five children, in good health.

Surgical Procedures.—(1) Surgery to the right shoulder for bursitis, Dr. Victor Liska of Washington, D.C.; (2) Hysterectomy.

System Review.—The patient states that she has no allergies. She has been told that she has arthritis of her spine, questionable cervical. She denies any chest wall tenderness. She did receive a blow to her sternum at age 15 and it was cracked but she denies any subsequent problems with this. There is no history of asthma, hay fever. She admits to some tension headaches on occasion. She denies any prior history of gallsbladder, stomach or esophageal diseases. She had gallbladder, stomach and kidney x-rays in the last year to year and a half and these have all allegedly been normal. She states that her height has increased some in the past five years. She states she weighed 132 pounds 25 years ago and currently weights about 173. There is no history of urinary tract infection, hematuria, calculi. There is no history of elevated cholesterol, gout. She has been told that she is “on the verge of diabetes” for several years. There is no history of seizures, convulsions, stroke.

Physical Examination.—Blood pressure 130/75; heart rate 50, regular; height five feet nine inches; weight 173 pounds.

The patient was a pleasant, somewhat obese female who was in no acute or chronic distress. Her color was good and there was no evidence of cyanosis or clubbing. The carotid, brachial, femoral, popliteal and pedal pulses were all present and of good quality. There was no carotid sinus present. The jugular venous pressure was normal. The thyroid was normal. The lungs were clear. On examination of the heart there were no lifts, thrills, shocks or thrusts. The rhythm was regular. There was no palpable liver or spleen. There was no peripheral edema.

Laboratory Data.—Pertinent laboratory data obtained from the chart revealed that the hematocrit on admission was 43 and had dropped to 38, reasons unknown. The CPK, LDH obtained on successive days between March 3 and March 9 were entirely within normal range. Fasting blood sugar was 140 mg. per cent.

Electrocardiogram.—The initial electrocardiogram on March 3, 4, and 10 were reviewed. These electrocardiograms showed sinus rhythm with a normal P-R, QRS and Q-T interval. The mean electrical axis was approximately 60 degrees on the initial electrocardiogram and essentially unchanged on subsequent electrocardiogram. There were mild non-specific T changes noted on the initial electrocardiogram on March 3 with the subsequent electrocardiograms essentially normal. Monitor EKG rhythm strips were reviewed and revealed the presence of ventricular premature contractions on March 9, 1972, probably of left ventricular origin. These had a moderately long coupling interval and occurred only every fourth or fifth beat.

Chest X-Ray.—Chest x-ray obtained on March 4, 1972 revealed the overall heart size to be normal. The aorta and pulmonary artery appeared to be normal. The vascularity was normal. There were no infiltrates present.

Summary.—This 53-year-old female gives a history of chest pain dating back to 1956. She had been hospitalized on a number of occasions prior to her current episode. She developed her present episode while flying to Denver on March 2, 1972. The following day her pain became increasingly severe prompting her admission to the Coronary Care Unit at Rocky Mountain Osteopathic Hospital. She had some recurrent pain for the next 36 hours and then approximately six days following admission she had a short episode. Documented ventricular premature contractions were noted with this second episode of pain. Laboratory data including enzymes and electrocardiograms revealed no evidence of myocardial infarction. She was transferred from the Coronary Care Unit on March 12 and had been pain-free since March 9, 1972.
Pertinent points in the history reveal the past history of premature beats, history of moderately heavy smoking, and the diagnosis of probable diabetes mellitus. Of interest, is the fact that the description of the pain is highly suggestive of coronary artery disease. However, the lack of a clear-cut relationship of the pain to activity and stress is somewhat inconsistent but obviously does not exclude this diagnosis.

**Final Diagnoses:**
1. Possible coronary artery disease with angina pectoris.
2. Ventricular premature contractions.
3. Obesity.
4. Diabetes mellitus.

**Recommendations:**
1. I agree essentially with the current program outlined by her physicians. I believe that a glucose tolerance test, detailed lipid studies, and a treadmill exercise tolerance test are vital. The question of performing coronary cineangiography can be dealt with following the results of these tests.
2. In the best interests of this patient, I strongly recommend that she not appear before the Senate committee in Washington, D.C. at the present time. I do not believe that her current situation will change significantly so that this could be possible in the next few weeks. I believe that such an appearance would be detrimental to this patient and in view of her cardiac status potentially disastrous. She could be interviewed by a sub-committee in her hospital room. The conditions of her interview must include the presence of a qualified physician who could manage any potential cardiac problem. The duration of the interview should be kept short and emotional stress to the patient should be minimized.

JOSEPH SNYDER, M.D.,
Chief, Cardiology Unit, Presbyterian Medical Center.

Signed before me this 13th day of March 1972.

Elsie L. DeWitt,
Notary Public.


The CHAIRMAN. Now, the doctors claim, state she cannot be moved, and I am appointing a subcommittee, it is nonpolitical, Senator Hart, chairman; Senator Kennedy, Senator Tunney; and of my leftwing brethren I am going to appoint Senator Cook, Senator Mathias, and Senator Gurney.

They will be in Denver next Monday.

Now, there can be one pressman, just one; that is what the doctors say. I am going to discuss with the press whom to name. Mr. Holloman of the committee staff will also represent me.

Senator Scott. Mr. Chairman, I think it would help to make it clear that the press arrangements are controlled by the recommendations of the physicians and not by the committee, but with the agreement of the committee; isn't that correct?

The CHAIRMAN. That is what the physicians stated; yes, sir. There will be only one pressman.

Senator HRUSKA. Is there a volunteer? (Laughter.)

Senator KENNEDY. Will the Senator yield?

I might just say—Senator Cook, is he here?—for the benefit and the information of the members of the committee, this afternoon Senator Cook and I, in compliance with the requests of the Judiciary Committee, phoned both Dr. Prior and Dr. Snyder and we had a conference call with them this afternoon, where we suggested a variety of different possible alternatives of proceeding, with the idea that they would give us the best in terms of medical expertise as to the way that we ought to proceed, setting forth that the first consideration was the health of Mrs. Beard; the second consideration was how we could best fulfill our responsibility in gaining the information that is desired by the committee itself.
40. On Friday, March 3, 1972, Kleindienst, in his testimony before the Senate Committee on the Judiciary, denied consulting with, reporting to, or getting directions from anybody at the White House about the ITT antitrust cases. He also testified that he did not recall why on April 19, 1971, the Department of Justice requested a delay in the appeal of the ITT-Grinnell case to the Supreme Court.

40.1 Richard Kleindienst testimony, 2 KCH 95, 181, 191, 203-04.
RICHARD G. KLEINDIENST—RESUMED

HEARINGS
BEFORE THE
COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE
NINETY-SECOND CONGRESS
SECOND SESSION
ON
NOMINATION OF RICHARD G. KLEINDIENST, OF ARIZONA,
TO BE ATTORNEY GENERAL

PART 2
MARCH 2, 3, 6, 7, 8, 9, 10, 14, 15, 16, 26, and 29, 1972

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RICHARD G. KLEINDIENST

THURSDAY, MARCH 2, 1972

U.S. Senate,
Committee on the Judiciary,
Washington, D.C.

The committee met, pursuant to notice, at 10:40 a.m., in room 2228, New Senate Office Building, Senator James O. Eastland, chairman, presiding.

Present: Senators Eastland, Ervin, Hart, Kennedy, Bayh, Burdick, Tunney, Hruska, Fong, Scott, Thurmond, Cook, Mathias, and Gurney.

Also present: Francis C. Rosenberger, Peter M. Stockett, Tom Hart, Hite McLean, Thomas B. Collins, and Robert B. Young, of the committee staff, and various assistants to Senators.

The Chairman. The committee will be in order.

Mr. Kleindienst, hold up your hand.

Do you solemnly swear to tell the truth, the whole truth, and nothing but the truth, so help you God?

Mr. KLEINDIENST. I do.

Mr. McLAREN. I do.

Mr. ROHATYN. I do.

TESTIMONY OF RICHARD G. KLEINDIENST, ACTING ATTORNEY GENERAL, ACCOMPANIED BY RICHARD W. McLAREN, FORMER ASSISTANT ATTORNEY GENERAL, ANTITRUST DIVISION; FELIX G. ROHATYN, DIRECTOR, INTERNATIONAL TELEPHONE & TELEGRAPH CORP.; AND WALKER B. COMEGYS, ANTITRUST DIVISION, DEPARTMENT OF JUSTICE

The Chairman. This hearing was called at the request of Mr. Kleindienst.

Now, the way the Chair thinks the proper procedure would be is to hear Mr. Kleindienst, Mr. McLaren, and the other gentlemen, and then throw the matter open for questions by whoever on the committee wants to ask them.

Now, Mr. Kleindienst, you may proceed.

Mr. KLEINDIENST. Thank you, Mr. Chairman, and members of the committee.

First I want to express my personal appreciation to the committee for providing me this opportunity at the earliest possible moment to provide the committee the information that I have with respect to some of the charges that have been made in the public press in the last several days.

(95)
RICHARD G. KLEINDIENST

FRIDAY, MARCH 3, 1972

U.S. Senate,
COMMITTEE ON THE JUDICIARY,
Washington, D.C.

The committee met, pursuant to recess, at 10:50 a.m., in room 2223,
New Senate Office Building, Senator James O. Eastland, chairman,

Present: Senators Eastland, Ervin, Hart, Kennedy, Bayh, Burdick,
Tunney, Hruska, Fong, Scott, Mathias, and Gurney.

Also present: Francis C. Rosenberger, Peter M. Stockett, Tom Hart,
Hite McLean, Thomas B. Collins, and Robert B. Young, of the
committee staff, and various assistants to Senators.

TESTIMONY OF RICHARD G. KLEINDIENST; ACCOMPANIED BY
RICHARD W. McLAUREN, FELIX G. ROHATYN, AND WALKER B.
COMEGYS—Resumed

The CHAIRMAN. Any further questions?

Senator Scott. All I have, Mr. Kleindienst, is an observation. I
feel that you have given a candid and adequate rebuttal and I hope
that the hearings will be confined within the parameters or the frame-
work of the confirmation, rather than develop into a broad fishing
expedition on the entire functions of the office of the Justice Depa-
rtment. I would like to see those questions explored at some later hear-
ing, and if there are questions other than those bearing immediately
on your confirmation, I would hope that the committee would take
them up at another time and go into them as thoroughly as the situa-
tion would dictate. But so far as the confirmation is concerned, I think
the statements you have made are complete, candid, and supported
by testimony of other witnesses, and ought to be a complete answer to
the charges and to the reason for this hearing.

Thank you.

Mr. KLEINDIENST. Thank you, Senator Scott.

Senator ERVIN (presiding). Senator Gurney.

Senator GURNIE. Well, thank you, Mr. Chairman.

One of the problems of being the end man on the committee is that
all of the questions have been asked and the points have been explored
before your time has arrived.

I think I would simply like to echo what the minority leader or
the opposing leader, Senator Scott, has already said.

I sat through most of the testimony yesterday, not all of it, but
certainly about nine-tenths of it, and I think that the whole matter
was fully explored. As a matter of fact, it was not only explored, but
reexplored again and again, and some points were covered many times.

(181)
Senator Kennedy. Thank you.

Mr. McLaren. Very frequently, Senator, I had other people there taking notes because it is hard to conduct a meeting and at the same time be taking down notes.

Senator Bayh. Could I ask just one question? I am not certain that this was asked yesterday of both Mr. Kleindienst and Judge McLaren.

Did either of you gentlemen talk to Mr. Geneen or any other officials in the hierarchy of ITT?

Mr. Kleindienst. I have never met Mr. Geneen. I have never talked to Mr. Geneen. I would not recognize him if I saw him.

Senator Bayh. Mr. Rolatyn is the only member of I.T. & T.?

Mr. Kleindienst. The only member except Mr. Ryan who lives out there. I do not know what his job is in the company and—

Senator Bayh. Have you had a chance to reflect any more about the conversations last spring?

Mr. Kleindienst. Yes, I have. Mr. Ryan has been rather antagonistic toward me with respect to the I.T. & T. antitrust problems with the Department of Justice. He is a very loyal representative of his company, and he also has, a couple of times—the only time I ever talked to him was at these neighborhood parties—

Senator Bayh. He would not spoil the picnic by being antagonistic; would he?

Mr. Kleindienst. This is a neighborhood party, and there would be 20 or 30 or 40 people there. But, he was also very, very sharp in his statement to me that Mr. McLaren and myself were highly unreasonable in the ITT antitrust matters before the Department of Justice. I think, based upon the evidence you heard yesterday, there might be some, you know, basis for that.

But, we always took a very, a very rigid position in these cases, and my recollection is that at one of those in the spring of 1971 that an official of the company to get information about the economic or financial aspects of this, and that I indicated to him that I never closed my mind completely and that I would be willing to do that.

Senator Bayh. Now, I ask one other question. I wonder if you have had a chance to reflect, overnight, on whether you had ever talked to anybody down at the White House about the ITT case, and it would be—

Mr. Kleindienst. No, sir. No, sir. To the best of my recollection, but as I qualified that yesterday, I am talking to somebody at the White House almost constantly about a variety of problems, and it is not inconceivable that somebody up there could have made reference to the status of the ITT cases, you know, or something like that.

So far as consulting about, reporting to, getting directions from, going into depth on these matters or any other antitrust case, I have never had that experience.

Senator Bayh. How about Members of Congress?

Mr. Kleindienst. On I.T. & T.?

Senator Bayh. Yes.

Mr. Kleindienst. Not to my recollection. Not to my recollection.

Senator Bayh. Or members of the Republican National Committee?

Mr. Kleindienst. No. No; not to my recollection.

Senator Bayh. Is there some way this kind of discussion could have taken place, similar to the kind of discussion that must have taken
Senator Kennedy. OK.

As I understand, if we can get back now, we have the phone call of the 18th, the 19th is the request by the Department in the *Grinnell* case. Would you tell us, Mr. Kleindienst, why this request was filed since there had already been a 30-day extension in the *Grinnell* case?

Mr. Kleindienst. Well, there was just a problem as to whether this thing was to be filed in the request for the delay. Excuse me just a minute.

Senator Kennedy. Yes.

(Short pause.)

Senator Kennedy. If I could—

Mr. Kleindienst. Senator Kennedy, I do not recollect why that extension was asked.

Senator Kennedy. Well, does Mr. McLaren have the petition there?

Mr. McLaren. I was just looking at the memorandum we filed, or the Solicitor General filed, rather, as to the precise details as why we filed it at that time. I think that we said “additional time is needed for further study of the case and to permit consultation among various interested Government agencies with regard to whether the Government should perfect its appeal.”

Senator Kennedy. What was the doubt, Mr. Kleindienst, as to whether the Government should perfect its appeal?

Mr. Kleindienst. I do not know.

Senator Kennedy. Well, were you aware that this was being filed?

Mr. Kleindienst. Yes, I was generally.

Senator Kennedy. This was, this was 9 days after the usual deadline for such requests, as I understand it.

Mr. Kleindienst. Could have been.

Senator Kennedy. Well, it says, does it not, Mr. McLaren, that “additional time is needed for further study of the case and to permit consultation among various governmental agencies with regard to whether the Government should perfect its appeal.” Did you have any doubts, Mr. McLaren?

Mr. McLaren. I think I indicated earlier, Senator, that I felt if we could get all three cases up together, they were very strong. I know that there are people who did not feel that we could win on this. We had a very tough set of fact finding against us, and I think there was a school of thought that not only could we not win it, but that we should not win it.

Senator Kennedy. Didn’t you know this before?

Mr. McLaren. Among antitrust lawyers—

Senator Kennedy. Were you not aware of this before the 19th, 9 days after any new extension should have been requested?

Mr. McLaren. Well, it was fairly continuous, I would say.

Senator Kennedy. Well, as I understand, there had been a 30-day extension. And then there had been 9 days in addition after the usual deadline, and then, when this was filed on the 19th for the reasons, as has been stated here, and you have read here, that there was a doubt that governmental agencies should perfect the appeal. And I have difficulty in just understanding why, with understanding your own reasons now for the reservations, why those reasons were not indicated to the Supreme Court before.
divestiture of Hartford, and told me that Mr. Kleindienst would receive me and listen to the argument.

Senator Kennedy. That is not what you just told me a minute ago. You told me—could the reporter read back his earlier response to the question?

(Reporter read back witness’ response.)

Senator Kennedy. Right there. You were told that Mr. Kleindienst would receive a financial expert on an economic hardship in the case?

Mr. Rohatyn. Senator, I believe that is correct. I was asked to make an economic case, and it is the area of the conversation, and the area of the subject matter that I was supposed to discuss with Mr. Kleindienst which was outlined to me by Mr. Geneen.

