

**The original documents are located in Box 37, folder “Personnel - Conflict of Interest: Flanigan, Peter” of the Philip Buchen Files at the Gerald R. Ford Presidential Library.**

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ITT

Allegation: That Mr. Flanigan was improperly involved in selecting Richard Ramsden to conduct a financial analysis of ITT for use in the Justice Department decision on the merger settlement.

Facts: As Judge McLaren has testified, Mr. Flanigan was asked by Assistant Attorney General McLaren to contact Richard Ramsden to do a financial analysis similar to one which he had previously done for Mr. McLaren while in government service (he was detailed to Justice from OEO) and with which Mr. McLaren had been satisfied. To suggest that McLaren should not have obtained such specialized financial help in a case of this magnitude seems nearly irresponsible. Flanigan's involvement was simple. He contacted Ramsden, put the questions as specified by McLaren to him and returned the answers to McLaren.

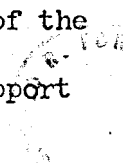
Background: Mr. McLaren had developed a respect for Flanigan's professional competence in financial matters during the course of their work together in government, and in 1970 had asked him to recommend a financial analyst for the LTV merger. Flanigan was aware that Mr. Ramsden, a highly competent financial analyst, was serving as a White House Fellow at the Office of Economic Opportunity and assisted McLaren in arranging his detail to Justice for a financial analysis of the LTV merger. Flanigan knew of Ramsden's competence from prior association at Dillon, Read four years earlier. As a result of the LTV financial analysis McLaren was impressed with Ramsden's competence in that instance. When the Justice Department developed a



need for similar analysis in the IIT case, Mr. McLaren again asked Mr. Flanigan to contact Mr. Ramsden, who had returned to private life, and to request an analysis answering specified questions provided by Mr. McLaren. Mr. Flanigan conveyed the request to Mr. Ramsden and returned the completed analysis to Mr. McLaren.

At the initial meeting between Mr. Ramsden and Flanigan, Mr. Flanigan asked whether Mr. Ramsden had any connection with IIT and Ramsden said no. Later Ramsden telephoned to say he had discovered that his firm, Brokaw, Schaenen, Clancy & Co., had recently acquired the management of assets which included a small position in IIT common stock, amounting to approximately one-tenth of one percent of the total assets managed by the firm. He said that no action would be taken by them with regard to this position until there was public knowledge of Justice Department plans regarding IIT. Ramsden's "interest" was obviously de minimis, and not of such a nature as to affect the integrity of his analysis. Because of Mr. McLaren's confidence in Mr. Ramsden's expertise in financial evaluation based on past experience; because of his particular knowledge with regard to fire and casualty insurance companies; and because of his lack of any connection with IIT other than a relatively small investment position managed by his firm, Mr. Flanigan asked Mr. Ramsden to complete the study as soon as possible.

Mr. Flanigan has at no time been involved in the planning or the financing of the 1972 Republican National Convention. And until this was commented on by the media, he was unaware of the sources of its financing, including any offer of financial support by IIT.



## Copper Smelters

Allegation: That because of a visit from the presidents of Anaconda, Kennecott, and Phelps Dodge, Flanigan induced the Environmental Protection Agency to alter its position with regard to strict air pollution standards imposed by Montana.

Facts: State air pollution standards are a matter solely for decision by the state of Montana; Flanigan's only involvement was to agree to meet with copper company officials together with Richard Fairbanks, assistant to White House environmental specialist John Whitaker. Fairbanks passed on to EPA, the copper companies' request that testimony by an EPA official in Montana be clarified to bring it in line with previously announced EPA policy that states were free to choose their own way of meeting federal requirements.

Background: The state of Montana <sup>had under consideration a requirement</sup> ~~had under consideration a requirement~~ that copper smelters, in addition to meeting the strong federal standards, should <sup>achieve</sup> ~~be required~~ ~~to achieve~~ a 90% reduction in emissions of sulphur oxides. The only EPA involvement was through expert testimony at hearings before the relevant state officials.

The decision on EPA's position in the Montana hearings was made at EPA, not at the White House. An EPA official, George Walsh, had testified in Montana on December 15, 1971.



The copper company executives, believing his testimony to be inconsistent with previous ~~by ~~xxxxxx~~ EPA~~ policy, addressed a letter to EPA. Receiving no response; realizing Montana was about to come to a decision; hoping for clarification of the EPA position; and unable to reach EPA Administrator William Ruckelshaus, who was out of the city; the copper executives visited Flanigan on December 28, 1971, to ask that their question be answered. Flanigan referred this question to EPA through Richard Fairbanks, assistant to the White House specialist on environmental matters, John Whitaker. EPA determined that Mr. Walsh's testimony should be clarified, and on January 6 John Green, a Regional Administrator of EPA, addressed a letter to Montana officials clarifying the testimony by indicating (1) that EPA had no official position on what the costs of imposing a 90% emissions reduction would be; (2) that a 90% reduction was not specifically required by the federal Clean Air Act; (3) that the states were free to impose a 90% reduction; and (4) that "significant reductions in emissions from smelters in Montana" will be required to meet the federal law. This letter reaffirmed the EPA position stated in Mr. Ruckelshaus' <sup>prior</sup> memorandum of November 12, 1971 that EPA ~~would~~ <sup>would</sup> leave the method of meeting federal requirements, and any decision to go beyond them, entirely up to the states.



Armco; Houston Ship Channel

Allegation: That Flanigan induced EPA, represented by the Justice Department, to agree to a six month delay in ending Armco's discharges of cyanides and other pollutants into the Houston Ship Channel because of a letter to the President from William Verity, President of Armco Steel.