Senator Kennedy. And was it further outlined to you that Mr. Kleindienst would be receptive to an economic argument?

Mr. Rohatyn. That he would listen to it. Senator. That is what I was told.

Senator Kennedy. That he would listen to it? But you were told what the area or what the parameters of the case would be that you would be—

Mr. Rohatyn. That I would be required to make. Yes, sir.

Senator Kennedy. And it was indicated to you that Mr. Kleindienst would listen to those?

Mr. Rohatyn. Yes, Senator.

Senator Kennedy. Now, have you been able to clear up when that was exactly when you phoned on—when Mr. Geneen talked to you?

Mr. Rohatyn. Senator, I have not been able to pinpoint it down more exactly than yesterday, but it must have been undoubtedly within the first week or 10 days of the month of April.

Senator Kennedy. And then on April 15, you telephoned Mr. Kleindienst, is that right. On or about April 15?

Mr. Rohatyn. On or about April 15, before April 20.

Senator Kennedy. Now, as I understand, on April 19, the Justice Department requested a last-minute delay for its filing of an appeal in Grinnell. This is the ITT case in the Supreme Court, is that right.

Mr. Kleindienst?

Mr. Kleindienst. I beg your pardon, Senator Kennedy?

Senator Kennedy. That on April 19, this is the day after Mr. Rohatyn’s phone call to you, the Justice Department requests a last minute delay for its filing of appeal in Grinnell, is that correct?

I believe that—

Mr. Kleindienst. We requested a delay, but I do not remember the date. Senator Kennedy.

Senator Kennedy. Mr. McLaren, do you remember? I believe that is the date.

Mr. McLaren. I could not place the date, Senator.

Mr. Kleindienst. Senator, may I make a correction in the record?

Senator Kennedy. Yes.

Mr. Kleindienst. I just had a consultation with my wife. She said that we entered Mr. Ryan’s house for one drink at a neighborhood party, and we stayed about 5 minutes because we had to go to another function. So, my statement was incorrect that I had never been to his house, and I did not recall that.
On the afternoon of Sunday, March 5, 1972, the President and Haldeman returned to Washington, D. C. from Key Biscayne. On Monday, March 6, 1972 the President had conversations with Haldeman, Ehrlichman and Colson. At about 1:30 p.m., shortly after leaving the President's office, Ehrlichman met with SEC Chairman Casey.

41.1 John Ehrlichman log, March 6, 1972 (received from SSC).

41.2 Meetings and conversations between the President and John Ehrlichman, March 6, 1972 (received from White House).

41.3 Meetings and conversations between the President and H. R. Haldeman, March 1, March 5 and March 6, 1972 (received from White House).

41.4 Meetings and conversations between the President and Charles Colson, March 6, 1972 (received from White House).

41.5 John Ehrlichman log, March 21, 1971 (received from SSC).


41.7 William Casey calendar, March 6, 1972 (received from U.S. Attorney, Southern District of New York).
MONDAY, MARCH 6, 1972

8:00   H.R. office
8:15   Roosevelt Room
10:30  President, Cabinet Committee on Busing
11:30  President, Commission on School Finance
1:30   Chairman Bill Casey (SEC)
2:30   H.R. office - Colson, Wally Johnson
3:15   David Young
4:00   John Mitchell (at 1701)
5:00   George Shultz
5:30   President
7:00   Duck Dinner at Senator Kruska's

TUESDAY, MARCH 7, 1972

8:00   GOP Leadership
11:30  President
(11:30) (without E) - Richardson, O'Neill, Flemming, Keller,
       Hullin, Dick Darman, Friedersdorf, Commissioner Ball
       (aging)
12:45  Lunch in Mess with Shultz, Flanigan, Peterson, James Roche
       Walter Gerstenberg
2:45   Car at west basement
3:00   Cong. Rhodes, Harper, Michel
4:45   Shultz, O'Neill, Keller, Hullin (aging)
6:00   Shultz' office - Colson, MacGregor
7:00   Motion Picture Association - "What's Up Doc"

WEDNESDAY, MARCH 8, 1972

8:00   H.R. office
8:15   Roosevelt Room
9:30   Press briefing (declassification)
10:15  Roosevelt Room - p.r. group - Harper, Michel, Garment,
       Krogh, Shepard, Pete Dailey, Phil Joenoo, Jeb Magruder,
       Bill Taylor, Mike Lesser
11:00  Sec. Richardson, Shultz, Flemming (aging)
1:00   Staff lunch
2:30   Dean, Fielding, Johnson, Timmons, Colson, Moore
3:20   Car at west basement
4:00   Judge Boldt's swearing-in ceremony - Justice Clark's office
4:50   H.R. office
5:05   Colson
6:20   Morgan, Clawson, Charles Wright, Robert Berk,
       Dan McAniffe

[5534]
**John D. Ehrlichman**

**February 16, 1972**

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
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</table>
| PM 4:34 | President met with Mr. Ehrlichman  
(Dr. Kissinger 4:15-4:35)  
(Mr. Butterfield 4:34-4:36)  
(Mr. Kleindienst 4:36-5:14)  
(Mr. Shultz 5:08-5:38) |

**February 17, 1972**

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
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<tbody>
<tr>
<td>AM 9:22</td>
<td>Meeting in Cabinet Room - Bipartisan Congressional Leaders RE PROC Trip</td>
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</table>

**February 29, 1972**

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
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<tbody>
<tr>
<td>PM 12:02</td>
<td>Cabinet Meeting in Cabinet Room</td>
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</table>

**March 1, 1972**

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
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<tbody>
<tr>
<td>PM 12:19</td>
<td>Helicopter Manifest - White House to Andrews</td>
</tr>
<tr>
<td>12:26</td>
<td>Spirit of '76' - Andrews to Homestead AFB</td>
</tr>
<tr>
<td>12:36</td>
<td>Helicopter Manifest - Homestead AFB to Key Biscayne</td>
</tr>
<tr>
<td>2:40</td>
<td>Spirit of '76' - Homestead AFB to Key Biscayne</td>
</tr>
<tr>
<td>2:50</td>
<td>Helicopter Manifest - Key Biscayne</td>
</tr>
</tbody>
</table>

**March 3, 1972**

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
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</thead>
<tbody>
<tr>
<td>AM 10:30</td>
<td>President met with Mr. Ehrlichman at Key Biscayne</td>
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</table>

**March 6, 1972**

<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
</table>
| AM 10:25 | President met with Mr. Ehrlichman  
(Mr. Haldeman - 9:12-10:30)  
(Mr. Morgan - 10:25-10:30)  
(Butterfield 10:24 - 10:25) |
### March 6, 1972 (Cont'd)

<table>
<thead>
<tr>
<th>Time</th>
<th>AM</th>
<th>Event</th>
</tr>
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<tbody>
<tr>
<td>10:30</td>
<td>11:43</td>
<td>Meeting of the Cabinet Committee on Education and the Council of Black Appointees - Cabinet Room</td>
</tr>
<tr>
<td>11:46</td>
<td>12:27PM</td>
<td>Meeting of President's Commission on School finance and the special panel on financing nonpublic education - Cabinet Room</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Time</th>
<th>PM</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>12:31</td>
<td>1:18</td>
<td>President met with Mr. Ehrlichman (Mr. Haldeman 12:31-1:28)</td>
</tr>
<tr>
<td>5:20</td>
<td>6:33</td>
<td>President met with Mr. Ehrlichman (Mr. Haldeman 5:15 - 6:33) (Mr. Kissinger 6:32 - 6:59)</td>
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### March 7, 1972

<table>
<thead>
<tr>
<th>Time</th>
<th>AM</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>7:55</td>
<td>8:03</td>
<td>President met with Mr. Ehrlichman</td>
</tr>
<tr>
<td>8:04</td>
<td>9:58</td>
<td>GOP Cong. Leadership Meeting</td>
</tr>
<tr>
<td>11:35</td>
<td>12:31PM</td>
<td>President met with Mr. Ehrlichman (Mr. Haldeman 11:20-12:31) (Mr. Kissinger 11:41-12:20)</td>
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<table>
<thead>
<tr>
<th>Time</th>
<th>PM</th>
<th>Event</th>
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<tbody>
<tr>
<td>12:02</td>
<td>12:04</td>
<td>Promotion ceremony of Alexander M. Haig, Jr.</td>
</tr>
<tr>
<td>12:04</td>
<td>12:09</td>
<td>Promotion ceremony of Vernon C. Coffey, Jr.</td>
</tr>
<tr>
<td>12:40</td>
<td>12:43</td>
<td>President met with Mr. Ehrlichman, Mr. James M. Roche, General Motors Corporation, Mr. Richard C. Gerstenberg, &amp; Mr. Shultz</td>
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### March 8, 1972

<table>
<thead>
<tr>
<th>Time</th>
<th>AM</th>
<th>Event</th>
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<tbody>
<tr>
<td>9:28</td>
<td>9:35</td>
<td>President met with Mr. Ehrlichman</td>
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### February 29, 1972 (Cont'd)

<table>
<thead>
<tr>
<th>Time</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>PM 1:52</td>
<td>President met with Haldeman</td>
</tr>
<tr>
<td></td>
<td>(Kissinger 1:38 - 2:30)</td>
</tr>
<tr>
<td>3:17</td>
<td>President received local call to Haldeman</td>
</tr>
<tr>
<td>3:23</td>
<td>President met with Haldeman</td>
</tr>
<tr>
<td></td>
<td>(Ziegler 3:25 - 3:55)</td>
</tr>
<tr>
<td></td>
<td>(Kissinger 3:28 - 4:00)</td>
</tr>
<tr>
<td></td>
<td>(Haig 3:28 - 4:00)</td>
</tr>
<tr>
<td>8:40</td>
<td>President placed a local call to Haldeman</td>
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</tbody>
</table>

### March 1, 1972

<table>
<thead>
<tr>
<th>Time</th>
<th>Description</th>
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<tbody>
<tr>
<td>AM 9:57</td>
<td>President met with Haldeman</td>
</tr>
<tr>
<td></td>
<td>(Butterfield 9:49 - 10:00)</td>
</tr>
<tr>
<td></td>
<td>(Ziegler 10:00 - 10:12)</td>
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<tr>
<td></td>
<td>(Butterfield 11:14 - 11:17)</td>
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<tr>
<td>PM 12:10</td>
<td>President met with Haldeman</td>
</tr>
<tr>
<td></td>
<td>(Kissinger 12:05 - 12:17)</td>
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<tr>
<td>12:19</td>
<td>Helicopter Manifest - WH to Andrews</td>
</tr>
<tr>
<td>12:36</td>
<td>Spirit '76 Manifest - Andrews to Homestead, Fla.</td>
</tr>
<tr>
<td>1:31</td>
<td>President met with Haldeman</td>
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<tr>
<td>2:50</td>
<td>Homestead, Fla. to KB, Compound</td>
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</tbody>
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### March 2, 1972

<table>
<thead>
<tr>
<th>Time</th>
<th>Description</th>
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<tbody>
<tr>
<td>AM 10:04</td>
<td>President placed local call to Haldeman</td>
</tr>
<tr>
<td>10:35</td>
<td>President met with Haldeman</td>
</tr>
<tr>
<td></td>
<td>(Kissinger 11:25 - 1:07)</td>
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<tr>
<td>PM 5:57</td>
<td>President placed local call to Haldeman</td>
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### March 3, 1972

<table>
<thead>
<tr>
<th>Time</th>
<th>Description</th>
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<tbody>
<tr>
<td>AM 8:47</td>
<td>President placed local call to Haldeman</td>
</tr>
<tr>
<td>9:30</td>
<td>President met with Haldeman</td>
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<tr>
<td>Date</td>
<td>AM</td>
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<tr>
<td>March 4, 1972</td>
<td>9:50</td>
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<td>March 5, 1972</td>
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<tr>
<td>February 29, 1972</td>
<td>PM 12:02</td>
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<td>2:51</td>
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<tr>
<td>March 1, 1972</td>
<td>AM 8:50</td>
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<tr>
<td>March 6, 1972</td>
<td>PM 7:36</td>
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<tr>
<td>March 10, 1972</td>
<td>PM 2:17</td>
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<td>7:06</td>
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<tr>
<td>March 11, 1972</td>
<td>AM 9:57</td>
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<td></td>
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</tr>
<tr>
<td>March 13, 1972</td>
<td>PM 3:48</td>
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<td>6:29</td>
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</table>
MONDAY, MARCH 20, 1972

8:00 HRH office
8:15 Roosevelt Room
9:45 Depart South Lawn - to New York - Drug program
2:35 Return to South Lawn
2:45 Chuck Colson, Wally Johnson
3:30 President, Cabinet Committee on International Narcotics Control
4:00 Theatre - Los Angeles Chamber of Commerce group
5:10 Richard Helms
6:00 HRH dinner/meeting.

TUESDAY, MARCH 21, 1972

8:00 HRH office
8:15 Roosevelt Room
9:00 Dean, Colson, Fielding, Johnson, Moore, Mardian, Timmons
10:30 Arrival ceremony - Prime Minister Erim (Turkey)
11:00 Chairman William Casey (SEC)
11:20 Dave Young
11:45 Charles Sither
11:55 Jack Sutherland
12:30 Signing ceremony - Special Action Office - East Room
1:00 Lunch with Kleindienst - Mess
2:00 Dean, Colson, Fielding, Johnson, Moore, Timmons, Mardian, Kleindienst
3:30 Tennis with Hullin, Whitaker, Harper
5:00 Dean, Mardian, Johnson, Moore, Colson
5:30 President, Gov. Shafer, Krogh

WEDNESDAY, MARCH 22, 1972

8:00 HRH office
8:15 Roosevelt Room
11:30 Lawrence Houston, GC, CIA; John Warner, Deputy GC; Young
12:30 William Morrill (Shultz' office)
12:40 Dan McAuliffe
1:00 Lunch with staff
3:30 Property Review Board - 115 EOB
4:15 Sec. Morton, John Whitaker, Flamigan, Jack Horton (Alaska pipeline)
5-6 President (EOB office)
LEGISLATIVE OVERSIGHT OF SEC: AGENCY INDEPENDENCE AND THE ITT CASE

HEARINGS
BEFORE THE
SPECIAL SUBCOMMITTEE ON INVESTIGATIONS
OF THE
COMMITTEE ON
INTERSTATE AND FOREIGN COMMERCE
HOUSE OF REPRESENTATIVES
NINETY-THIRD CONGRESS
FIRST SESSION

LEGISLATIVE OVERSIGHT RELATING TO ADEQUACY OF APPLICATION, ADMINISTRATION, AND EXECUTION OF THE FEDERAL SECURITIES LAWS BY THE SECURITIES AND EXCHANGE COMMISSION

MAY 21, 24; JUNE 6, 14, 27, AND 28, 1973

Serial No. 93–68

Printed for the use of the
Committee on Interstate and Foreign Commerce

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1973

[5546]
Mr. Casey. Yes, there were. When the chairman asked that question, I forgot when I answered it. Over a period of time, I recall sometime in June, I think it was, somewhere early in there, May, June, April. This was at the time that the Commission had, Mr. Sporkin had called the I.T. & T. lawyers and asked them how come they hadn't responded to the original SEC subpoena with the Dita Beard document, which had become public, and whether there were any other documents in that category that should have been produced in response to that subpoena.

Apparently the I.T. & T. lawyers somehow got word to Mr. Ehrlichman that the Commission was pursuing them for additional documents. Mr. Ehrlichman called me about it or asked why the Commission was chasing after additional I.T. & T. documents.

Well, I told him that enforcement people felt they should do this. I support them. I didn't interfere with their procedures, their conduct of investigations. There was that conversation.

Mr. Manelli. You say you think that was in June, maybe? It would have been more likely March, wouldn't it?

Mr. Casey. I think—it's whenever—

Mr. Manelli. About the time the Anderson column came out with the Dita Beard memo?

Mr. Casey. Yes, 2 or 3 weeks after that. Whenever the additional steps took place. It was at that time.

Mr. Manelli. Yes.

Mr. Casey. The only other discussion I can recall with anybody at the White House, except the Dean conversation I mentioned, I believe it was after—

Mr. Manelli. Except for the Dean conversation?

Mr. Casey. Yes, except for the Dean conversation.

Mr. Manelli. That is the one we talked about this morning?

Mr. Casey. Yes. When the publicity came out about the transfer of the files and all that, I received a call from Mr. Colson who merely was looking for information about what this apparent conflict was between Justice and the SEC, and whether this was going to bring the I.T. & T. case back into the campaign and that kind of question.

Mr. Manelli. That is the end of your answer?

Mr. Casey. Yes. I told him the Commission had referred the case to Justice.

Mr. Manelli. Going back to Ehrlichman's telephone call, you said he called you because he had been told the Commission was pursuing I.T. for additional documents and it was his idea the Commission was doing something unjustified?

Mr. Casey. Yes, I guess he felt the Commission was reaching out and poking into something; we frequently get that, that people think the Commission is poking into things outside their area.

Mr. Manelli. What was the result of the conversation with Mr. Ehrlichman? Did he ask you to curtail your investigation?

Mr. Casey. I wouldn't say he asked me to curtail it. I guess he raised the question whether this was necessary and I told him that the en-
forcement staff felt it was necessary and I didn’t feel I should interfere with their investigations.

I reported this conversation to Mr. Sporkin.

Mr. Manelli. The chairman asked whether you discussed with anyone outside the Commission and the parties involved, the possibility the Commission would bring an enforcement action in the ITT case. You were asked what discussions you had and with whom. In your answer, you mentioned Mr. Kennedy. I don’t think the record will be too clear about your answer.

Would you answer that question? Did you discuss with anyone outside the Commission and the parties involved the possibility that the Commission would bring an enforcement action in the ITT case and, if so, what discussions did you have, and with whom, and when?

I believe in answer—

Mr. Lent. That is the second bell, Mr. Chairman. I believe we should recess briefly.

Mr. Casey. I am trying to—I don’t believe I had any discussions. I don’t recall any discussions. The only one I clearly recall is the one I mentioned this morning, because it occurred at a time when we were about to make our decision and Senator Kennedy did call and spoke to me on behalf of one of the principals in the investment banking firm that was named as a defendant and told me he had been a trustee of the Kennedy Foundation and had been very helpful and valuable to them, and he was a man of high reputation. He was concerned about this; if his firm were to be named, it would perhaps besmirch his reputation.

I merely thanked him for the information and assured him the Commission would make its determination on the merits.

The Chairman. The committee is going to have to adjourn for 15 minutes—10 to 15 minutes. You may reflect more on that answer if you like.

Mr. Casey. Reflect more on that answer, OK.

[Whereupon, a brief recess was taken to permit the members to vote.]

The Chairman. The committee will come back to order.

Mr. Casey. I was going to suggest to you that we try to get through this evening if we can. I think it would be helpful to you and probably the committee.

I think if we can all be brief and you can hold your answers as brief as possible, I think we might be able to do it. We will try.

Counsel will continue with his questioning.

Mr. Manelli. Going back to the Ehrlichman call, you don’t recall the exact date?

Mr. Casey. No. I couldn’t fix the day. It would have been sometime in March or April, I think.

Mr. Manelli. I don’t want to pinpoint the date now, but would it be before or after Mr. Flom came to Mr. Sporkin with the extra documents?

Mr. Casey. Before.
Mr. Manelli. That was Mr. Ehrlichman calling you, saying, in effect, perhaps the SEC was being overzealous or overjustified?

Mr. Casey. That is the word they always use, "overzealous."

Mr. Manelli. Was he suggesting to you you ought not to pursue this matter with ITT?

Mr. Casey. I wouldn't at this point—at this stage, I wouldn't want to attribute suggestions to him, I would say he was unhappy.

Mr. Manelli. He was calling you before you actually acquired the production?

Mr. Casey. This was the first I knew about it. Evidently what appears to have happened, as I reconstruct it, the SEC staff lawyers called and asked why these I.T. & T. papers were not delivered pursuant to their subpoena. I guess the I.T. & T. lawyers got word down there we were seeking these additional papers. Mr. Ehrlichman called to ask me if we had to insist upon receiving them. That was the sum and substance.

Mr. Manelli. With respect to Senator Kennedy's call, he was calling you to suggest that a certain individual ought not to be named as a defendant by the SEC?

Mr. Casey. No, not that a certain individual not be named but his firm.

Mr. Manelli. A certain firm which was one of the defendants?

Mr. Casey. A certain firm in which this individual who was in the Kennedy family foundation, was a principal partner.

Mr. Manelli. Did you tell the other Commissioners about Mr. Ehrlichman's call?

Mr. Casey. I don't think I told the other Commissioners, but I told Sporkin I had received such a call.

Mr. Manelli. Why did you tell Mr. Sporkin that?

Mr. Casey. Because it was his job.

Mr. Manelli. Was there any suggestion that perhaps this ought not to be done?

Mr. Casey. No, I never made any such suggestion to Mr. Sporkin. Mr. Sporkin runs the Enforcement. I thought he ought to be apprised these people were concerned, they were expressing some concern about additional papers they would have been required to submit.

Mr. Manelli. Did you inform the Commissioners about Senator Kennedy's call?

Mr. Casey. Yes.

Mr. Manelli. In what way did you inform them?

Mr. Casey. I don't know, probably informally.

Mr. Manelli. Did you express to them that consideration perhaps ought to be given to his suggestions?

Mr. Casey. No. My response to Senator Kennedy was to thank him for the information about this person, who I held in high repute and knew to have a high reputation. I knew what he told me. I told Senator Kennedy the Commission would decide the matter on its merits.
LEGISLATIVE OVERSIGHT OF SEC: AGENCY INDEPENDENCE AND THE ITT CASE

THURSDAY, JUNE 28, 1973

HOUSE OF REPRESENTATIVES,
SPECIAL SUBCOMMITTEE ON INVESTIGATIONS,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
Washington, D.C.

The subcommittee met at 9:30 a.m., pursuant to notice, in room 2123, Rayburn House Office Building, Hon. Harley O. Staggers (chairman) presiding.
Present: Representatives Staggers, Pickle, Carney, Devine, and Lent.
Staff member present: Daniel J. Manelli, chief counsel.
The CHAIRMAN. The subcommittee will come to order. We will continue where we stopped in interrogation last night. Counsel was questioning and he will continue this morning. Mr. Counsel.

TESTIMONY OF HON. WILLIAM J. CASEY, FORMER CHAIRMAN OF THE SEC—Resumed

Mr. MANELLI. Mr. Casey, on the initial contact between Mr. Cook, Mr. Whitman, and Mr. Dean, yesterday you were going to try to ascertain the correct date, because your recollection was slightly different. Have you had a chance to do that?
Mr. CASEY. Yes. I am quite sure that Mr. Whitman’s statement was correct.
Mr. MANELLI. So it would have been on the 21st or so?
Mr. CASEY. Yes.
Mr. MANELLI. How did you arrange for Mr. Cook and Mr. Whitman to meet Mr. Dean? Did you call Mr. Dean?
Mr. CASEY. I remember I felt—we had been—yes, I called Mr. Dean. I called Mr. Dean and told him I wanted Cook and Whitman to discuss this issue of the investigative file and get his views and experience, and either one of them called and made a specific time.
I just called Dean to tell him that I wanted him to have a meeting and talk.
Mr. MANELLI. Again on something that happened yesterday, you testified about a call you got from Mr. Ehrlichman. I believe you said something to the effect that the ITT attorneys had apparently talked to Mr. Ehrlichman and he was calling you about the SEC staff’s proposal to get more documents from ITT.
I wondered what led you to believe that Mr. Ehrlichman had been talking with people from ITT?

Mr. Casey. Well, let me elaborate a bit on that. If I left the impression that was a phone call, it was not a phone call. It was a phone call but Mr. Ehrlichman asked——

Mr. Manelli. I don't understand.

Mr. Casey. Ehrlichman asked if I could come over to see him. I saw him in his office and he raised this with me. I guess he told me that is how the information had——

Mr. Manelli. But he called you over to his office for that specific purpose, did he?

Mr. Casey. Yes, I didn't know what the purpose was. He made a date and said would I come over to see him and that is what was on his mind.

Mr. Manelli. You have had a chance to look over Mr. Dean's testimony?

Mr. Casey. Yes.

Mr. Manelli. Mr. Chairman, my understanding is we are free to quote from that transcript.

Mr. Chairman. You are.

Mr. Lent. Reserving the right, Mr. Chairman. I just wanted to get a verification from counsel, at the time we took Mr. Dean's testimony, as I recall his attorney urged certain restriction on us, indicating possible pending grand jury proceedings in other jurisdictions and I just want to get something on the record from our own counsel that in releasing this material today we are in no way damaging any case that the Government might have pending in any jurisdiction against any of the principals who are involved in the so-called Watergate case.

Mr. Manelli. As to the position of Mr. Dean's counsel, I don't—in fact I am quite sure it did not pertain to release of the transcript in whole or in part. In fact the Chairmen's opening statement to Mr. Dean—I will see if I can find it—it is on page 3 (p. 44, this record):

Furthermore, I want to emphasize that although this hearing is being conducted in executive session, the subcommittee may at some future time determine to make the transcript public, either in whole or in part.

Your other question, in my opinion the quotation from excerpts of this transcript will not prejudice anyone's rights or prejudice any criminal actions.

Mr. Lent. And there was no representation or commitment made on the part of this committee to anyone that this material would not be released?

Mr. Manelli. No.

The Chairman. That is the only statement that was made. I made it there. I do not expect either one of these to be made public at the present time or what is used here. I think that is the understanding of the committee.

You may proceed, Counsel.

Mr. Manelli. Directing your attention to page 12 of the Dean transcript. I would like to read from there and from another several portions—page 12, if you flip back over on page 11 you will see he is talking about his meeting with Mr. Whitman and now we go on to page 12, line 11 (p. 18, this record):
41.7 Note

The only meeting indicated on William Casey's calendar for March 6, 1972 is at 1:00 p.m. with John Ehrlichman.
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On Tuesday, March 7, 1972 in a prepared statement given under oath before the Senate Committee on the Judiciary, Kleindienst described the circumstances surrounding the request for an extension of time to appeal ITT-Grinnell. He omitted mention of the President's order to drop the case made during their telephone conversation of April 19, 1971.

42.1 Richard Kleindienst testimony, 2 KCH 95, 249-50.
RICHARD G. KLEINDIENST

THURSDAY, MARCH 2, 1972

U.S. Senate,
Committee on the Judiciary,
Washington, D.C.

The committee met, pursuant to notice, at 10:40 a.m., in room 2228, New Senate Office Building, Senator James O. Eastland, chairman, presiding.

Present: Senators Eastland, Ervin, Hart, Kennedy, Bayh, Burdick, Tunney, Hruska, Fong, Scott, Thurmond, Cook, Mathias, and Gurney.

Also present: Francis C. Rosenberger, Peter M. Stockett, Tom Hart, Hite McLean, Thomas B. Collins, and Robert B. Young, of the committee staff, and various assistants to Senators.

The CHAIRMAN. The committee will be in order.

Mr. Kleindienst, hold up your hand.

Do you solemnly swear to tell the truth, the whole truth, and nothing but the truth, so help you God?

Mr. KLEINDIENST. I do.

Mr. McLAAREN. I do.

Mr. ROBATYN. I do.

TESTIMONY OF RICHARD G. KLEINDIENST, ACTING ATTORNEY GENERAL, ACCOMPANIED BY RICHARD W. MCLAREN, FORMER ASSISTANT ATTORNEY GENERAL, ANTITRUST DIVISION; FELIX G. ROBATYN, DIRECTOR, INTERNATIONAL TELEPHONE & TELEGRAPH CORP.; AND WALKER B. COMEGYS, ANTITRUST DIVISION, DEPARTMENT OF JUSTICE

The CHAIRMAN. This hearing was called at the request of Mr. Kleindienst.

Now, the way the Chair thinks the proper procedure would be is to hear Mr. Kleindienst, Mr. McLaren, and the other gentlemen, and then throw the matter open for questions by whoever on the committee wants to ask them.

Now, Mr. Kleindienst, you may proceed.

Mr. KLEINDIENST. Thank you, Mr. Chairman, and members of the committee.

First, I want to express my personal appreciation to the committee for providing me this opportunity at the earliest possible moment to provide the committee the information that I have with respect to some of the charges that have been made in the public press in the last several days.
RICHARD G. KLEINDIENST

TUESDAY, MARCH 7, 1972

U.S. Senate,
Committee on the Judiciary,
Washington, D.C.

The committee met, pursuant to recess, at 10:50 a.m., in room 2228, New Senate Office Building, Senator James O. Eastland, chairman, presiding.
Present: Senators Eastland, Ervin, Hart, Kennedy, Burdick, Tunney, Hruska, Fong, Scott, Cook, Mathias, and Gurney.
Also present: John H. Holloman, chief counsel, Francis C. Rosenerberger, Peter M. Stockett, Tom Hart, Hite McLean, Thomas B. Collins, and Robert B. Young, of the committee staff, and various assistants to Senators.
The CHAIRMAN. The committee will come to order.
Who on this side has any questions?
Senator Scott. Not at this time.

TESTIMONY OF RICHARD G. KLEINDIENST. ACCOMPANIED BY RICHARD W. McLAUREN, FELIX G. ROHATYN, AND KEITH I. CLEARYWATERS—Resumed

Mr. Kleindienst. Mr. Chairman, I wonder if I would be permitted to make a preliminary statement this morning that touches upon one aspect of the interrogation and our answers just before the hearing concluded on Friday, and then following that. Mr. McLaren would like to read a prepared statement that would likewise touch upon that?
One course of questioning or inquiry by, I believe, Senator Kennedy and Senator Bayh, was the circumstances that gave rise to the request by the Solicitor General to ask for an extension of time within which to file the jurisdictional statement with the Supreme Court in the Grinnell appeal. I believe that both Mr. McLaren and I had a rather hazy recollection as to just what those circumstances were. The testimony will speak for itself, but I think we both agreed that we discussed it with each other.
I think one question put to me was did I discuss it with anybody else in the Department and I said at that time that I had no such recollection of it. Just at the conclusion of our testimony, when we were talking about whether the judge had to be here or not, Mr. Comey, who is the Acting Assistant Attorney General in the Antitrust Division, who was present and sitting to the right of Mr. McLaren, was going through the file in the Grinnell case and exhibited to Mr. McLaren to Judge McLaren and me, at that time a letter dated April 16, 1971, from Lawrence E. Walsh of the Davis, Polk
firm in New York, together with a memorandum of law. Both of us at that time remembered that that had a significant part to do with that decision. We were going to confer about it during the recess and then bring it before the attention of the committee that afternoon and then the chairman recessed the hearings until today.

Judge McLaren and I are kind of glad that that occurred, because yesterday we had an opportunity to confer with the Solicitor General and ourselves and we have had an opportunity to refresh our recollection on the circumstances that gave rise to that extension.

At or about April 16, and I think it was on April 16, although it could have been the day before, on April 15—and I have talked to Judge Walsh in New York to likewise refresh my recollection—he called me to ask whether or not he could submit to me a letter and a memorandum of law by which, on behalf of ITT, they would request an extension of time or a delay before we filed our jurisdictional statement. I told him that Judge McLaren was handling the matter.

He said, well, I will send it down to you and address it to you.

He sent it down by a young man in his office and it got to my office around 3 or 4 o'clock in the afternoon on Friday, April 16, by hand delivery.

When the young man came into my office, I placed a call in for Mr. McLaren. He was not there, and Mr. Comegys came up to my office.

I handed the letter dated April 16 and the memorandum of law to me from Judge Walsh and Mr. Comegys took it with him.

I believe that Monday was April 19. Mr. McLaren had—what he did with it, I don't know, and he is prepared to talk about that. But in any event, he called me and said he wanted to talk to me about the Davis, Polk or the Walsh request. He came into my office as we now piece the thing back together again and stated that he did not agree with the position taken by Judge Walsh in the memorandum of law and the letter.

I told him that I didn't have an opinion on it one way or another, but we discussed the fact that inasmuch as the Supreme Court could not hear this case during that term of the court, until there was an opportunity to consider the matter raised by Judge Walsh in his memorandum of law and the matters contained in his letters, there would be no harm in asking for an extension of time.

When we concluded that conversation, we then called the Solicitor, who came down to my office, and we both asked him to go to the Court and seek the extension of time. He was handed or had made available to him the memorandum of law and the letter from Judge Walsh.

I believe that the Solicitor General has prepared a statement that he submitted to the committee, and that statement followed also a conference with Judge McLaren and myself by which the three of us refreshed our recollection.

So, I wanted to start the hearing out this morning with that in the record, because our recollections were not precise when we concluded our testimony on Friday.

In that connection, if the chairman please, Judge McLaren likewise has a statement to make touching upon this.

The CHAIRMAN. He may proceed.

Judge McLaren. Thank you, Mr. Chairman.
43. On March 8, 1972 Kleindienst testified before the Senate Committee on the Judiciary and denied again that he was interfered with, or pressured, importuned or directed by anybody at the White House in connection with the discharge of his responsibilities in the ITT cases.