Facts: The lawsuit was settled by EPA on advantageous terms, requiring the companies to install pollution control equipment on a tight timetable in accordance with EPA's request and at the same time preserving 300 jobs. On receipt of Verity's letter to the President, it was entirely proper for Flanigan, as a Presidential Assistant, to inform himself of the facts of the matter, and to ensure that Administration policy of protecting both the environment and jobs was being carried out, which he did by checking with Mr. John Quarles, General Counsel of EPA, and with the Civil Division of the Department of Justice, which deferred to EPA on the policy question.

Background: 1. The Administration is concerned with keeping people employed, as well as with ending pollution. If the delay referred to above had not been agreed to, 300 people would have lost their jobs, because part of the Armco plant in Houston would have remained closed. Mr. Quarles, General Counsel of EPA, informed Mr. Flanigan that this was never EPA's objective; EPA wanted only to end pollution on a tight timetable and not to close the plant. This



desired solution was negotiated between the lawyers of EPA, the Justice Department and Armco.

Armco is one of thos many companies who have been emptying wastes into the Houston Ship Channel for many years. EPA, through the Justice Department, brought a landmark case against Armco under the 1899 Refuse Act to stop this practice and won it; as a result, Armco agreed to do, on a tight timetable, what EPA had wanted all along -- namely to incinerate the pollutants. This was a very advantageous settlement for all concerned, which both ended the pollution and preserved the 300 jobs while the required anti-pollution facilities were being installed.



## Postal Bonds

Allegation: That Flanigan obtained for Dillon, Read & Co., Inc. a position as one of the five managing underwriters for the first bond issue by the Postal Service.

Facts: Flanigan was in no way involved in the choice of Dillon, Read as an underwriter -- a fact attested to by James Hargrove, Finance and Administration Assistant Postmaster General for ~~Postal Service~~, who had this responsibility. Flanigan had no financial or other connection with Dillon, Read at the time it was selected as an underwriter, nor was or is there any explicit or implicit understanding of any future connection. Thus, Flanigan could not have profited from the Post Office's choice, even though he was in no way involved in it.

Background: 1. Flanigan was not involved in the Postal Service's choice of Dillon, Read as one of the five bankers for the bond issue.

Flanigan coordinated within the Administration the development of legislation to create a Federal Finance Bank to bring greater unity to the financing activities of the Federal Government. Because of this activity and his general financial expertise, he was consulted on the question whether the newly



reorganized Postal Service should sell its bonds direct to the public or to the Treasury, which options are provided for under the Postal Service Act. Flanigan requested a memorandum from the Postal Service regarding its views on the matter, and made that memorandum available to Treasury Under Secretary Volcker.

As for the choice of the managing underwriters, this decision was made by the Postal Service alone. The only question put to Flanigan on this subject came when Mr. James Hargrove, Assistant Finance and Administration Postmaster for ~~Finance and Administration~~, called Flanigan, for whose financial expertise he had developed respect in previous associations in the private sector, to ask: (1) whether as a matter of sound practice a commercial bank should be included in the managing group and (2) whether Morgan Guaranty Bank would be a good choice. Flanigan replied in the affirmative to both questions. However, he did not learn of the actual decisions on these subjects on the underwriters until they were publicly announced by the Postal Service.



Texas Eastern Transmission Corporation

There are currently before the Oil Policy Committee 22 applications for the importation of liquified natural gas or products for the production of natural gas. The total of these imports would equal in 1975 the amount of petroleum currently being imported by the United States. Clearly it is necessary that the national security implications of these imports be considered by the government. In connection with Mr. Flanigan's responsibilities in the oil and gas area he has urged the Office of Emergency Preparedness to make such a study.

Texas Eastern Transmission Corporation is among the applicants. Mr. Flanigan did not own at the time his assets were put into a blind trust and never had owned any common stock or other securities of Texas Eastern Transmission Corporation. In April 1969 Mr. Flanigan severed all connections with Dillon, Read & Co. Inc. among whose clients Texas Eastern was included.



Sansinena

Allegation: That Flanigan, because of his ownership of shares of the Barracuda Corporation, procured and profited from a waiver from the Jones Act by the Treasury Department for one of Barracuda's tankers, the Sansinena, permitting the Sansinena to engage in coastwise trade between points in the United States.

Facts: Flanigan was in no way involved in Treasury's decision. Second, he could in no way have profited from it because (1) he had severed all ties with Barracuda when the waiver was granted, and (2) the Sansinena was on a long-term, fixed price charter to Union Oil Co. and so its use in the coastwise trade would not affect its value to Barracuda, which could only have received its previously agreed-upon fixed rental regardless of the grant or denial of the waiver. Finally, all of these facts were fully set forth in a letter by Flanigan on May 22, 1970 to Chairmen Magnuson and Long and have been totally available since that time to any Senator who cared to ascertain the facts. (Attached)

Background: 1. Flanigan was in no way involved in Treasury's decision on March 2, 1970, to grant such a waiver.



2. At the time of the Treasury action on March 2, PMF owned no Barracuda stock; he had severed all ties with the corporation; his financial affairs were being handled in a blind trust; moreover, the waiver for the Sansinena had no effect on the value of Barracuda stock since the Sansinena was chartered at a fixed price to the Union Oil Company. PMF had acquired 308 shares of Barracuda in 1956, representing less than 4% of its equity ownership. He served as a director and as President of Barracuda until April 1, 1969, when he resigned because he was joining Government service. The 308 shares of stock were placed in a blind trust. The shares were sold by PMF's father, the trustee, on February 25, 1970, at a price determined by a formula used in 1966. This sale occurred before the Treasury action; the price was calculated in a way which was entirely unrelated to any such action; and since the Sansinena was on a long-term fixed price charter, the possibility it might be used in coastwise trade was irrelevant to the value of the Barracuda shares to its stockholders in any event.



THE WHITE HOUSE

WASHINGTON

May 22, 1970

STATEMENT BY PETER M. FLANIGAN

I took no part in any way, directly or indirectly, in anything relating to the Treasury's granting of a waiver from the prohibition of the Jones Act to permit the tanker Sansinena to engage in the U. S. coastal trade. Nothing in the memorandum of October 9, 1969, from Maritime Administrator Andrew Gibson to me, to which Senator Tydings refers, or in the circumstances leading up to it, in any way contradicts that.

What happened was this: Prior to October 2, there had been discussion in the Cabinet Committee on Oil Import Policy of the means available to transport Alaskan crude oil from the North Slope to the continental United States. It was suggested that one company, having a refinery in the Virgin Islands (to which the Jones Act does not apply) was considering shipping crude oil in foreign flag ships to be refined there into products which foreign flag ships would then carry to the continental U. S. This possible threat to U. S. interests by inducing the construction outside the U. S., in either the Virgin Islands or Canada, of the refinery capacity required for Alaskan crude oil was of concern to me in my Presidential assignment with the Cabinet Committee mentioned above; and on October 2, I addressed a memorandum to Mr. Fansen, Acting Chairman of the Maritime Commission, and to Mr. Gibson asking about this (copy attached).

On the following day I had a conference with Mr. Gibson on the Administration's maritime program. At the end of it, I mentioned to him my October 2 memorandum regarding this aspect of the Jones Act, which was then on its way to him, and asked the related question: what were the provisions of the Jones Act (with which I was not then as familiar as I am now) which prevented vessels like the Sansinena, built in American yards and registered



THE WHITE HOUSE

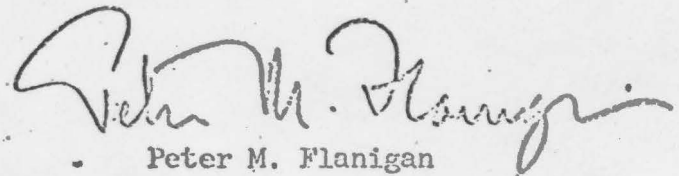
WASHINGTON

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under foreign flags, from returning to U.S. registry and engaging in the coastal trade. Mr. Gibson's memorandum of October 9, which quoted the relevant provisions of the law prohibiting this, was his reply to this oral inquiry.

At the time, I was aware of the failure of prior efforts to secure a waiver permitting the Sansinena to engage in coastal trade. I was not aware that another application for a waiver had been filed with the Treasury two months before, and did not become so until about the time the waiver was granted in March, 1970. My inquiry to Mr. Gibson was for information only, in the context I have described, which related to my official assignment for the President. It was not intended to produce, and did not in fact produce, any action by the Maritime Administration or the Commerce Department. Mr. Gibson confirms that his recollection and understanding of my inquiry are the same as mine.

Senator Tydings attempts also to find a significance that does not exist in minor changes that were made between the first and the final draft of the memorandum that I sent to Secretary Kennedy which was released by him on March 10, 1970. Apart from correcting an inaccuracy in the first draft (my financial statement, as is customary with members of the White House Staff was filed on the regular Civil Service form, but was filed with the Counsel to the President rather than with the Commission itself) the primary effect of the changes was to strengthen the points that I was making: that I had had nothing to do with the Sansinena waiver application, and in any event could not have profited in any way by the granting of it.

  
Peter M. Flanigan



October 2, 1969

MEMORANDUM FOR

Honorable James F. Tanseon  
Acting Chairman  
Federal Maritime Commission

Mr. Andrew Gibson  
Department of Commerce

A major oil company told me of a problem regarding American flagshipping that may well be caused by the Alaska oil developments. Hess Oil, as you know, has a refinery in the Virgin Islands which was built with an import quota. He has stated that it is his plan to take Alaskan oil by foreign tanker to this refinery, process it and then ship it to the United States, again in foreign bottoms. Apparently this does not violate the law as no quota would be needed for the importation of this American-produced oil. If Hess is allowed to do this, it is clear to see that other major companies with substantial oil production in Alaska will build refineries in Canada in order to allow them to use foreign flagships for transporting this oil. This, of course, has major implications for our national security insofar as it is affected by refinery location. It also has major implications for the use of American flag tankers to transport Alaskan oil.

May I please have your comments with regard to the accuracy of this question and, if accurate, how you would recommend proceeding with regard to it.

Peter M. Florigan  
Assistant to the President

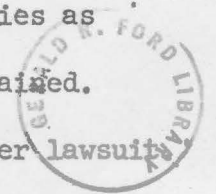


## Air Bags

Allegation: That Flanigan, because of automobile company pressure, intervened in a Department of Transportation decision to delay from the 1974 to 1976 model year the effective date of a DoT rule requiring all new cars to be equipped with rapidly-inflating airbags to cushion occupants in collisions.

Facts: The advisability of mandatory airbags in all automobiles as soon as 1974 is a highly controversial subject. At the time of Flanigan's alleged intervention, an inter-agency study for the Office of Science and Technology, was underway on this very subject. To suggest that White House involvement in this coordination effort was improper seems patently silly.

Background: 1. . Ralph Nader's group brought a federal lawsuit involving these same allegations. All memoranda passing from the White House to DoT were submitted to the District Judge Waddy at his request. He examined them to determine whether they amounted to a petition by the White House on behalf of the automobile companies as alleged, or proper intragovernmental communication as we maintained. After examining these memoranda, Judge Waddy dismissed the Nader lawsuit. He found that the White House - DoT interchange was a proper intragovernmental deliberation and not an ex parte communication which should be made part of the public record. This decision has been appealed to the District of Columbia Court of Appeals, which has allowed the revised rules to go into effect. Since litigation on the matter





has not terminated, it would be improper for the White House to discuss further the documents and events which are the subject of that litigation.