43.1 Richard Kleindienst testimony, 2 KCH 95, 323, 353.
RICHARD G. KLEINDIENST—RESUMED

HEARINGS
BEFORE THE
COMMITTEE ON THE JUDICIARY
UNITED STATES SENATE
NINETY-SECOND CONGRESS
SECOND SESSION
ON
NOMINATION OF RICHARD G. KLEINDIENST, OF ARIZONA,
to be Attorney General

PART 2
MARCH 2, 3, 6, 7, 8, 9, 10, 14, 15, 16, 26, and 29, 1972

Printed for the use of the Committee on the Judiciary

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1972

72-833

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402 - Price $1.25
RICHARD G. KLEINDIENST

THURSDAY, MARCH 2, 1972

U.S. Senate,
Committee on the Judiciary,
Washington, D.C.

The committee met, pursuant to notice, at 10:40 a.m., in room 2228, New Senate Office Building, Senator James O. Eastland, chairman, presiding.

Present: Senators Eastland, Ervin, Hart, Kennedy, Bayh, Burdick, Tunney, Hruska, Fong, Scott, Thurmond, Cook, Mathias, and Gurney.

Also present: Francis C. Rosenberger, Peter M. Stockett, Tom Hart, Hite McLean, Thomas B. Collins, and Robert B. Young, of the committee staff, and various assistants to Senators.

The CHAIRMAN. The committee will be in order.

Mr. Kleindienst, hold up your hand.

Do you solemnly swear to tell the truth, the whole truth, and nothing but the truth, so help you God?

Mr. KLEINDIENST. I do.

Mr. ROHATYN. I do.

Mr. McLAREN. I do.

TESTIMONY OF RICHARD G. KLEINDIENST, ACTING ATTORNEY GENERAL, ACCOMPANIED BY RICHARD W. McLAREN, FORMER ASSISTANT ATTORNEY GENERAL, ANTITRUST DIVISION; FELIX G. ROHATYN, DIRECTOR, INTERNATIONAL TELEPHONE & TELEGRAPH CORP.; AND WALKER B. COMEGYS, ANTITRUST DIVISION, DEPARTMENT OF JUSTICE

The CHAIRMAN. This hearing was called at the request of Mr. Kleindienst.

Now, the way the Chair thinks the proper procedure would be is to hear Mr. Kleindienst, Mr. McLaren, and the other gentlemen, and then throw the matter open for questions by whoever on the committee wants to ask them.

Now, Mr. Kleindienst, you may proceed.

Mr. KLEINDIENST. Thank you, Mr. Chairman, and members of the committee.

First I want to express my personal appreciation to the committee for providing me this opportunity at the earliest possible moment to provide the committee the information that I have with respect to some of the charges that have been made in the public press in the last several days.
RICHARD G. KLEINDIENST

WEDNESDAY, MARCH 8, 1972

U.S. Senate,

Committee on the Judiciary,

Washington, D.C.

The committee met, pursuant to recess, at 10:40 a.m., in room 2228, New Senate Office Building, Senator James O. Eastland, chairman, presiding.


Also present: John H. Holloman, chief counsel, Francis C. Rosenberger, Peter M. Stoeckel, Tom Hart, Hite McLean, Thomas B. Collins, and Robert B. Young, of the committee staff, and various assistants to Senators.

The CHAIRMAN. Let us have order.

Senator Kennedy. Mr. Chairman, good morning.

Mr. Kleindienst. Good morning, Senator Kennedy. Judge, Mr. Rohatyn.

Senator Kennedy. Mr. Kleindienst, could you tell us on what day you first became aware of Dr. Liszka's problems with the Department of Justice?

Mr. Kleindienst. It was—at what's today? Today is Wednesday. It was Monday.

Senator Kennedy. Do you—when, on Monday?

Mr. Kleindienst. It was sometime Monday afternoon.

Senator Kennedy. Was that before or after Dr. Liszka finished his testimony before the committee?

Mr. Kleindienst. It was after he testified, Senator Kennedy.

Senator Kennedy. And can you tell us how you heard about that?

Mr. Kleindienst. Well, I heard about it in my office after—when I was down there in the afternoon, and I don't know who told me.

Senator Kennedy. There were a lot of people around, and the subject matter was furnished that he was involved, or had been involved in an investigation, and that his wife was, and I don't know.

Senator Kennedy. Now, there was a report in the press that you had heard on Monday morning, but this, as I understood your testimony, is sometime after Doctor—

Mr. Kleindienst. It was Monday afternoon.
Mr. Kleindienst. It all depends on what they do.

Senator Kennedy. Well, what—well, let's take this case. Do you think it was improper for Mr. Flanigan to be involved in it?

Mr. Kleindienst. No, not on the basis that Judge McLaren has outlined.

Senator Kennedy. Well, does it not really depend on what Mr. Flanigan did or did not do?

Mr. Kleindienst. Well, I would certainly say so.

Senator Kennedy. And are you aware what Mr. Flanigan did in the case?

Mr. Kleindienst. I am aware, based upon Judge McLaren's testimony.

Senator Kennedy. Well, this is part of the problem, in finding out exactly what Mr. McLaren knew about what Mr. Flanigan did. But the basis of your answer is on what Mr. McLaren said?

Mr. Kleindienst. Well, I also know this, Senator Kennedy, as I have testified fully: In the discharge of my responsibilities as the Acting Attorney General in these cases, I was not interfered with by anybody at the White House. I was not importuned; I was not pressured; I was not directed. I did not have conferences with respect to what I should or should not do. So, I know that. And, then, I was dealing directly with Judge McLaren, as I have indicated. So, there has been nothing, to my knowledge, based upon my experience and participation or anything that I have heard here that even just by innuendo or conjecture or implication would suggest that in this case there was any improper conduct by anybody or interference, or anything like that.

Senator Kennedy. Well, have you, in recent days, made yourself aware of the role that Mr. Flanigan played in this case?

Mr. Kleindienst. By what I have heard here.

Senator Kennedy. Just here?

Mr. Kleindienst. Sure.

Senator Kennedy. Only from what you have heard here?

Mr. Kleindienst. I have not had time to do much else, Mr. Chairman.

Senator Kennedy. That—Well, it is quite clear, you say that Mr. Flanigan played a role or—certainly in the development and the selection of Mr. Ramsden, and, as I understand from newspaper reports, he was involved in the instruction of Mr. Ramsden.

Now, do you not think it would be useful for us to call Mr. Flanigan and have him come here and tell us what he knows?

Mr. Kleindienst. No. I think you might want to talk to Mr. Ramsden, and, then, if—no, I do not think, based upon anything I have heard here, that it would suggest that you had to call Mr. Flanigan.

Senator Kennedy. Do you not think it would be useful to find out exactly what Mr. Flanigan told Mr. Ramsden from Mr. Flanigan and Mr. Ramsden?

Mr. Kleindienst. No. No. You have had my testimony here, unless you discredit it, that I was not subjected to pressure.

You have Mr. McLaren's testimony in which he used Mr. Flanigan by a means by which to get this report from Mr. Ramsden, and then you have Mr. Ramsden's report, and then you have what Mr. McLaren did. So, I think that you have the facts in this situation——
In early March 1972 a White House task force, consisting of Ehrlichman, Colson, Moore, Dean, Fielding, Johnson, Assistant Attorney General Robert C. Mardian and others, was established to follow the Kleindienst hearings; its activities continued throughout the month. Fielding was given the responsibility of reviewing White House files and collecting all documents relating to ITT, which he proceeded to do.

44.1 Charles Colson testimony, House Interstate and Foreign Commerce Committee, Special Subcommittee on Investigations, Hearings on Legislative Oversight of SEC: Agency Independence and the ITT Case, 218.

44.2 Richard Moore testimony, 5 SSC 1947-48.

44.3 Wallace Johnson affidavit, April 25, 1974.

44.4 Robert Mardian testimony, 6 SSC 2348.

44.5 John Dean testimony, House Interstate and Foreign Commerce Committee, Special Subcommittee on Investigations, Hearings on Legislative Oversight of SEC: Agency Independence and the ITT Case, 66-68.
LEGISLATIVE OVERSIGHT OF SEC: AGENCY INDEPENDENCE AND THE ITT CASE

HEARINGS
BEFORE THE
SPECIAL SUBCOMMITTEE ON INVESTIGATIONS
OF THE
COMMITTEE ON
INTERSTATE AND FOREIGN COMMERCE
HOUSE OF REPRESENTATIVES
NINETY-THIRD CONGRESS
FIRST SESSION

LEGISLATIVE OVERSIGHT RELATING TO ADEQUACY OF APPLICATION, ADMINISTRATION, AND EXECUTION OF THE FEDERAL SECURITIES LAWS BY THE SECURITIES AND EXCHANGE COMMISSION

MAY 21, 24; JUNE 6, 14, 27, AND 28, 1973

Serial No. 93-68

Printed for the use of the Committee on Interstate and Foreign Commerce

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1973

30-364
Mr. Colson. I don't know because I don't know where the original documents came from. The document was not in my possession; when I saw the document for the first time I believe it was in the possession of Mr. Dean at the White House.

The Chairman. The committee will be adjourned for 10 minutes. I am sure that it will not last long after that. So please excuse us while we go vote.

[Brief recess to vote.]

Mr. Pickle [presiding]. The committee will resume its hearing.

Chairman Staggers has indicated to me that he may have to leave the city at this point and has asked me to proceed. If he comes in, of course, I will yield the gavel.

In the meantime, I want to resume on one more aspect of this questioning of Mr. Colson.

Just before the bell rang, you had indicated that you thought that the original Dita Beard document had been obtained at the White House by Mr. Dean. Do you recall now whether it was in fact Mr. Dean?

Mr. Colson. I can only say that at the time I saw it, it was in Mr. Dean's possession. I don't know, I can't tell you how he obtained it or where it came from.

Mr. Pickle. But you did see it in his possession?

Mr. Colson. Yes, sir.

Mr. Pickle. So far as you know he was the one that asked for the document or he obtained it?

Mr. Colson. I would have to assume that to be so; yes, sir.

Mr. Pickle. Do you know whether Mr. Dean had made calls on the ITT matter, whether he was involved in it, whether he had been giving assignments or making an investigation on the ITT case? What do you know about his involvement?

Mr. Colson. Are you talking about during the period—

Mr. Pickle. First, what do you know about what involvement Mr. Dean may have had with the Dita Beard memo?

Mr. Colson. Mr. Dean was part of what I would call a task force, members of the White House staff who were dealing with the Kellindienst nomination and with the controversy that surrounded the ITT settlement, the Judiciary Committee's hearings and the alleged contribution to the San Diego convention center for the purpose of the Republican National Convention coming to San Diego. He was one of several people dealing with trying to get the facts, trying to get information that would be helpful in terms of finding out what had happened after the fact.

Mr. Dean was one of the staff members involved, yes.

Mr. Pickle. Do you know whether Mr. Dean had recommended that these files not be turned over to this committee?

Mr. Colson. Do I know that?

Mr. Pickle. Yes, sir.

Mr. Colson. No, sir.

Mr. Pickle. Do you know what Mr. Dean was doing with respect to the case? Do you know what he was doing other than just generally investigating the Dita Beard memo?
Mr. Lenzner. Approximately 12:30 in the midday.
Mr. Moore. That is 1972? 1972?
Mr. Lenzner. Yes, sir.
Mr. Moore. In Mr. Mitchell's office?
Mr. Lenzner. At 1701 Pennsylvania Avenue, at the committee to reelect officers.
Do you have any recollection of that?
Mr. Moore. No, I don't.
Mr. Lenzner. Do you have a recollection of a meeting on March 14, 1972, at 8:30 in the morning, also attended by Mr. Kleindienst and Mr. Mitchell?
Mr. Moore. At what, I am sorry.
Mr. Lenzner. That date was February 14, 1972.
Mr. Moore. It would help if I knew when Mr. Kleindienst's nomination was presented or when the issue arose—
Mr. Lenzner. Let me help you. Do you recall when Mr. Lackritz and I interviewed you on June 7 in Mr. Miller's office?
Do you recall our discussing this with you in Mr. Miller's office on June 7?
Mr. Moore. These two meetings?
Mr. Lenzner. Yes.
Mr. Moore. I don't recall this conversation.
Mr. Lenzner. Well, the results of our notes indicate that you said those meetings were related to Mr. Kleindienst's confirmation hearings.
Mr. Moore. They could well have. That is why I asked about the dates.
Mr. Lenzner. Does that refresh your recollection as to what those meetings were about?
Mr. Moore. Yes.
Mr. Lenzner. Do you recall the meetings now?
Mr. Moore. Well, I don't have an independent recollection of the meeting, but if that is in the time frame of the Judiciary Committee hearings on Mr. Kleindienst's nomination, that is most likely what they were about.
Mr. Lenzner. Do you recall a meeting with Mr. Kleindienst, Mr. Mitchell, and Mr. Mardian on March 10, 1972, beginning at approximately 10:30 a.m., in the morning?
Mr. Moore. Not independently but—no, sir.
Mr. Lenzner. Do you recall telling us on June 7 that you did recall that meeting and it referred to the upcoming Kleindienst confirmation hearings?
Mr. Moore. Well, I don't recall saying it that firmly. Obviously, that is what could have been, and—
Mr. Lenzner. On June 7, when Mr. Lackritz and I interviewed you, do you recall telling us that you did remember that meeting and it referred to the Kleindienst confirmation hearings?
Mr. Moore. I don't think we are quite on the same frequency when you say remember the hearings. I remember that during the hearing or the pendency of the Kleindienst nomination, I met frequently with Mr. Mitchell, sometimes Mr. Kleindienst, and others—Mr. Mardian, who was the Assistant Attorney General then—to discuss the hearing and the steps which should be taken to help support the confirmation of the nomination of Mr. Kleindienst. But I don't know the day or
that I was at a meeting on March 10, 1972. I could check them, of course. But that is what these meetings would have been about.

Mr. Lenzner. Well, Mr. Moore, let me ask you this: Those hearings involved the issue of ITT, is that correct?

Mr. Moore. Yes, sir.

Mr. Lenzner. And did you have any involvement in the question of ITT as it affected Mr. Kleindienst’s confirmation?

Mr. Moore. Yes, I was a White House liaison or adviser, helping the Department to support and present the case in favor of the confirmation of the nomination of Mr. Kleindienst.

Mr. Lenzner. Did you have some specific duties in assisting in that effort?

Mr. Moore. I was a Johnny One-Note who kept saying we should talk about the biggest victory in divestiture of the antitrust laws we had ever had instead of talking about all these details that kept coming out in the hall every day. I was advised of the main issue, yes, I remember vividly.

Mr. Lenzner. Do you have any recollection of receiving information concerning a White House investigation relating to the ITT matter?

Mr. Moore. Receiving—

Mr. Lenzner. Information or receiving confirmation or receiving memorandum reflecting a White House investigation involving the ITT issue?

Mr. Moore. A White House memorandum?

Mr. Lenzner. A White House memorandum, or information concerning the White House involvement in the investigation?

Are you refreshing your recollection, sir, from a document your attorney has handed you?

Mr. Miller. Yes. As you know, we did not review this particular area before Mr. Moore came in to testify today because of shortness of time. I was merely letting him see a copy of the interview report to put into the frame of context the interviews that did occur in my office, possibly a month ago.

Mr. Lenzner. Who prepared that for you, Mr. Miller?

Mr. Miller. I assume the committee did.

Mr. Lenzner. Mr. Miller, could you tell us how you got a copy of that?

Mr. Miller. Yes, it was handed to me in your presence in my office about quarter to 7 last night.

Mr. Lenzner. That was prepared, I believe, by Mr. Parker of the White House, is that correct?

Mr. Miller. I don’t believe so. It was handed to me——

Mr. Lenzner. By Mr. Thompson?

Mr. Miller. By Mr. Thompson.

Mr. Lenzner. Mr. Thompson, I believe that was a document prepared by Mr. Parker of the White House, who was present at that interview.

Mr. Miller. I have my own notes. I don’t have——

Mr. Thompson. What is the date of that?

Mr. Miller. June 7.

Mr. Thompson. That is a document that was sent over by Mr. Doug Parker, who was also present at the interview.

Mr. Lenzner. The interview of June 7.
HOUSE OF REPRESENTATIVES
OF THE UNITED STATES
COMMITTEE ON THE JUDICIARY

AFFIDAVIT

CITY OF WASHINGTON )
) ss:
DISTRICT OF COLUMBIA

WALLACE H. JOHNSON, being duly sworn, deposes and says:

1. I am an Assistant Attorney General of the United States in charge of the Land and Natural Resources Division of the Department of Justice. I make this affidavit, knowing that the House Judiciary Committee may rely thereon in connection with proceedings before it. All statements contained herein are made to the best of my present recollection.

2. From about January, 1972, until April, 1973, I was Special Assistant to the President of the United States. As such Special Assistant, from February through June, 1972, I assumed various duties with respect to the confirmation by the Senate of Richard G. Kleindienst to be Attorney General of the United States.