# EAGLETON

Missouri

NEWS RELEASE

FOR RELEASE: WEDNESDAY <sup>PM</sup>~~AM'S~~  
SEPTEMBER 25, 1974

## EAGLETON CALLS FOR WITHDRAWAL OF FLANIGAN NOMINATION

Senator Thomas F. Eagleton (D-Mo.) today called upon President Ford to withdraw the nomination of Peter M. Flanigan as Ambassador to Spain.

Calling upon President Ford to "exorcise the Nixonian influence from his Administration," Eagleton said, "If President Ford wants to divorce his Administration from Watergate and all its nefarious manifestations, he will immediately withdraw Mr. Flanigan's nomination."

Citing charges by Mr. Herbert Kalmbach that Flanigan was involved in an attempt to "sell" an ambassadorship to Dr. Ruth Farkas, Eagleton said, "Rather than have the Foreign Relations Committee investigate Mr. Flanigan's qualifications, I think it far more appropriate that the Justice Department investigate whether he was guilty of participating in illegal activity."

Calling the nomination "an insult to the Senate and an affront to the American people," Eagleton said that the allegations made against Mr. Flanigan can only be resolved "after hearing, under oath, such individuals as Haldeman, Strachan, Kalmbach, Higby, Colson, Kleindienst and Richard Nixon himself."

Eagleton cited Flanigan's role in the ITT affair and seven other areas and said that Flanigan "established a track record of highly questionable behavior during his years as a Nixon aide."

"Peter Flanigan's government service is not such that he should be rewarded by sending him to represent the United States in Spain."

Senator Eagleton has written to the Chairman of the Foreign Relations Committee enumerating the charges made against Flanigan. The text of that letter is attached.

. . . Text Follows . . .



Mr. President, in his inaugural address before Congress, President Ford urged the nation to put Watergate behind it. He sounded a call for integrity and openness in government. It was a refreshing change after five years of corruption and secrecy.

But rhetoric alone will not suffice to divorce President Ford from the mentality and the attitude of the Nixon White House. The President can make a clean break with the Watergate albatross only by matching his words with his deeds. And, thus far, despite the fact that President Ford has personally demonstrated that he is a man of integrity, the Nixonian influence has yet to be exorcised from his Administration.

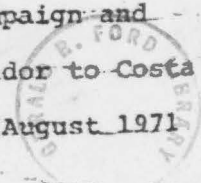
Aside from the President's unfortunate and premature pardon of Mr. Nixon, this negative influence is best exemplified by the blanket endorsement of nominations made by President Nixon and the appointment of a number of former Nixon aides to important government posts. Nowhere is this insensitivity to the nation's post-Watergate temperament more apparent than in the nomination of Peter Flanigan as Ambassador to Spain.

The President could perpetrate no more cruel hoax, whether intentional or not, than to nominate a man as an American Ambassador who has been accused under oath of participating on behalf of Richard Nixon in the illegal sale of Ambassadorial positions. Such a man is Peter M. Flanigan.

In testimony before the House Judiciary Committee during its impeachment inquiry, Mr. Herbert W. Kalmbach said that he had been told by Mr. Flanigan to contact Dr. Ruth Farkas concerning an Ambassadorial assignment to Costa Rica. According to Kalmbach, Flanigan told him: "She is interested in giving \$250,000 for Costa Rica."

Kalmbach explained his conversation with Flanigan this way: ". . . it is clear in my understanding of that conversation . . . that she would contribute \$250,000 to the President's campaign and in turn for that \$250,000, she would be appointed Ambassador to Costa Rica." Mr. Kalmbach acted on that understanding, and in August 1971 he offered Dr. Farkas Costa Rica for \$250,000.

Wrong



presented by the House Judiciary Committee. This memorandum, sent by Mr. Gordan Strachan to Mr. H.R. Haldeman, discussed the necessity to inform two other purchasers that commitments to give them European posts could not be met. The Senate Watergate Committee was pointing to the illegality of such commitments, and Haldeman had decided that their donations would have to be returned. Mr. Strachan also reported that "the only commitment that Kalmbach is aware of at this is Farcas (sic) for Costa Rica."

It seems clear that Mr. Kalmbach made that illegal commitment to sell an ambassador ship on the authority of Mr. Peter M. Flanigan.

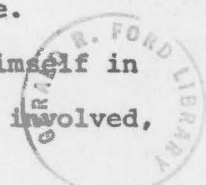
In February 1974, Mr. Kalmbach pleaded guilty to a charge of illegally offering an ambassadorship to Mr. Fife Symington in exchange for a campaign donation. He is now in a federal prison serving time. Mr. Peter Flanigan, on the other hand, has now been nominated by President Ford as Ambassador to Spain. I wonder what Mr. Kalmbach thinks of that!

Considering the gravity of the charge made against him, it is inappropriate even to consider Mr. Flanigan's nomination at this time. Rather than have the Foreign Relations Committee investigate Mr. Flanigan's qualifications, I think it far more appropriate that the Justice Department investigate whether he was guilty of participating in illegal activity.

This, of course, is not an isolated case for Mr. Flanigan. He established a track record of highly questionable behavior during his years as a Nixon aide.

He first came into public view in the ITT affair when he admitted having hired Mr. Richard Ramsden, a friend and former employee at Dillon-Read, to "advise" the head of the Anti-Trust Division, Mr. Richard McLaren, in the ITT merger case. In deciding to abandon the prosecution of ITT, which had coincidentally offered \$400,000 to subsidize the Republican National Convention, Mr. McLaren said he had based his decision on Ramsden's advice.

Mr. Flanigan had no statutory authority to involve himself in the ITT suit but, as was his custom when big business was involved, he did intervene to the advantage of his client, ITT.



in questionable roles. I ask unanimous consent that this letter appear after my remarks.

The list of allegations against Mr. Flanigan is a long one and includes the following:

1. Forcing the resignation of CAB board member Robert Murphy after Murphy ruled against American Airlines, which company had illegally given \$55,000 to President Nixon's re-election campaign.

2. Interfering with the independence of the Corporation for Public Broadcasting by attempting to influence a crucial vote by the board.

✓ 3. Protecting businesses against adverse anti-pollution rulings by the Environmental Protection Agency.

✓ 4. Influencing the Postal Service to sell \$250 million in bonds to Wall Street underwriters rather than to the U.S. Treasury. One of the underwriters involved was Dillon-Read, Mr. Flanigan's former employer.

5. Protecting the oil industry by stopping a Cabinet-level task force report recommending that oil import quotas be scrapped.

✓ 6. Using his position to obtain a Treasury Department exemption so that a foreign tanker owned by one Peter Flanigan could engage in domestic shipping. This exemption would have increased the value of Flanigan's company by \$6 million.

*Absolutely untrue* 7. Planting information he knew to be untrue in Life Magazine for the purpose of ruining the political career of Senator Joseph Tydings, and subsequently holding up the investigation that would clear Tydings until after his 1970 re-election defeat.

Mr. President, Peter Flanigan's government service is not such that he should be rewarded by sending him to represent the United States in Spain. If President Ford wants to divorce his Administration from Watergate and all its nefarious manifestations, he will immediately withdraw Mr. Flanigan's nomination. This nomination is an insult to the Senate and an affront to the American people.

*Armed  
Bussards*



When considering the allegations made against them, it is clear that they can be resolved only after hearing, under oath, such individuals as Haldeman, Strachan, Kalmbach, Higby, Colson, Kleindienst, and Richard Nixon himself. Since most of these people are awaiting trial, it would be impossible to hear their testimony before the end of this session of Congress.

Therefore, it would, in my opinion, be improper for the Senate to vote on this confirmation before these serious allegations are put to rest. In the case of the Kalmbach charges, activity is involved that is appropriately within the investigative province of the Department of Justice.

Whether or not Mr. Flanigan is absolved of all or part of the charges made against him, it seems apparent that we should expect much more from those who will represent the United States to the rest of the world. I call upon President Ford to break once and for all from the influences of Watergate by withdrawing Peter Flanigan's nomination as Ambassador to Spain.

. . . . Text of letter follows . . .



September 23, 1974

The Honorable J.W. Fulbright  
Chairman  
Senate Foreign Relations Committee  
1215 Dirksen Building  
Washington, D.C.

Dear Mr. Chairman:

The Foreign Relations Committee recently received the nomination of Mr. Peter Flanigan for the post of Ambassador to Spain. I understand that confirmation hearings will be held in the near future. This nomination is particularly surprising and disturbing because it comes at a time when the nation is trying to recover from the attitudes which created Watergate. That recovery will not be aided by Mr. Flanigan's nomination.

In your committee's draft rules for ambassadorial appointments you state: "The Committee...will oppose confirmation of ambassadorial nominees whose prima facie qualification for appointment rests on monetary political contributions..." I understand that your committee's action was based on deep concern over the excesses of the Nixon White House in this area. As you may know, during his tenure at the White House Mr. Flanigan was responsible for filling vacant ambassadorial posts and other high-level executive positions. I feel that his possible role in the selling of ambassadorships should be thoroughly explored.

In testimony before the House Judiciary Committee on July 17, 1974, Mr. Herbert W. Kalmbach said that he had been told by Mr. Flanigan in 1971 to contact Dr. Ruth Farkas concerning a possible ambassadorial assignment. According to Kalmbach, Mr. Flanigan said "She is interested in giving \$250,000 for Costa Rica." Kalmbach, in answer to a question by the committee's minority counsel, Mr. Jenner, said "...it is clear in my understanding of that conversation that she was interested in...that she would contribute \$250,000 to the President's campaign and in turn for that \$250,000 she would be appointed Ambassador to Costa Rica."

*Whore*  
Mr. Kalmbach testified that he did contact Dr. Farkas and made the Costa Rica offer in early August 1971. Dr. Farkas at that time said she was more interested in a European post, according to Kalmbach.

7  
Among the evidentiary documents presented by the House Judiciary Committee in its impeachment report was a September 24, 1971 White House memorandum from Mr. Gordon Strachan to Mr. H.R. Haldeman. This memorandum discussed the necessity to inform Mr. J. Fife Symington and Mr. Vincent de Roulet that commitments to give them European ambassadorships could not be met and that their campaign donations would have to be returned (this was apparently the result of Senate Watergate Committee inquiries into the legality of such commitments). In the same memorandum, Mr. Strachan reported that "the only commitment that Kalmbach is aware of at this time is Farcas [sic] for Costa Rica." *Whore*

Under cross-examination by President Nixon's impeachment lawyer, James St. Clair, Kalmbach said that he had made no commitment to Dr. Farkas about an ambassadorship to Europe and that he had no authority to make such a promise. But he apparently did have the authority to offer her Costa Rica. Gordon Strachan's September memorandum makes it clear that Kalmbach made a commitment to Dr. Farkas for that post and Kalmbach has testified that this commitment was made on the authority of Peter M. Flanigan.

Mr. Flanigan, in a letter to the Senate Watergate Committee which was investigating the Symington and de Roulet cases, stated that Mr. Kalmbach had misunderstood about the "commitments" to the two individuals and that such promises to campaign contributors

were contrary to Administration "policy." Such offers are also prohibited by federal law, a fact about which Mr. Flanigan was undoubtedly cognizant when he wrote to the Committee. Mr. Kalmbach pleaded guilty in February 1974 to charges that he promised Mr. Symington a European post in return for a contribution to President Nixon's campaign.