3. In connection with said duties, in late February or early March, 1972, I was with Robert C. Mardian and John N. Mitchell at Mr. Mitchell's office at 1701 Pennsylvania Avenue, NW, Washington, D. C. During the course of the evening, I
was instructed to meet with an attorney representing the International Telephone and Telegraph Corporation (ITT) at the Sheraton-Carlton Hotel in Washington. I went to the Sheraton-Carlton and met with Michael Mitchell, who subsequently gave me a copy of a document which I delivered to John Mitchell. I understood that the document had some relevance to John Mitchell's testimony before the Senate Judiciary Committee, although I do not now know what, if any, relevance it had. Charles Colson was probably mentioned by name in the document, for I recall his being in John Mitchell's office that same evening.

4. At a later time, the precise date of which I do not recall, I had in my possession copies of three additional documents. I do not recall any inconsistency between the contents of these documents, or the document referred to above, and the testimony of any witness at the confirmation hearings, nor do I know whether the documents were authentic. I recall showing the documents to Mr. Mardian, but do not recall his reading them. Richard Moore was present when this occurred and the three of us were in the Deputy Attorney General's conference room. I believe, but do not specifically recall, that I received these documents from Michael Mitchell and ultimately gave them to Fred F. Fielding of the White House staff.
5. A group of individuals met informally from time to time during March and/or April, 1972, in John Ehrlichman's White House office for the purpose of discussing the progress of the Kleindienst hearings. They included Mr. Ehrlichman, Mr. Colson, Mr. Fielding, Richard Moore, William Timmons, Mr. Mardian and me. Others would sometimes attend as well. The participants in any one meeting, or even at any one time during a specific meeting, varied. I did not attend every meeting. The subjects covered at said meetings were, generally, the occurrences of the day, assignments and expected developments. I cannot recall any discussion as to possible perjury committed during the Kleindienst hearings by John Mitchell or Mr. Kleindienst, nor do I recall that any information came to my attention either during those meetings or at any other time which indicated to me that either of them testified other than fully and truthfully.

6. On the morning of the testimony of Ed Reinecke before the Senate Judiciary Committee, I recall seeing Mr. Reinecke and his aide Edgar Gillenwaters in or around Mr. MacGregor's office in the White House. I believe Mr. Mardian was also there. I do not know the substance of any conversation they may have had nor did I meet Mr. Reinecke or Mr. Gillenwaters.

7. I never met with the President with respect to the
Kleindienst hearings and I have no personal knowledge of the President's activities, if any, relating to those hearings.

Sworn to before me this 25th day of April, 1974.

Notary Public

My Commission Expires August 31, 1976
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERSGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., JULY 18, 19, 20, 23, 24, AND 25, 1973
Book 6

Printed for the use of the
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Mr. MARDIAN. The business is Mardian Construction Co., and I am a vice president of Mardian Construction Co.
Mr. HAMILTON. Is that in Phoenix?
Mr. MARDIAN. Yes, sir.
Mr. HAMILTON. Now, by way of background, Mr. Mardian, did you participate in the Presidential campaign of 1968 in Mr. Nixon's behalf?
Mr. MARDIAN. Yes, sir.
Mr. HAMILTON. And what duties did you have in this campaign?
Mr. MARDIAN. I was the western regional director for the campaign and had the responsibility for liaison in the Western States.
Mr. HAMILTON. And how many States did that entail, Mr. Mardian?
Mr. MARDIAN. It varied; originally, it was 6 and I believe later it was 12.
Mr. HAMILTON. Now, after the election, as you have testified, you joined the new administration.
Mr. MARDIAN. Yes, sir.
Mr. HAMILTON. You have already given us your Government positions and your tenure in each, so I do not want to dwell on that, but I do want to ask you several questions about your Government experience.
Now, while you were heading the Internal Security Division, did you have responsibility for the prosecution of the criminal case against Dr. Ellsberg?
Mr. MARDIAN. Yes, sir: I did.
Mr. HAMILTON. And were you also given in the spring of 1972 the task of guiding the Kleindienst nomination through the Senate?
Mr. MARDIAN. Yes, sir.
Mr. HAMILTON. During your Government experience did you work closely with John Mitchell?
Mr. MARDIAN. Yes, sir.
Mr. HAMILTON. And do you still maintain a close relationship with John Mitchell?
Mr. MARDIAN. My relationship was a close professional-personal relationship. I have not maintained. I still consider him my friend but I have not talked to Mr. Mitchell or seen Mr. Mitchell since the inaugural. I believe I talked to him on the telephone at or about that time in connection with an appointment.
Mr. HAMILTON. Now, I believe in your statement you testified that on the first of May you joined the reelection committee, is that correct?
Mr. MARDIAN. Yes, sir.
Mr. HAMILTON. And did you come to the reelection committee at John Mitchell's behest?
Mr. MARDIAN. Yes, sir.
Mr. HAMILTON. Now, excepting any functions that you later received in regard to the Watergate matters, could you tell us what your major duties were at the Committee To Re-Elect the President, and would you also tell us what the official titles of your positions were?
Mr. MARDIAN. When I first got there the situation was in a—I can only describe it as a state of confusion, and I had no title. I had assumed, and I think in fairness I should say that this assumption was purely subjective on my part, that I was going to the committee to be Mr. Mitchell's deputy. When I got there there wasn't even an
Mr. Manelli. One more question.

Going back to the beginning of your testimony on these files, I think the chairman asked if you knew what was in the files or anyone told you what was in the files. I think you replied, "No."

Were't you at least told there were prominent names?

Mr. Dean. The documents I turned over to the committee I assumed were part of the files. I assumed these were of the nature of the politically sensitive documents.

Mr. Manelli. Let's take that one at a time. With respect to your conversations with the three individuals, Cook, Whitman, and Casey, did any one of those three ever tell you what was in the documents? When they said they were politically sensitive, did you ask in what way, or did they tell you why they were politically sensitive?

Mr. Dean. I have no recollection of a discussion like that.

Mr. Manelli. They didn't say Mr. Connally's name, Attorney General Mitchell's, or Vice President Agnew's name was mentioned in these documents?

Mr. Dean. No, I don't recall that. If my recollection is anything, it is I was aware of the documents I saw in my file. The only one I recall reading was the "Dear Ted" letter signed "Ned," which I thought was a kind of interesting document. I didn't have any idea how these fit into the whole scheme of the problems that had been raised with the ITT.

My office had had peripheral responsibilities, contrary to the one piece I did read in Jack Anderson with regard to the Senate hearings. One of the things they had done was collect—I didn't do it personally, another member of my staff did—all the documents in the White House, any documents dealing with ITT. To the best of my recollection and knowledge those documents are still in a file in my former office. There were sensitive documents among those. There was correspondence between members of the White House staff and individuals at ITT.

So when they said "politically sensitive," they didn't have to draw a picture for me and I think I just would have taken the approach with them that I was cognizant of the fact there were politically sensitive documents involved in the file.

Mr. Manelli. Because of the fact you yourself had to draw these together at the White House and had seen some completely sensitive records?

Mr. Dean. That is correct.

Mr. Manelli. What kind of politically sensitive documents are you referring to?

Mr. Dean. Just names of individuals at the White House having correspondence with various people at ITT. I can't specifically tell you of any one document right now, but I can recall during the hearings the man in the office who did collect them, Fred Fielding, saying, "Boy, you ought to see the one we caught today," and him relating what it was.

Mr. Manelli. You have no recollection of the names of the individuals involved, those either writing or receiving these documents?

Mr. Dean. No, but, as I say, these documents would be available to the committee, assuming executive privilege weren't invoked.
Mr. Manelli. May we go off the record?
The Chairman. Off the record.
[Discussion off the record.]
The Chairman. On the record.
Mr. Manelli. That concludes my questions.
The Chairman. One question I would like to ask. I forgot the man's name, the one that said "Wow, you should take a look at this one."
Mr. Dean. Mr. Fred Fielding.
The Chairman. Could you tell us what was in the letter?
Mr. Dean. I have no recollection. It may have happened more than once. It was a period of over several weeks he was out collecting documents from several offices.
The Chairman. I thought this was a special one since he said "Wow, you ought to see what is in this one."
Mr. Dean. I wish I could recall it but I can't.
The Chairman. You say they are in your files in the White House?
Mr. Dean. They would probably be in Mr. Fielding's files, he was the custodian of them all along. He was asked by Mr. Ehrlichman to collect them. I never went through them because I never had occasion to.
The Chairman. But these were related to the ITT.
Mr. Dean. That is correct.
The Chairman. So if we want to get the real particulars, we have to get to Mr. Fielding?
Mr. Dean. That is correct. He is still on the White House staff. he is Deputy Counsel to the President.
The Chairman. Mr. Pickle?
Mr. Pickle. Mr. Dean, at the beginning of your statement I understand you to say that the initial contact about the question of turning over these ITT files to your committee came from a Mr. Whitman, is that correct?
Mr. Dean. That is to the best of my recollection, that he was coming over in Chairman Casey's behalf.
May I add something for your record that may be helpful?
The Chairman. Yes.
Mr. Dean. I am looking at a note I made. Mr. Casey called me right before he was to testify before you and told me my name might come up and asked did I have any problem. I said, "absolutely none."
Whitman called me several days after he testified to say that my name had come up and say that he would send me a copy of the transcript. That was after Casey testified.
Whitman testified and he said I was the foremost expert in the world on executive privilege.
I wanted that on the record.
The Chairman. Thank you.
Mr. Pickle. To the best of your recollection Whitman was the contact. If I understood you correctly, Whitman said something to the effect he didn't want to turn over the files to our committee?
Mr. Dean. That is correct.
Mr. Pickle. You knew from the beginning that they did not want to turn over the files and were looking for a reason why they would not have to turn over the files to our committee?
45. On March 14, 1972 John Mitchell appeared before the Senate Committee on the Judiciary and twice denied under oath that he talked to the President about the ITT antitrust litigation or any antitrust litigation. On the evening of March 14, 1972 the President and Mitchell had a telephone conversation which, according to Mitchell's logs, was their only telephone conversation during the month.

45.1 John Mitchell testimony, 2 KCH 539, 541, 552, 571.
45.2 John Mitchell log, March 14, 1972 (received from SSC).
RICHARD G. KLEINDIENST

TUESDAY, MARCH 14, 1972

U.S. Senate,
Committee on the Judiciary,
Washington, D.C.

The committee met, pursuant to recess, at 11:20 a.m., in room 2228,
New Senate Office Building, Senator James O. Eastland, chairman,
presiding.

Present: Senators Eastland, Ervin, Hart, Kennedy, Tunney,
Hruska, Fong, Scott, Thurmond, Cook, and Mathias.

Also present: John H. Holloman, chief counsel, Francis C. Rosen-
berger, Peter M. Stockett, Tom Hart, Hite McLean, Thomas B.
Collins, and Robert B. Young, of the committee staff, and various
assistants to Senators.

The CHAIRMAN. Will you stand up, please, sir.

Do you solemnly swear the testimony you are about to give will be
the truth, the whole truth, and nothing but the truth so help you God?

Mr. MITCHELL. I do, Mr. Chairman.

The CHAIRMAN. Mr. Attorney General, identify yourself for the
record.

TESTIMONY OF JOHN N. MITCHELL, FORMER ATTORNEY GENERAL
OF THE UNITED STATES

Mr. MITCHELL. Mr. Chairman, my name is John N. Mitchell,
former Attorney General of the United States having resigned that
office—

The CHAIRMAN. Wait just a minute. Let them clear out.
Now proceed, sir.

Mr. MITCHELL. Having resigned that office on March 1, 1972.
Would you require further identification?

The CHAIRMAN. No, sir.

Mr. MITCHELL. Mr. Chairman, I have a short statement that I
would like to read.

Mr. Chairman and members of the committee, I appreciate this
opportunity to appear before you. I would like to address myself to
the three points which relate to my relationship—or rather my non-
relationship—to the subject matter of this hearing.

The first pertains to the litigation initiated by the Antitrust Division
against ITT. When the first of three such matters reached the stage
for consideration by the Attorney General in April 1969, in accordance
with departmental practice, I disqualified myself on the grounds that
my former law firm had done legal work for one of ITT’s subsidiaries.

After that date, all matters pertaining to the ITT litigation rested
in the hands of the Deputy Attorney General and the Assistant
or comment, that occasion, that opportunity, should be given to you, in my judgment.

She said the Attorney General began to berate her angrily. He protested she had been causing trouble for him by writing and having given on the floor of both Houses of Congress a number of speeches which were either critical of the antitrust decision or critical of the handling of the ITT matter in general.

Do you recall any such conversation?

Mr. MITCHELL. No, sir; none whatsoever.

Senator Hruska. Then, Senator Bayh asked, at the bottom of that page, “Have you any idea what time frame we are talking about?”

And I leave out some material which was in Mr. Hume’s testimony but it is an amplification of that one subject:

Mr. HUM. We are talking about the year or so leading up to the date of this meeting. This was something that had been going on for some time. She said the Attorney General was quite upset about this, and she said that the Attorney General had said that the White House, even the President, had called him and said to lay off ITT. I said, “lay off ITT, the President said that?” She said “no, I think it is badly put. I think it was something along the lines of, ‘Make a reasonable settlement, would you please?'”

Did the President ever call you and say, “Lay off ITT”?

Mr. MITCHELL. Senator, the President has never talked to me about any antitrust case that was in the Department. The only conversations I have ever had with the President was early in the administration when we did discuss before, not litigation, not pending cases, but policies, and the discussions took place with the Council of Economic Advisers and some of the other Cabinet officers as to what our policies should be, and the policies that have developed out of the antitrust decision of this administration came basically from the concepts developed at that meeting.

But specifically, with respect to ITT or any other litigation, no, I have never talked to the President about it.

Senator Hruska. So that if there is an effort to say that the President called you and told you to lay off ITT or in the alternative, “make a reasonable settlement, would you please,” that I presume would fall in the same category or comment?

Mr. MITCHELL. It would, most assuredly would. I can’t imagine that the President of the United States pleading with anybody for anything. If he was going to talk to them he would tell them what to do.

Senator Hruska. On page 750 [of the typewritten record] from where I was reading Senator Bayh’s time ran out but he resumed questioning at page 760 and Mr. Hume said, “Where were we, Senator?” Senator Bayh said, “This is on the credibility question.”

Mr. Hume. As I recall, I was getting around to explaining Mr. Mitchell did object to the channels through which Mrs. Beard had proceeded. According to the versions Mrs. Beard gave me, the objection was not that she should not have approached him at the party but rather that during the course of the past period in which she had been lobbying here on Capitol Hill on behalf of her company she had not come to see him. In fact Mr. Beard quoted the Attorney General as saying more than once, “Why don’t you come to see me?”

Did that ever happen, Mr. Attorney General?

Mr. MITCHELL. I assure you, Senator, it most certainly did not.

Senator Hruska. (Reading):
There is one other screening fact, that is in my case, and that is my executive assistant also has that list and, of course, he handles most of the paper flow and can also screen them.

Senator Mathias. Well, in the paper flow, if you disqualified yourself or some other official of the Department had disqualified himself would you then be omitted from the distribution list as far as that case was concerned, of cases involving that particular item?

Mr. Mitchell. Yes.

Senator Mathias. An you would not normally then see the normal, day-to-day traffic in that particular project?

Mr. Mitchell. No, sir.

Senator Mathias. Now, one other thing, reading now from one of the Dita Beard memorandum which, after all, is why we are all here together—

Mr. Mitchell. I didn't understand it that way, Senator. I thought this was a hearing on the confirmation of Richard Kleindienst.

Senator Mathias. Well, it started out that way. The second session, I think, was occasioned by the publication of the Dita Beard memorandum. In view of the fact that your name is mentioned in it I might bring to your attention two quotations from any comment that you would like to make. One of them is this:

You can't imagine how many queries I have had from "friends" about this situation and I have in each and every case denied knowledge of any kind. It would be wise for all of us here to continue to do that, regardless of from whom any questions come; White House or whoever. John Mitchell has certainly kept it on the higher level only, we should be able to do the same.

Mr. Mitchell. The comment that I would have to make about it is that part of it might be true. Because not having anything to do with it one way or the other it certainly was at high level. [Laughter.]

Senator Mathias. And the second one, I think the only other reference in the memorandum to you, is this:

Certainly the President has told Mitchell to see that things are worked out fairly. It is still only McLaren's mickey-mouse we are suffering.

Mr. Mitchell. Well, Senator, I have testified this morning to the effect that there has never been any communication between the President and myself with respect to this antitrust legislation—litigation or any other antitrust litigation.