The offer of the Costa Rica assignment to Dr. Farkas was, of course, equally unlawful whether or not it was ever consummated. Mr. Kalmbach's statement under oath that he based the offer on Mr. Flanigan's say so is, therefore, a serious charge involving Mr. Flanigan's alleged participation in illegal activity. I feel that the Justice Department should look into charges of this nature.

It is well known that Mr. Flanigan was in charge of filling ambassadorial and other high-level vacancies in the Nixon White House. He also was known to be Mr. Nixon's liaison man between the powerful business interests and the governmental agencies which regulate their activities. It would seem, therefore, inconceivable that Mr. Flanigan could have been completely unaware of Mr. Kalmbach's job offers and the various commitments made by the Committee to Re-Elect to assist campaign donors in their "problems" with the government.

Mr. Flanigan's track record establishes a pattern of governmental behavior which, if not illegal, is, in my opinion, highly detrimental to our democratic institutions. I would like to enumerate some of Mr. Flanigan's questionable activities during his tenure at the White House.

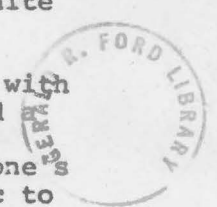
THE ITT CASE: During the hearings on the confirmation of Mr. Richard Kleindienst as Attorney General a question was raised over whether a multi-billion dollar Justice Department anti-trust settlement was linked to a subsidy for the Republican National Convention. Although Mr. Kleindienst testified that President Richard Nixon did not contact him concerning the matter, he subsequently pleaded guilty to a charge of misrepresenting himself on that point before a congressional committee. In fact, President Nixon did contact Kleindienst with an order to drop the ITT case, an order he soon rescinded, according to Kleindienst.

*Wrong*  
Although the Justice Department Anti-Trust Division under Mr. Richard W. McLaren had exclusive jurisdiction over the matter, Mr. Flanigan became deeply involved. Mr. Flanigan has testified that he hired a friend and former colleague, Mr. Richard Ramsden to "advise" Mr. McLaren on the ITT suit.

In deciding to abandon the prosecution of the ITT merger case, Mr. McLaren admitted that he based his decision on a study prepared by Mr. Ramsden. Two Justice Department economic advisors stated that they had never been consulted about the case. A New York Times editorial had this to say about Mr. Flanigan's role in the affair:

The participation of White House aide Peter M. Flanigan in shaping the ITT settlement is -- or ought to be -- highly irregular. The work of the Anti-Trust Division will collapse if politically well-connected companies can go over its head and cook up deals at the White House.

Mr. Flanigan has no statutory authority to deal with anti-trust matters. Yet it was he who recruited young Wall Street broker to prepare an economic analysis of the issues in the ITT case. To no one's surprise, this analysis was markedly sympathetic to ITT's position. Since the federal government has many qualified economists, why was not one of them asked to prepare this analysis?





Mr. Flanigan's fishy activities in this case need to be fully explored. So does that \$100,000 -- or was it \$400,000? -- which an ITT subsidiary offered to subsidize the GOP convention in San Diego.

Did Mr. Nixon ask Mr. Flanigan to intervene in the ITT case? Was Flanigan's intervention connected in any way to the ITT offer to subsidize the Republican Convention in San Diego? Was Mr. Flanigan only carrying out orders, or was he actively interfering in the judicial process on his own volition? These are questions which, it seems to me, must be resolved.

AMERICAN AIRLINES AND THE CIVIL AERONAUTICS BOARD: On July 12, 1973, Special Prosecutor Archibald Cox announced that he would investigate White House maneuvering over the nomination of Mr. Lee West to replace CAB member Robert G. Murphy. Cox was looking into allegations that the decision to drop Mr. Murphy was tied to a CAB vote unfavorable to American Airlines which had illegally contributed to Mr. Nixon's re-election campaign. Mr. Flanigan was instrumental in securing Mr. West's appointment, although he had previously promised Senator Norris Cotton that Mr. Murphy would be re-nominated. Senator Henry Bellmon has acknowledged publicly that American Airlines "didn't like" Murphy and wanted him off the CAB.

What role did Mr. Flanigan play in dropping Mr. Murphy? Was he ordered to do so by President Nixon? Despite denials, was Murphy's departure from the CAB connected in any way to the contribution of American Airlines to the Nixon re-election campaign?

WHITE HOUSE INTERFERENCE WITH THE CORPORATION FOR PUBLIC BROADCASTING: On June 1, 1973 the former Chairman for the Corporation for Public Broadcasting, Mr. Thomas Curtis, charged that Mr. Clay Whitehead, Director of the White House Office of Telecommunications and Mr. Peter Flanigan contacted members of the CPB Board prior to a key vote on a compromise agreement with the Public Broadcasting Service. According to Curtis, the independence and integrity of the Board were severely undermined by Mr. Flanigan's effort to influence the important vote.

Was this an appropriate activity for a White House aide? Was Mr. Flanigan attempting to influence the programming schedule of the Public Broadcasting System?

THE ANACONDA CASE: Late in 1971 the Montana State Board of Health held hearings on proposed new Montana air pollution regulations. An employee of the Environmental Protection Agency (EPA) testified there in favor of stringent air pollution control.

The President of Anaconda, Mr. John Place, was reportedly angered over the testimony of the EPA employee and fired off a blistering letter to EPA Administrator William Ruckelshaus. Without giving Ruckelshaus a chance to respond, Place and other moguls of the copper industry sat down with Peter Flanigan in the White House and told him of their dissatisfaction.

Place acknowledged this meeting with a "Dear Peter" letter of December 29, 1971, in which he concluded: "...Any assistance you can offer in having EPA acknowledge that it got overzealously involved in Montana's affairs will be appreciated."

Flanigan contacted EPA and interceded on behalf of Anaconda. EPA then decided to disavow the testimony of its own employee. The disavowal letter was flown in person from Denver to Helena, Montana. Was this an improper use of White House power to overrule an important regulatory agency?