Senator Mathias. I think that is very helpful to have your direct testimony on this point because it was after the publication of this memorandum that Mr. Kleindienst requested a second session, and I think that your direct testimony on these two points in which you are mentioned in the purported memorandum is very valuable in completing the record for the committee's consideration and I thank you.

Mr. Mitchell. Yes, sir.

Senator Ervin. I ask you this question because I understand there was some colloquy between you and one of the members of the committee in reference to the question of executive privilege. I would like to ask you this question: Where a congressional committee desires the testimony of an executive officer or employee, the question of whether executive privilege should be invoked is a matter which is committed to the discretion of the President and is not obligatory on him to invoke it?
MR. MITCHELL'S SCHEDULE Tuesday, March 14, 1972

8:15  AG arrived in office

8:30  AG SAW Dick Moore and Mardian

10:35 AG left for Senator Judiciary Hearings
      New Senate Office Building

12:55 AG ret. to office

1:05  AG ret. Mrs. Mitchell's call and t.

1:25  AG called Bruce Wilson and t.

1:35  Dick Moore joined AG and Mardian

1:40  Mark Evans joined the above and left with
      the AG to Hill.

5:00  AG ret. to office with Mardian

5:10  AG ret. DAG's call and t.

5:20  Mrs. Mitchell called AG and t.

6:05  President called and AG t.  [Requested]

6:28  AG SAW Mardian and LaRue

7:45  AG left office
46. On March 15, 1972 E. Howard Hunt met with Colson, Johnson and Timmons. It was determined that Hunt should interview Mrs. Beard respecting the authenticity of the purported Beard memorandum. Hunt flew to Denver and interviewed Mrs. Beard in her hospital room. On March 17, after his return to Washington, he prepared a detailed summary of the interview.

46.1 Charles Colson calendar, March 15, 1972 (received from SSC).
46.2 Howard Hunt testimony, 9 SSC 3735, 3752-53.
46.3 Charles Colson testimony, House Interstate and Foreign Commerce Committee, Special Subcommittee on Investigations, Hearings on Legislative Oversight of SEC: Agency Independence and the ITT Case, 201-03.
46.4 Memorandum, March 17, 1972 (received from White House).
### MARCH 15

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SENATE RESOLUTION 60

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Senator Talmadge. And left them there and those cables ultimately were turned over by Mr. Dean and others in the White House to Mr. Gordon Gray who ultimately burned them at his country residence, is that correct?

Mr. Hunt. So it's been alleged, yes, sir.

Senator Ervin. That is Patrick Gray.


Senator Ervin. My fellow North Carolinian.

Senator Talmadge. Did you participate with Mr. Liddy in drawing up the Gemstone plan?

Mr. Hunt. I did.

Senator Talmadge. Did you participate in the presentation of that plan to Mr. Mitchell, Mr. Dean, and Mr. Magruder?

Mr. Hunt. No, sir.

Senator Talmadge. Now they first turned that plan down, as I recall, because it was too expensive, is that what was reported to you by Mr. Liddy?

Mr. Hunt. Yes, Senator.

Senator Talmadge. They did not state they turned it down because of the nature of the plan. is that a correct statement?

Mr. Hunt. That is a correct statement.

Senator Talmadge. Who authorized the breaking and entering into the Watergate complex?

Mr. Hunt. Mr. Liddy told me that his superiors had ordered it.

Senator Talmadge. You didn't think Mr. Liddy organized it on his own, did you?

Mr. Hunt. Under no circumstances.

Senator Talmadge. You wouldn't have participated in it had you thought it was a solo flight on the part of Liddy and no one else, would you?

Mr. Hunt. No, sir.

Senator Talmadge. Now, you have mentioned that you operated in a number of areas and projects with Mr. Colson. Would you relate exactly what they were? I believe one was the Fielding break-in. his office, is that a correct statement?

Mr. Hunt. May I consult with counsel, sir?

Senator Talmadge. Certainly.

Mr. Hunt [consulting with counsel]. Senator Talmadge, could I solicit your indulgence in the repetition of that question?

Senator Talmadge. You stated that you participated and were directed with Mr. Colson, counsel for the President in the White House, in a number of clandestine operations. I wanted to find out exactly what those were and I hope to enumerate them, some of them, and get your assent on whether or not that is an accurate statement. Was one of them the breaking and entering of Dr. Fielding's office?

Mr. Hunt. At the time of the break-in of Dr. Fielding's office, Senator, I was not aware of the extent of Mr. Colson's participation as I have subsequently come to understand it. Certainly my compilation of Mr. Leonard Boudin's legal history, let me put it, and providing that to Mr. Colson for the use by a member of the local press was one of the activities in which I engaged. I interviewed Mr. Clifton De Motte of Providence, R.I., at Mr. Colson's behest. I also interviewed former and retired General Paul Harkins at Mr. Colson's request.
Senator Talmadge. The Diem cables?
Mr. Hunt. The Diem cables; yes, sir.
Senator Talmadge. About the Dita Beard visit.
Mr. Hunt. Yes, sir; I visited and elicited information from Mrs. Dita Beard at his request.
Senator Talmadge. Did he suggest to you that you go break in Bremer's apartment after George Wallace was shot down in Maryland?
Mr. Hunt. He suggested that I review the contents of Mr. Bremer's apartment.
Senator Talmadge. And you declined to do that?
Mr. Hunt. I argued against it, I subsequently received word from him or from his secretary, I can't recall which, that this was no longer required.
Senator Talmadge. Did he participate in your visit to California to see a security officer from the Hughes Tool Co.?
Mr. Hunt. No, sir.
Senator Talmadge. He did not. Did he participate in your visit to survey the newspaperman at Las Vegas with a view of breaking and entering there?
Mr. Hunt. No, sir.
Senator Talmadge. He did not. Did he participate in organizing the efforts of spying and eavesdropping and electronic surveillance of the Democratic National Convention in Miami?
Mr. Hunt. Not to my knowledge.
Senator Talmadge. He did not, to your knowledge.
About photographing the papers of the Muskie headquarters?
Mr. Hunt. I have no knowledge that he was aware of that.
Senator Talmadge. I believe my 10 minutes have expired, Mr. Chairman, and I yield at this time.
Senator Ervin. You have 1 minute left.
Senator Talmadge. I will use it then, if I may.
Why did they call you gentlemen the Plumbers?
Mr. Hunt. This was an appellation that was derived in a jocular way, I believe. I have understood—I have asked Mr. Liddy about that cognomen and he said that Mr. David Young had simply had the name, "The Plumbers," put on the door—this was the general maintenance area of the White House—in an effort to divert undue attention from the activities of the occupants of that room.
Senator Talmadge. One thing I have not been able to understand about this extra-legal operation that was set up at the White House, I always thought that Mr. Hoover was one of the most dedicated public servants in the history of our country. I always thought the FBI was one of the most efficient organizations in the history of our Republic. Why was it necessary to set up an extra-legal operation of this type rather than rely on the FBI?
Mr. Hunt. I can answer that question. I believe, Senator, in two ways. First, I would not want to accept the premise that the operation that we had set up or that the President ordered was extra-legal. Passing beyond that, however, I had earlier in my White House incumbency, raised the question, I think as early as July 7, with Mr.
telephone extension in it. I had the names and telephone numbers of certain of the technical personnel at CIA who had assisted me in the past at the instance of the White House. I had numerous White House extensions, including those of the Plumbers; I had the unlisted "sterile" telephone that turned out to have been billed to Miss Chenow's address; persons I had met in various contexts in New York and the west coast whom I thought might be worth looking into as Gemstone developed and proliferated in its different aspects.

I would not, Mr. Chairman, at this point want to say that that was the totality of the inclusions, but that represents what I can reconstruct from my memory at this time.

Senator Ervin. Now, do you have any information or, rather, any knowledge as to what became of that notebook?

Mr. Hunt. No, sir.

Senator Ervin. But it was in your safe at the last time that you had access to your safe?

Mr. Hunt. Yes, sir.

Senator Ervin. And you have never seen it since?

Mr. Hunt. No, sir.

Senator Ervin. Now, you spoke of having the names of people at CIA that afforded you assistance at the request of the White House?

Mr. Hunt. Yes, sir.

Senator Ervin. Who were they and what kind of assistance did they afford you?

Mr. Hunt. Well, I had the names of the technical personnel. They were in pseudonym or alias. I do not recall their names at this juncture. I simply had their CIA telephone extensions.

Senator Ervin. Were they the ones that gave you, or rather, furnished you the wig and the other instruments in connection with the entry into Dr. Fielding's office?

Mr. Hunt. And the false documentation and so forth; yes, sir.

Senator Ervin. And did you have any other parts that they assisted you in other than that?

Mr. Hunt. No, sir.

Senator Ervin. Now, when Mr. Colson asked you to go to Denver to consult Dita Beard, what did he tell you that he wanted you to say to Dita Beard or ask Dita Beard?

Mr. Hunt. This was a very complicated mission, Mr. Chairman. I might say that I know that the special prosecutor has in his possession an eight-page memorandum which I drew up immediately following my return to Washington. According to the best evidence rule, I would hope that that would soon be in the possession of the committee, if it is not—because it does contain my reconstruction of the events immediately following their occurrences. However, my two basic instructions when I set out to elicit information from Mrs. Beard were to determine, (a) why she had left Washington, and (b) and in effect hidden herself out—hidden herself away—and (c) whether or not the famous or infamous memorandum concerning ITT was, according to the best of her knowledge, fraudulent.

There were many other items that I was charged with. Some of these were reduced to the form of an aide memoir, which I took out to Denver with me and interrogated her from.
Senator Ervin. Did you disguise yourself in any way when you visited Mrs. Beard?

Mr. Hunt. Yes, sir.

Senator Ervin. What name did you give her?

Mr. Hunt. I believe it was Warren, consistent with the documentation I was carrying at that time.

Senator Ervin. Where did you get that documentation?

Mr. Hunt. From the CIA.

Senator Ervin. So they did assist you on more than the Fielding case?

Mr. Hunt. Well, indirectly; yes, sir. But this documentation had been provided me approximately a year earlier.

Senator Ervin. They gave you a false identification, didn't they?

Mr. Hunt. Yes, sir. I have testified that they gave me false, alias documentation.

Senator Ervin. Did you tell Mrs. Beard who you were representing when you saw her?

Mr. Hunt. The question came up during the course of one of our numerous dialogues that night. I simply confirmed what she had been given to understand by her daughter, that I represented high levels of the administration who were interested in her welfare.

Senator Ervin. And you did actually represent the Special Counsel of the President, Charles W. Colson? You performed the mission at his instance, didn't you?

Mr. Hunt. At his initial request, sir, but I was referred by him to Mr. Wallace Johnson, who was the gentleman who actually dispatched me on the mission and prepared the aide memoir from which I talked subsequently to Mrs. Beard.

Senator Ervin. Who was Mr. Johnson?

Mr. Hunt. Mr. Johnson was at that time, I believe, in the Office of Congressional Relations at the White House. I believe that he is today Assistant U.S. Attorney General.

Senator Ervin. Now, I understood you to testify yesterday that you recently learned that Mr. Krogh, Egil Krogh, had received money to cover the expenses of the break-in of the Fielding office from Mr. Colson?

Mr. Hunt. Yes, Mr. Chairman.

Senator Ervin. Now, when did you learn that? And how did you learn it?

Mr. Hunt. I learned it in connection with one of my interviews with the office of the special prosecutor or in connection with testimony I was given before the Watergate grand jury.

Senator Ervin. Do you know where Mr. Colson received the money he gave Mr. Krogh?

Mr. Hunt. Not specifically.

Senator Ervin. I want to take issue with you about this double agent business and the basis you rest it upon. You rest it largely to the fact that Mr. Baldwin was the nephew of a Democrat in Congress who happened to be a judge. I don't follow your logic. I used to be a judge in North Carolina and was put there, elected by the Democratic Party. I don't think that would justify any inference that any
LEGISLATIVE OVERSIGHT OF SEC: AGENCY INDEPENDENCE AND THE ITT CASE

HEARINGS BEFORE THE SPECIAL SUBCOMMITTEE ON INVESTIGATIONS OF THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, HOUSE OF REPRESENTATIVES, NINETY-THIRD CONGRESS, FIRST SESSION

LEGISLATIVE OVERSIGHT RELATING TO ADEQUACY OF APPLICATION, ADMINISTRATION, AND EXECUTION OF THE FEDERAL SECURITIES LAWS BY THE SECURITIES AND EXCHANGE COMMISSION

MAY 21, 24; JUNE 6, 14, 27, AND 28, 1973

Serial No. 93-68

Printed for the use of the Committee on Interstate and Foreign Commerce

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON: 1973
Mr. Pickle. Are you familiar with the Dita Beard memorandum in which she writes to Mr. Merriam?

Mr. Colson. I am familiar with that memorandum; yes, sir.

Mr. Pickle. Do you think that was a correct document, a correct statement?

Mr. Colson. No. I never thought it was. I don't today.

Mr. Pickle. Why did you not think it was a legitimate or true statement?

Mr. Colson. Well, there are many reasons for my belief that the document was not an accurate document. First of all——

Mr. Pickle. When did you not think it was an accurate document, when it was revealed?

Mr. Colson. Early March of 1972 when I first saw the document reproduced, I think in the Jack Anderson column. There were a lot of reasons why I did not think it was authentic. First of all, the memo on its face did not—it appeared to me that the incriminating sentences in that particular memorandum were really non sequiturs as far as the rest of the memorandum was concerned. A lot of information came to my attention early in March of 1972. First, the intended recipient of that memorandum said he had never received it and had never seen it.

As I recall it developed that Mrs. Beard's secretary said she never typed the memorandum.

Mr. Pickle. Did the man to whom it was intended, Mr. Merriam, tell you he had never received it?

Mr. Colson. Yes, he did.

Mr. Pickle. Did you call him and ask him about it?

Mr. Colson. Yes, I did.

Mr. Pickle. Why would you call him and ask him about it?

Mr. Colson. If you recall the circumstances, it was that memorandum that started the Kleindienst confirmation controversy. I was involved in a so to speak, task force that was concerned with Mr. Kleindienst's confirmation and the subsequent hearings before the Senate Judiciary Subcommittee.

Mr. Pickle. At the time this memo was released or revealed in the paper, I believe in the Anderson column, was Mrs. Beard in Washington then?

Mr. Colson. Was she in Washington?

Mr. Pickle. Yes.

Mr. Colson. I have no idea, sir.

Mr. Pickle. Do you know how she happened to be in Denver, Colo.?

Mr. Colson. No. I do not.

Mr. Pickle. Did you or Mr. Hunt have anything to do with sending her to Denver, Colo.?

Mr. Colson. No, sir.

Mr. Pickle. Did you send—let me back up. You are reported in the press to have sent Mr. Howard Hunt to Denver, Colo., to interview Mrs. Beard. Did you send Mr. Hunt to Colorado?

Mr. Colson. Yes, sir.
Mr. Pickle. If you sent him to Denver, Colo., what was the purpose of the interview?
Mr. Colson. We were trying at that point in time to determine whether or not that was in fact an authentic memorandum. If you will recall the circumstances at that time the entire thrust of the case that was being built against Mr. Kleindienst the entire thrust of the case in controversy in the Senate Judiciary Committee turned on the language of that memorandum. The question of whether or not that was in fact an authentic memorandum. The question of whether the facts presented in that memorandum were facts or were not facts were very central to the question of whether Mr. Kleindienst would be confirmed. Those were very serious accusations ostensibly made in Mrs. Beard's memorandum.

It became very critical for us— I say "us", the administration, to know whether in fact that was Mrs. Beard's memorandum or whether it was a forgery or whether it was prepared at some other time for some other purpose, and we had reason to believe the memo was not accurate. The only way one could find out for sure was to go to the person who allegedly wrote it and find out.

Mr. Pickle. Is it true, Mr. Hunt went to Denver in disguise with a wig on and slipped into the hospital?
Mr. Colson. No. I never sent Mr. Hunt in disguise or with a wig on.
Mr. Pickle. I didn't ask that. I asked did he go there and go in disguise?
Mr. Colson. I have had that reported that he did but I do not know for a fact he did.
Mr. Pickle. You don't doubt it since it has not been denied?
Mr. Colson. I have no reason to doubt it.
Mr. Pickle. Why did he put a disguise on if you were properly concerned about Mr. Kleindienst, why didn't you put on your Sunday-go-to-meeting suit and fly out there and tell the press you were going to do it?
Mr. Colson. I didn't suggest to Mr. Hunt how he should conduct the interview. I simply told him to go out and find out whether it was her memorandum, whether she had written it, and if it was true.
Mr. Pickle. You didn't discuss anything about putting on a disguise and going into the hospital?
Mr. Colson. No, sir.
Mr. Pickle. That was never mentioned, that was Mr. Hunt's idea entirely?
Mr. Colson. Yes, it was.
Mr. Pickle. Did you concur with it?
Mr. Colson. I don't know that the subject came up quite that way.