ARMCO STEEL CASE: In September 1971, the Environmental Protection Agency won a court order preventing ARMCO from dumping highly toxic chemicals into the Houston ship channel. EPA had taken the position that the wastes in question -- cyanide, phenol ammonia and sulphide -- could be burned off. ARMCO complained of the additional cost and threatened to lay off over three hundred workers.

ARMCO President William Verity -- whose executives had contributed at least \$14,000 to the 1968 Nixon campaign -- wrote to President Nixon complaining of the EPA suit. According to House testimony, Peter Flanigan contacted EPA officials -- who were told to "negotiate the case like any other..." whatever that meant. EPA and the Justice Department then entered into negotiations with ARMCO and reached an agreement whereby ARMCO could continue dumping its chemicals until the summer of 1972.

The 1972 fund-raising exploits of the Committee to Re-Elect the President have been well-chronicled by the Senate Watergate Committee, the House Judiciary Committee and the Special Prosecutor. According to testimony, corporations were asked to pay "protection" money which, it was said would be considered if future problems arose with government regulatory agencies. Washington Post reporter Carl Bernstein interviewed a Texas lawyer, Mr. Richard Haynes, who was intimately familiar with this operation. In a conversation with Bernstein, Haynes mimiced the typical pitch made by chief fund-raiser Maurice Stans:

You know we got this crazy man Ruckleshaus (head of the Environmental Protection Agency) back East who'd just as soon close your factory as let the smoke stack belch. He's a hard man to control and he is not the only one like that in Washington. People need a place to go, to cut through the red tape...

If his experience during the first Nixon Administration was any indication, the evidence is overwhelming that the man to see in Washington was Mr. Peter M. Flanigan. Called by Time Magazine the "Mr. Fixit" of the Nixon Administration, Mr. Flanigan was the liaison with big business and in charge of regulatory agencies at the White House. His name comes up time again in news articles and testimony as the man who, more than any other, could deliver on Mr. Stan's promises.

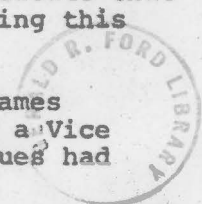
POSTAL SERVICE BONDS: In 1971 the newly-restructured Postal Service announced its intention to issue \$250 million worth of bonds. The Postal Service decided: (1) to sell the bonds on Wall Street rather than selling them to the U.S. Treasury; (2) not to take advantage of federal guarantees (which meant the price of the bonds would be higher); (3) that underwriters to float the bonds on the market would be selected through negotiations rather than competitive bidding; and (4) that one of the underwriters would be the Dillon-Read Company (Mr. Flanigan's former employer).

In his September 21, 1971 report to the Chairman of the House Committee on Post Office and Civil Service, Representative Morris Udall stated two principal conclusions: "(1) this important bond issue has been handled in such a way that the strong appearance of impropriety has arisen; and (2) that the method chosen for this financing may eventually and unnecessarily cost the taxpayers and the Postal Service large sums of money."

Udall reported further, "Peter Flanigan is a Special Assistant to the President and was formerly a Vice President of Dillon-Read and Company. There is ample evidence to indicate that he has been involved in discussions and meetings involving this issuance of the bonds by the Postal Service."

Add to this that the bond deal was negotiated by James Hargrove, Senior Assistant Postmaster General, formerly a Vice President of Texas Eastern Transmission...whose own issues had been handled for years by Flanigan for Dillon-Read.

It is hardly surprising, perhaps, that this exercise in public-private high finance was enriched by the appointment of none other than Mudge, Rose, Guthrie and Alexander as counsel to the underwriters -- counsel doubtless enhanced by the fact that two former senior partners are President Richard Nixon and then Attorney General John Mitchell.



**OIL IMPORTS:** The oil import quota system was estimated in 1972 to cost consumers up to \$5 billion a year. The Treasury gets none of it; oil companies get it all. A Cabinet-level task force recommended in 1970 that the quota system be scrapped. Peter Flanigan is known to have stopped the original report and guided the work of a successor panel which brought in the opposite verdict.

In firm control of the oil import control system, Mr. Flanigan embarked on Phase II. According to The Oil Daily, "orders have now gone down" to the Oil Policy Committee to report by April 1, 1973 on the import of new gas sources. The Committee was expected to recommend "large scale imports of LNG (liquified natural gas) and oil for SNG (substitute natural gas)," to meet the increasing gas shortage.

Mr. Flanigan apparently finds no conflict of interest in the fact that Texas Eastern Transmission Corporation, mentioned above, is planning a SNG facility which will require 125,000 barrels per day of imported naptha. It has also applied for permission to import LNG from Algeria (on a temporary basis, thus far) to a terminal facility on Staten Island. Dillon-Read underwrote the first offering of TETCO common stock in 1947 when it was formed, and it has underwritten every one of TETCO's public debt issues since that time. TETCO has been Dillon-Read's creation and, to a large degree Peter Flanigan's. In an oil market controlled by the White House, Peter Flanigan was in a position to insure the continued prosperity of his corporate ward.

**THE SANSINENA CASE:** In March 1970, Senator Joseph Tydings accused Mr. Flanigan of obtaining an "exemption" from the Treasury Department for a foreign tanker named "The Sansinena," to engage in domestic shipping. Mr. Flanigan was also the owner of the Sansinena and, according to Senator Tydings, the permit to allow the ship to engage in domestic shipping increased the value of the Flanigan company by up to \$6 million. Mr. Flanigan's father held his shares in the company. It should be noted that a similar request was turned down by the Navy during the Johnson Administration. Shortly after Senator Tydings' speech, the Treasury Department suspended the exemption fearing a possible congressional investigation.