I would have to trace a little more of the background to give you an accurate understanding of what happened. There had been growing evidence in the early days of March that the memorandum was not authentic. Mr. Hunt wrote me a memorandum I believe on the 10th of March in which he said that information had come to his attention that the memorandum was not authentic. He proposed in the memo-
randum that he go in alias to conduct interviews to try to determine whether the memorandum was authentic or not authentic.

After receiving Mr. Hunt's memorandum and knowing the suspicions we had about the memorandum, I called Mr. Hunt in and told him to go ahead and interview Mrs. Beard, to urge her to tell the truth with respect to the memorandum, and to reassure her if she told the truth, her many friends back here in Washington would not hold against her the fact that she had contrived this memorandum if, in fact, that was what she had done. That was all that Mr. Hunt's instructions from me were.

Mr. Pickle. Was the purpose of the trip to either challenge or discredit a controversial memo attributed to Mrs. Beard, or did the trip concern a direct settlement of plans to move the 1972 National GOP Convention to San Diego?

Mr. Colson. No, the purpose of the trip, Congressman, was to try to find out what the truth was.

Mr. Pickle. It was for purposes of protecting the Kleindienst confirmation and not with respect to ITT's interests?

Mr. Colson. The purpose was to find out the truth about the memorandum which was the single piece of evidence in controversy during Mr. Kleindienst's confirmation.

Mr. Pickle. When Mr. Hunt went to Colorado did he take with him a prepared statement that he could show to Mrs. Beard for her approval?

Mr. Colson. Not to my knowledge, sir.

Mr. Pickle. You did not discuss any prepared statement?

Mr. Colson. No.

Mr. Pickle. Any reference that she copied off or corrected a prepared statement; you have no knowledge of that?

Mr. Colson. I don't recall any statement of that sort; no, sir.

Mr. Pickle. Mr. Hunt was not working for you at the time but he was at the White House, he was on the White House staff?

Mr. Colson. Yes, he was.

Mr. Pickle. Did you have any conversation with Mrs. Beard when she was in Denver?

Mr. Colson. No, sir.

Mr. Pickle. Did you have any conversations with anyone that would have had any reason to discuss this memorandum with Mrs. Beard other than Mr. Hunt?

Mr. Colson. Yes, I talked with Mr. Merriam, who was the intended, or was the addressee of the memorandum. I talked to Mr. Gerrity who had. I think, discussed this matter with Mrs. Beard after the memorandum became public. I think also one of the counsel for ITT, either Mr. Mitchell or Mr. Flom, who had interviewed Mrs. Beard after the memorandum became public, I did discuss with them their conversations with her.

Mr. Pickle. I recall that the Dita Beard repudiation memo of March 17 was issued by Mr. David Flemming, who was Mrs. Beard's attorney, and it was also issued by the Senate Minority Leader of Pennsylvania at the same time. That is, the repudiation was announced
March 17, 1972

SUBJECT: Meetings with Mrs. Dita Beard

Summary:

She states that she is prepared to tell the entire truth (as she remembers it).

She adamantly denies ever having met Opal Ginn until January 27th at the time of the going away party for Billy, the Carlton Hotel waiter. This, despite the fact that Opal is included in a family photograph on that occasion.

She was quite preoccupied by the non-deposit of her bonus. She described the bonus as money earned and said she was prepared to tell the press that both Able and Fleming had told her that the bonus would be held up until after she testified.

She denied that her job with ITT was about to be phased out.

With regard to the two hour period she spent in her office the night of January 22nd, she explains it as follows: An old friend, Capt. (Navy Capt.) Walter G. Winslow had written a book on the U.S.S. Houston. Winslow had to type or retype a chapter heading in the manuscript prior to sending the book to the publisher. The typewriter in Dita's office was the same as the one on which the rest of his manuscript had been typed. Accompanied by her secretary, Beverly, Dita and Capt. Winslow went to her office that night. Beverly explained the workings of the ADT alarm system permitting its deactivation. Dita and Captain Winslow then went up to her office, without Beverly, and while Capt. Winslow typed on his book, Mrs. Beard read a novel.

Dita professes herself unable to provide an alternate theory concerning the origin and distribution of the memorandum in question. In her eyes, her opponents are Ned Gerrity, Bill Merriam and Jack Casey. (Tom?)

Dita maintains that she is, and always has been, a loyal Republican. She cannot understand, she says, why she would have been selected as the vehicle to attack President Nixon, through Messrs. Mitchell and Kleindienst.

She says that she is prepared to walk through fire for Hal Geneen. She feels that he would not countenance the ill treatment she has received from Geneen's subordinates, if he knew of it.

As to the origin of the memorandum itself, she feels sure she could not have written it. Nevertheless, she concedes that the material contained
in its first paragraph has a familiar ring. Concerning the balance of the memorandum she is reasonably sure that it was added by someone else. She said that on Monday she will testify to a Senate delegation that to the best of her knowledge and belief she did not and could not have prepared the notorious memorandum.

Her physical and mental condition: She presented the picture of a much overweight, old woman. Her moods alter frequently. Her ability to recall facts and incidents is limited. Her level of mental or intellectual discrimination is poor. She seems disoriented, focusing on trivia, rather than on the principal issues. Yesterday morning she was put on a treadmill as part of the testing program to determine her ability to undergo questioning on Monday. After four minutes she collapsed. When last seen, at 10 a.m. the same day, she was receiving oxygen. Her physician, Dr. Dave Garland, who was friendly and helpful throughout, doubted that she would be able to take part in the hostile proceedings that he perceived were in store for her on Monday. Dr. Garland told me that without his knowledge the head of the hospital had arranged to move Mrs. Beard into a larger room so that she could receive the Committee delegation. He was furious about this and felt that the ultimate responsibility for her life was his rather than the hospital's. In my own opinion, having witnessed its symptoms before, I suggest that Mrs. Beard has been suffering for some time from arterial sclerosis. On Wednesday night, after my second interview with Mrs. Beard, I remarked the symptoms to Dr. Garland and he said, 'She has had a problem like that for a long time.'

Mrs. Beard stated that she intends to continue working for ITT. She said that she will not leave Washington "with her tail between her legs." She believes that Hal Geneen will be her saviour.

She said, "I am going to vindicate myself and not take the fall for ITT."
On Wednesday, the 15th, wearing suitable physical disguise, I was picked up in Glee's car and introduced to Lane Beard. Our introduction and conversations were conducted while the car was in motion. Glee introduced me to Lane as a friend of friends of her mother's, a man well placed and in a position to assist her mother out of her current situation. I told Lane that I planned to leave almost immediately for Denver and present a proposal to her mother which, if her mother accepted it, could resolve her current plight. I asked Lane to telephone her mother and request that she receive Edward Hamilton that night. I did not disclose to Lane or Glee the substance of my proposed conversation. After consulting Glee about my credentials, Lane agreed to telephone her mother. I then proceeded to Dulles Airport and flew to Denver, Colorado. Toward 9 p.m. I reached the Rocky Mountain Osteopathic Hospital. Dr. Dave Garland, Mrs. Beard's principal physician, was waiting for me in the lobby. I displayed a Hamilton card and we went upstairs to her room, No. 269. Before we entered, Dr. Garland asked me if he could examine the box of roses I had brought. I agreed readily and was then taken in and introduced to Mrs. Beard. (I was, of course, in suitable physical disguise.)

Dr. Garland asked me if he could remain in the room. I replied that inasmuch as the rule of confidentiality did not extend to third parties, I felt it would be injudicious for him to remain within ear shot although, I certainly had no objection to his remaining in the room to watch over his patient. Dr. Garland said that was satisfactory and that he would "hear nothing". Dita Beard turned out to be a corpulent woman with rather short grey hair and a pronounced masculine conformation despite her ponderous breasts. She smoked nervously, seemed apprehensive, and as we talked from time to time tried to determine who I was and whom I represented. To all of this I said simply that inasmuch as her daughter had authenticated me to her, there was no point in rehashing it. Mrs. Beard said that Glee was probably the best friend she had in the world. She also said that she had heard that even the flowers in her room were bugged and there were many flower offerings crowding the rather small room. For that very reason, I told her, I was going to show her a memorandum which I wanted her to read in its entirety before discussing separate points with me. I then produced the prepared memorandum which she read. Part of it she characterized as bullshit and said she had no recollection of entering her office the night of January 22nd as alleged. In substantiation of this point, she said that she was unfamiliar with the ADT alarm system and would have been unable to disengage it by herself. Furthermore, she said, she couldn't even address an envelope on her complicated IBM executive typewriter, much less type a memorandum. After some disjointed exchanges she asked me what it was I wanted her to do. I told her the most useful action would be to have her return to Washington as soon as
possible, making a brief statement, denying authorship of the memor-
andum -- if she were able to in good faith -- and then collapse. She
said that she was not in any sort of physical condition to permit travel
at this time.

The second alternative I pointed out was to testify to the truth before two
Committee members in her room and suggested that this perhaps could
be arranged in a day or so. She agreed to this in principle and I said that
on the conclusion of our interview I would determine by telephone whether
this could be arranged. At about this point, her telephone rang and she
answered it. A Robert McCall was calling to give Dita the substance of
an evening telephone summary of Hal Geneen's report. He further informed
her that six sub-committee members would be winging their way to Denver
on Monday to take her testimony.

I told her that extensive laboratory tests had determined that the memorandu-
was not typed last summer but had been typed this year. She welcomed this
news but sought details which I was unable to provide. I asked if she at
any time had written or prepared the memorandum. She said, "I don't
believe it is mine". Concerning its first paragraph she recalls conversa-
tions about a "partial underwriting" of the San Diego convention but no
sum similar to the alleged $400,000. She also denied having approached
General Mitchell at Derby Day, he being the guest of honor. She said
dozens of her friends had written, telephoned her to affirm their faith in
her and their disbelief that she could have prepared the memorandum
as charged. She said that she idolized Hal Geneen. She said "I can
prove Anderson is lying". (She never substantiated this 4:02.

Concerning Opal Ginn, she denied ever having met her until the January
27th party at the Carlton for Bill the retiring waiter. She said Jack
Anderson had not been invited but had attended anyway. She reiterated
that she had never met Opal Ginn before that occasion. From time to
time she returned to the question of who I was and who I represented,
asking me if I were from Washington. I said "No, Los Angeles." She
asked me if I knew her attorney, Heck White (?). I said I did not. She
remarked that since White did work for Hughes Tool Company he was
no small time lawyer. (Before permitting me to enter the room, Dr.
Garland had asked if I represented the Government or ITT and my
response was negative.)

She professed to see herself as the victim of some weird and outrageous
plot. She recognized its target as the President via Messrs. Mitchell and
Kleindienst. I pointed out to her that unless she herself were responsible
for the memorandum there must be an alternate theory. She said she had
been wracking her brains for a weeks but could only conclude that Messrs.
Merriam, Gerrity and possibly Tom Casey were responsible. She could/
would not specify which man. She said that Brit Hume, having shown her
[5619]
the memorandum (date unspecified) had probed her with the same kind of questions I was asking. She had become distraught, she said, and that was responsible for her present physical condition. She said that all she had wanted to do from the beginning was to tell the truth but that she had received bad, and injurious advice throughout. One ITT official (perhaps Merriam) had suggested that she take six months detached duty in Europe but that she had declined saying that her record was clean and she was going to stay in Washington to defend herself. (She did not explain why she had gone to Denver for her hospitalization.) At this point, I told her that I had better get in touch with the East Coast and see what could be worked out with regard to a private taking of testimony at her bedside by two committee members. Dr. Garland said that I could see her later on that night and that he would take me to a pay phone, the hour being late and taxis unavailable in the vicinity.

I then called my principal from a pay phone about a mile from the hospital and reported the foregoing and was told that it was too late for private testimony that the sub-committee delegation had been constituted and would be arriving in Denver on Monday. Further, that Dita was not to worry about her bonus. I was also told at this time about the photograph taken on January 27th, showing Dita, her son and Opal Ginn together. Returning to the hospital I told Dita about the photograph which she said must have been taken clandestinely, as only one photographer was authorized and her son in any case was camera shy and would never have posed for a photograph. She reiterated that she had only met Opal Ginn on that occasion and wouldn't recognize her again. Nevertheless Dita characterized Opal as tall and bony. However, "I couldn't begin to describe her face." She said that her daughter, Lane, and Opal had gone to parties together for years and that Opal had frequently told Lane that she, Opal, would very much like to meet Dita. However, this had not taken place until January 27th, 1972.

She again asked me what she could do to prove that the memorandum was not hers. I suggested that the burden of proof was not on her but rather on her interrogators to prove that she was, in fact, responsible for the memorandum. Dita wondered whether she could not have the technical information proving that the memorandum was typed this year. I pointed out that it would not be appropriate for her to have such information or such a report as she would be unable to provide a plausible source for it. She said again that she idolized Hal Geneen, who is her only true friend in ITT. Ned and Bill were her enemies as was Tom Casey, who she thought might well have leaked the memorandum. She expanded on her concern about the bonus. Certain notes were due and payable at her bank. For 11 years her bonus had been deposited on March 15th. This year it had not occurred. What could I do about it? Again, I told her that she should not worry about her bonus.
During this second interview session, her mood had altered from an hour or so previously. She was less nervous, smoked with less frequency. She was increasingly bague about names, dates and places. At times she returned to the question of who I was and who I represented. My continued response was that I was a friend of her friends -- both in ITT and the Republican Party and that her own daughter had authenticated me to her, Dita. I said that all I was seeking was the truth, and that in order -- if she would tell the truth that she and her family would be well taken care of for life. Her response was that she could retire from ITT at any time and be well taken care of; that she had, in the past suggested to Hal Geneen that she retire but that he would not hear of it. I suggested the possibility that she prepare a simple statement denying her involvement in the preparation and/or release of the memorandum. This, I said, could be given out by her attorney, Hack White.

Again I returned to the authorship of the memorandum. Dita said she was sure that she could not have written it but she did not know how she could prove it. She hoped that I could provide technical information to substantiate her belief of non-authorship. She described herself as a loyal Republican party worker for years, who had worked for Nixon since 1952 and whose only aim was to see him in the White House. As the conversation was becoming vague and repetitious and she more agitated, I asked the Dr. if I could resume with her in the morning. He said that she was scheduled for physical tests at 8 o'clock but that as far as he was concerned I could see her afterward. We agreed upon a 9:30 date, and I took my leave of her for the night. Dr. Garland drove me to the airport where I claimed my bag. From there I took the Ramada Inn Bus to a Ramada Inn Hotel, registering under yet a third name. In the morning, I checked out and returned to the airport where I called my principal, reaching him shortly after 8 o'clock. I summarized what had occurred during the second meeting and received instructions to bear down on Dita concerning her relationship with Opal Ginn. Previously, I had hypothesized that Dita's masculine characteristics suggested the possibility of homosexual bias. If she and Opal Ginn have been conducting a lesbian affair, this would be one explanation for Dita's wanting to keep conceal any overt connection with Opal.

At 9:30 I returned to the hospital and was met by Dr. Gartland, who informed me that when Mrs. Bears was being tested, she had collapsed after four minutes on the treadmill. Nevertheless, he escorted me to her room where I found her receiving oxygen through nostril tubes. Her attitude toward me was pugnacious, if not hostile. She asked me if I was ready to prepare the statement to be issued to Hack White. I said that there was no point in her issuing any kind of statement inasmuch as there was a variety of witnesses prepared to testify that she had known Opal Ginn over a period of years. Their testimony, plus the visual
evidence of the photography, I said, would do much to impeach her testimony that she did not or had not known Opal Ginn prior to January 27th. Her response was that she could not help what other people would lie to. I warned her that on Monday she would be testifying under oath to the sub-committee and that if she testified to no prior relationship with Opal Ginn she would run the perjurious risk of perjury. This risk, I told her, was one she should ponder very carefully.

After some thought, she asked me what I had been able to do about her bonus. I reiterated that she should not worry about her bonus. Her response was that both Mr. ABle and Mr. Fleming had told her that her bonus would be held up until after her testimony and asked me how that would appear in the newspapers. I responded that if such were in fact the case, it could only harm ITT. I reiterated that she was not to worry about her future if she told the truth. The truth was what was being sought. I told her that a body of thought held that she had been involved either directly or indirectly in the preparation of the memorandum, that it had been leaked to Jack Anderson via Opal Ginn and that Dita's motivation was resentment because she was aware that her days with ITT were numbered. She adamantly denied that she was in any danger of being fired. She said that she had not typed the memorandum and was not responsible for it, she had never met Opal Ginn until the party for Billy the waiter, and that she had no reason to want to hurt the Administration or ITT. She was becoming increasingly agitated and I could see that Dr. Garland was apprehensive. I told them that in view of her statement concerning the withholding of her bonus, I wanted to withdraw and verify the matter -- that being one thing that I could do to remove a heavy burden from her mind.

She said, "Ned has it in for me".

Her son, Ben, had been with her prior to my arrival and, according to Dita, had jogged her recollection of the previously unexplained two hours she spent in her office the night of January 22nd from 7 to 9 p.m. For years, Dita said, she had known retired Navy Captain Walter Winslow. G. Winslow had written a book on the U.S.S. Houston for the Navy. Subsequently he had expanded it into a full length book in manuscript form. Prior to sending it to his publishers, Captain Winslow told her that he had to type or retype a chapter heading. The typewriter in Dita's office was similar to the one on which he had typed the rest of the book (or on which the book had been typed by another party). Accordingly, Dita said, she went to her office with Captain Winslow and Beverly. Beverly explained to her the workings of the ADT alarm system so that Dita could disengage it.
Beverly did not go upstairs with them. While Captain Winslow did his typing, Dita read a novel. She said that she herself did not touch the typewriter, as she was unfamiliar with it (apparently an IP&M Executive) and could not even type an envelope -- (address an envelope. That, she said, was the explanation for her unusual appearance after hours and on a Saturday night at her office. She said that she had only entered her office after hours on one other occasion, and that was with her secretary in order to search for some files which were required for income tax purposes.

She said that Captain Winslow lived at Satellite Beach, Florida. Saying that I wanted to get to the bottom of the bonus matter, I departed and was escorted out of the hospital by Dr. Garland. I told him that if I had anything of positive import, I would call him rather than her. He gave me a telephone number as follows: 534-4950 or 534-8588. I pointed out to Dr. Garland before parting that I had hoped to be more helpful to Mrs. Beard than I have been able to; but that either her unwillingness or inability to cooperate was a stumbling block. We shook hands, and I walked some blocks from the hospital where I took a taxi to the airport. There I claimed my bag, divested myself of the physical disguise I had been using at the hospital, telephoned to my principal to report and was authorized to return to Washington. I flew back under the same notional name I had used on my flight to Denver from Washington the day before.
"ITT" is written on Colson's calendar for the morning of March 18, 1972. Colson had three telephone conversations with Mitchell during the morning. That afternoon the President and Colson met for more than two hours.

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47.1 Charles Colson calendar, March 18, 1972 (received from SSC).

47.2 John Mitchell log, March 18, 1972 (received from SSC).

47.3 Meetings and conversations between the President and Charles Colson, March 18, 1972 (received from White House).
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**MR. MITCHELL'S SCHEDULE March 18, 1972 Saturday**

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<tr>
<td>9:35</td>
<td>AG called Colson and t.</td>
</tr>
<tr>
<td>9:45</td>
<td>AG called Hardian and t.</td>
</tr>
<tr>
<td>10:15</td>
<td>Chuck Colson called AG and t.</td>
</tr>
<tr>
<td>10:40</td>
<td>AG SAW Congressman Ogden Reid (N.Y.) and t.</td>
</tr>
<tr>
<td>11:35</td>
<td>Senator Harry Sears called AG and t.</td>
</tr>
<tr>
<td>11:50</td>
<td>Colson called AG and t.</td>
</tr>
<tr>
<td>12:00</td>
<td>AG SAW Tony Pappas</td>
</tr>
<tr>
<td>12:14</td>
<td>Fred LaRue called AG and t.</td>
</tr>
<tr>
<td>12:18</td>
<td>AG SAW Jack Caulfield</td>
</tr>
<tr>
<td>1:00</td>
<td>Vice President Agnew called AG and t.</td>
</tr>
<tr>
<td>2:00</td>
<td>Fred LaRue called AG and t.</td>
</tr>
<tr>
<td>3:00</td>
<td>AG left office</td>
</tr>
</tbody>
</table>

AG = John Mitchell

DR = Donald Rumsfeld
March 14, 1972

PM  4:18  4:34  President placed local call to Mr. Colson

11:34  12:02AM  President placed long distance call to
Mr. Colson (From Camp David to DC)

March 15, 1972

PM  1:39  2:16  President placed long distance call to
Mr. Colson (From Camp David to DC)

5:57  6:15  President placed long distance call to
Mr. Colson (From Camp David to DC)

7:34  7:50  President placed long distance call to
Mr. Colson (From Camp David to DC)

8:37  8:40  President placed long distance call to
Mr. Colson (From Camp David to DC)

8:55  8:56  President placed long distance call to
Mr. Colson (From Camp David to DC)

March 16, 1972

PM  6:55  7:17  President placed long distance call to Mr. Colson (From Camp David to DC)

March 18, 1972

PM  1:24  3:40  President met with Mr. Colson
(First Lady, Julie Eisenhower and
Mrs. Jack Drown 3:08-3:10)
On March 24, 1972 the President held his only news conference during the period of the Kleindienst nomination hearings. He stated that nothing had happened in the Senate hearings that shook his confidence in Kleindienst as an able, honest man fully qualified to be Attorney General. He also praised the actions of Richard McLaren, and the administration, in having moved effectively to stop the growth of ITT.

48.1 President Nixon news conference, March 24, 1972, 8 Presidential Documents 673-75.
technological expansion affects the earth more than at any other time.

The air, water, and natural resources of the earth are not inexhaustible, yet we continue to make major and often contradictory demands on these resources. If man is to preserve the natural heritage upon which his survival and the quality of his life depend, he must make resolute choices and fix uncompromising priorities.

The environmental awakening of recent years marks a new maturity in our attitudes toward the relationship of man to his surroundings. We have made a beginning, but it is only a beginning. Every American—and indeed, every citizen of the world—must endeavor by earnest and sustained effort to nurture this earth which we all share.

Now, Therefore, I, Richard Nixon, President of the United States of America, do hereby designate the period of April 17 through April 23, 1972, as Earth Week.

I call upon appropriate officials of the Federal Government and of State and local governments to encourage an understanding of the purposes of Earth Week, to observe the week through appropriate ceremonies, and to give special attention to the educating of our citizens in the preservation and enrichment of our natural environment.

In Witness Whereof, I have hereunto set my hand this twenty-fourth day of March, in the year of our Lord nineteen hundred seventy-two, and of the Independence of the United States of America the one hundred sixty-sixth.

Richard Nixon

Filed with the Office of the Federal Register, 2:14 p.m., March 24, 1972

THE PRESIDENT'S NEWS CONFERENCE OF MARCH 24, 1972

PARIS PEACE TALKS

The President. Miss Lewine, we will take your questions first.

Q. In view of the suspension of the Paris peace talks, can you tell us if the hopes are dimming for a negotiated peace settlement and what you assess the situation as?

The President. What we are really trying to do there, Miss Lewine, and this has been done under my direction, is to break the filibuster. There has been about a 3½-year filibuster on the peace talks on the part of the North Vietnamese. They have refused to negotiate seriously and they have used the talks for the purpose of propaganda while we have been trying to seek peace. Whenever the enemy is ready to negotiate seriously, we are ready to negotiate and I would emphasize we are ready to negotiate in public channels or in private channels.

As far as the hopes for a negotiated peace are concerned, I would say that the way the talks were going, there was no hope whatever. I am not saying that this move is going to bring a negotiation. I do say, however, that it was necessary to do something to get the talks off dead center and to see whether the enemy continued to want to use the talks only for propaganda or whether they wanted to negotiate.

When they are ready, we are ready, but we are not going to continue to allow them to use this forum for the purpose of bullying the United States in a propaganda forum rather than in seriously negotiating peace, as we tried to do as exemplified by not only our private contacts in the 12 meetings that I discussed on January 25, but also in my speech of January 25, in which I made a very forthcoming offer.

Mr. Kleindienst's Nomination

Q. Was there any link between the ITT antitrust settlement and the contribution to San Diego as a convention city and do you think Mr. Kleindienst will be confirmed as the Attorney General?

The President. Well, I have noted that you ladies and gentlemen of the press have been pressing on this matter, as you should, because it is a matter of very great interest in the Senate and in the Nation.

I will simply limit my remarks to these observations: First, Mr. Kleindienst is being considered for, as you have indicated, confirmation as Attorney General of the United States. That is the purpose of the hearings. I had confidence when I appointed him that he was qualified for this position. I still have that confidence. I believe that he should be confirmed and I believe that he will be confirmed.
Now, as far as the hearings are concerned, there is nothing that has happened in the hearings to date that has in any way shaken my confidence in Mr. Kleindienst as an able, honest man, fully qualified to be Attorney General of the United States.

However, I am not going to comment on any aspect of the hearing or any aspects of the case while the Senate is still conducting them and while the Senate is still trying to determine the authenticity of some of the evidence that is before it. That is a matter for the Senate Committee under the chairmanship of Mr. Eastland to continue to consider, but I would point out that Mr. Kleindienst asked for these hearings.

We want the whole record brought out because as far as he is concerned, he wants to go in as Attorney General with no cloud over him. He will not have any, in my opinion, once the hearings are concluded, and what we are talking about will be proof, rather than simply charges which as yet have been unsubstantiated.

**Role of White House Aides**

Q. On another aspect which I think is not directly related to the ITT case, I wondered if you could give us your view on the proper role of White House Staff members in contacts with executive departments and regulatory agencies concerning matters that are before those departments or agencies.

My specific reference, of course, is to the involvement of Mr. Flanigan in some of these matters, but I wondered if you could give us, on a more general basis, what you consider the proper role and the limits of that role for a Presidential aide in dealing with regulatory and law enforcement matters.

The President. A Presidential aide must listen to all of those who come to the White House, as they do in great numbers on all sides of all cases with regard to complaints they have or causes that they wish to work for, just as they go to Members of the House and Senate and others in that connection.

What is improper is for a Presidential aide to use influence for personal gain, and to use influence in any way that would not be in the public interest. As far as Mr. Flanigan is concerned, Mr. Ziegler has responded to that charge at considerable length with my total authority and his views represent mine and I have nothing further to say.

**War on Inflation**

Q. Mr. President, how do you expect the war on inflation to succeed without the cooperation of George Meany and his friends?

The President. The war on inflation will succeed with their cooperation, if possible, but without it, if necessary. I think the best indication of the fact that it is succeeding is that as far as that part of the Consumer Price Index which is made up of those items that are under control, as Mr. Stein pointed out in his briefings yesterday, the wage-price controls have been effective.

The only part of the Consumer Price Index or the major part of the Consumer Price Index which resulted in what we thought was a disappointing increase in prices, at least a 1-month increase, was the food index.

The food index, as we know, is not controlled. Now, so far as that food index is concerned, we discussed that at considerable length at the Cost of Living Council yesterday. What we found is that it is a mistake and totally unfair to make the farmer the scapegoat for the high meat prices and the high food prices.

Approximately one-third of what the prices are that the consumer pays in the grocery store or the supermarket for food, approximately only a third of that amount is a result of what the farmer receives as farm income. The other two-thirds goes to middlemen, to retailers, and others, and our preliminary investigation of this situation shows that the spread between what the farmer receives and what the consumer pays in the grocery store and the supermarket has widened. It is too great.

That is the reason why the Price Commission is, on April 12, as you know—I think it was announced this morning—is going to conduct a hearing on this matter to determine whether or not the profit margins in this period have gone beyond the guidelines that have been laid down.

I will simply say that as far as we are concerned, we can say that on the one hand we are glad to see that, looking at a 6-month period, the rate of inflation has decelerated. On the other hand, we are disappointed at even a 1-month figure in which the rate of inflation is at the level it was this time.

We are particularly disappointed that the food component was as high as it was. That is why we welcome the action of the Price Commission looking into that component as to why it is, and then in the event those food prices do not start to move down, then other action will have to be taken. I am prepared to have such other action taken.

I have directed those who have responsibility in this field to see what action can be taken. I would simply conclude by pointing out that to feel that the action that will be effective is to control or move on the one-third, that which the farmer receives as income for what he sells, is not the most effective way to do it.

One little example that I can use that I think is quite graphic, and Secretary Connally was discussing this matter in the Cost of Living Council yesterday. He said he had been in Texas and talked to a rancher who raised chickens. He asked him how much he got a dozen for eggs. He got 30 cents a dozen. A couple of days later he got breakfast at the Hotel Pierre in New York and ordered a couple of eggs. It was 85 for two. That is at a rate of 30 dollars a dozen. Now, of course, the eggs have to be transported, processed, cooked, and served, but 30 cents a dozen to the farmer and 30 dollars a dozen to whoever buys those eggs in a restaurant, that is just too much, and we are going to get at that middleman one way or another.
POLITICAL CONTRIBUTIONS

Mr. President, could we discuss your views on the general proposition of large political contributions either by corporations or individuals in terms of possibly getting something back for it?

The President. Nobody gets anything back as far as the general contributions are concerned in this Administration. As a matter of fact, I think some of our major complaints have been that many of our business people have not received the consideration that perhaps they thought that an Administration that was supposed to be business-oriented would provide for it.

As far as such contributions are concerned, they should always, of course, comply with the law.

Second, as far as those who receive them are concerned, they must be accepted with no understandings, expressed or implied, that anything is to be done, as a result of those contributions, that would not be done in the ordinary course of events.

Let me just say on that point that looking at ITT, which, as I understand, has been a contributor to a number of political causes over the years, it is significant to note—and I would hope that the members of the press would report this, because I have not seen this in many stories—it is significant to note that ITT became the great conglomerate that it was in the two previous administrations, primarily, the Kennedy Administration and the Johnson Administration. It grew and grew and grew, and nothing was done to stop it.

In this Administration we moved on ITT. We are proud of that record. We moved on it effectively. We required the greatest divestiture in the history of the antitrust law. We also, as a result of the consent decree, required that ITT not have additional acquisitions, so that it became larger.

Now, as Dean Griswold pointed out, that not only was a good settlement, it was a very good settlement. I think under the circumstances that gives the lie to the suggestion that this Administration, in the handling of the ITT case, just using one example, was doing a favor for ITT. If we wanted to do a favor for ITT, we could just continue to do what the two previous administrations had done, and that is nothing, let ITT continue to grow. But we moved on it and moved effectively.

Mr. McLaren is justifiably very proud of that record, and Dean Griswold is very proud of that record, and they should be.

BUSING AND EDUCATIONAL OPPORTUNITY

Q. Mr. President, could we discuss your speech the other night and your moves on the problems of the schools, particularly the blacks in our society? There are those who feel that in the combination of the constitutional issue that has been raised, in which you have asked that the courts have a moratorium, and at the same time by putting more money into black schools, what you are doing is, in effect, going back to the old doctrine of separate but equal facilities for blacks. Could you comment on that?

The President. Yes, I see that that charge has been made and I can see how that understanding, or misunderstanding, could develop.

Let me explain what we were trying to do and what I believe our proposals, if they are enacted by the Congress, will accomplish. In the first place, we have to analyze what the constitutional problem is. The Constitution under the 14th amendment provides for equal protection of the law. The Constitution does not provide, as a remedy, busing or any other device. The Constitution in the 14th amendment expressly grants power to the Congress to set up the remedies to accomplish the right of equal protection of the law.

Now, we turn now to busing. Let me relate this to Brown v. the Board of Education. Brown v. the Board of Education, as its name indicates, was about, primarily, education. Brown v. the Board of Education held, in effect, that legally segregated education was inherently inferior education. I agree with that.

On the other hand, how do we desegregate and thereby get better education? Here is where busing compounds the evil. Busing for the purpose of achieving racial balance not only does not produce superior education, it results in even more inferior education.

So what I was trying to do was to tackle the issue by saying we can and should have desegregation, but we should not compound the evil of a dual school system, of legal segregation, by using a remedy which makes it even worse.

That is why I have concluded that, first, a moratorium on busing for a year was the right move to make. I believe, incidentally, that the moratorium is constitutional. I believe it will be so held by the Supreme Court due to the fact that it deals with a remedy and not a right. That is the fundamental difference. Lawyers will disagree on that, but the Court will decide and I believe the Court will decide that the moratorium is constitutional.

That is why I also moved in another field. When we talk about education, we must remember that if we had busing at the maximum degree suggested by the most extreme proponents of busing, it would still leave the vast majority of black school children living in central cities, going to what are basically inferior schools, a lost generation, as I described it.

I decided that we could not allow that situation to continue without trying to move on it. How have we tried to move? We tried to move through a program which has not yet been fully tested. I am not sure that it will work, but we have to do something, and that is in the field of compensatory education, a program in which we, rather than doing it with a shotgun approach which has proved ineffective, that we use the "critical mass" approach, §300 as has been described per pupil, for the purpose of improving education in those schools where no plan for desegregation that anybody has suggested will ever affect.