**POLITICAL SABOTAGE OF SENATOR TYDINGS:** A few months after the Tydings' speech on the Sansinena exemption, Senator Tydings was made the subject of a damaging Life Magazine article which accused him of using his political office to advance a private financial venture. Tydings was said to have appeared personally before an AID officer to secure a \$7 million loan for his company in Nicaragua, which loan was approved.

Senator Tydings has accused Mr. Don Hoffgren, Assistant to Mr. Flanigan for AID matters, as the person who fed the erroneous story to Life Magazine. Tydings said that Hoffgren was in a position to know of the joint venture in the Nicaraguan project with Tydings business associates.

I have looked further into this matter and have received some unsubstantiated allegations that Mr. Charles Colson, a White House aide, and two high-level State Department employees conspired to withhold the State Department investigation on this affair which cleared Senator Tydings of any wrongdoing, until after the 1970 election. If this allegation is true, it demonstrates that the State Department was used for highly partisan purposes.

Was Mr. Flanigan involved in the leak to Life Magazine about Senator Tydings? Did he conspire to withhold results of the State Department investigation clearing Senator Tydings until after the 1970 election? These are areas which should be explored especially since Mr. Flanigan is being considered for a State Department post.

On June 1, 1974, Special Prosecutor Leon Jaworski told U.S. District Chief Judge George L. Hart, Jr. that a Watergate grand jury has "circumstantial and direct evidence" that large contributors to President Nixon's 1972 re-election campaign sought or were promised federal jobs in return for their donations. Jaworski made this disclosure in papers filed with Judge Hart to explain why the Special Prosecutor's Office needed access to correspondence between former President Nixon and Maurice Stans concerning federal job appointments. According to Jaworski, the evidence to support such a request came from several persons, including White House aides H.R. Haldeman, Lawrence M. Higby, Peter Flanigan, Frederick V. Malek and Stanton Anderson. It is my belief, therefore, that Mr. Jaworski holds evidence which would be important to your committee's inquiry.

On the basis of the information which I possess concerning Mr. Flanigan, I could not in good conscience vote to confirm him as Ambassador to Spain. I believe that we should expect much more from those who represent the United States in foreign countries. Mr. Flanigan's agility is well known, but should the Senate reward him with one of the most prestigious titles our government can confer simply because he, unlike his many cohorts at the Nixon White House, has thus far escaped the long arm of the law?

For your information, I will deliver a speech on this subject Wednesday on the floor of the Senate. At that time I will ask President Ford to withdraw Mr. Flanigan's nomination.

Thank you very much for considering my views.

Sincerely,

/s/ Tom Eagleton

Thomas F. Eagleton  
United States Senator

TFE/cf





U.S. SENATOR

# ROBERT C. BYRD

WEST VIRGINIA

Phone: (202) 225-3904

Senate Floor Speech by U.S. Sen. Robert C. Byrd (D-W.Va.)

## Peter Flanigan and ITT

For 12 Noon Release, Wed., 9/25/74

Peter Flanigan was an important business-oriented aid in the Nixon White House.

As such, he came to be one of the key figures in the nomination hearings before the Senate Judiciary Committee of Richard Kleindienst to be Attorney General. These hearings, which ultimately produced a guilty plea by Mr. Kleindienst in Federal Court for failure to respond fully to the Committee's questions, became popularly known as the ITT hearings, due to allegations of high government misconduct in the settlement of the Justice Department's anti-trust suit against the International Telephone and Telegraph Co.

Mr. Flanigan became a central figure in the case when it was discovered that he had secured the services of an outside financial analyst, Richard Ramsden, to do a financial study of the effect upon ITT of the proposed Justice Department divestiture of the Hartford Fire Insurance Co. from ITT. This report was used as the analysis to persuade the Chief of the Antitrust Division, Richard McLaren, that the Justice Department studies or two years were incorrect and that ITT should not lose Hartford Fire.

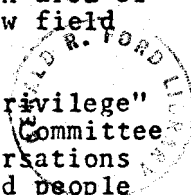
The roles of Flanigan and other top administration officials -- notably Attorney General John Mitchell and Richard Kleindienst -- in the settlement of the ITT Case at the same time as ITT was pledging \$400,000 to San Diego, California for the 1972 Republican National Convention are murky at best.

The now famous Dita Beard memorandum stated that the favorable antitrust settlement for ITT was the result of negotiations between high ITT officials and top Presidential officials resulting in ITT's \$400,000 pledge to the 1972 Republican National Convention site.

When the Judiciary Committee attempted to call Mr. Flanigan to testify during the hearings, the White House indicated that Flanigan would not be allowed to testify. When it became apparent that the Committee would not act on Kleindienst unless Flanigan testified, the White House position changed somewhat. Mr. Flanigan offered to respond to interrogatories sent by the Committee. The Committee rejected the offer. Then he offered to appear in Executive Session of the Committee and respond to a narrowly drawn area of questioning. Finally, the Committee accepted the narrow field of questioning in exchange for a public session.

Peter Flanigan had been a prime example of "executive privilege" as claimed by former President Nixon -- even though the Committee was not attempting to interrogate Mr. Flanigan on conversations with the President, but on meetings with other aides and people outside the government.

The substantive role played by Mr. Flanigan in getting prepared the outside financial analysis from Mr. Ramsden that was so persuasive



to the Antitrust Division Chief Richard McLaren in the key event involved in the ITT controversy and the executive privilege cloak that was attempted to be placed around him to prevent the Judiciary Committee from fully questioning him on his role in the ITT settlement, makes him a questionable figure, at best, in light of the later Watergate related investigations.

In summary, Mr. Flanigan was essential in the changing of the Justice Department's position on the ITT case; that position was allegedly changed due to ITT's offer of \$400,000 to the Republican National Committee site in 1972; the resistance of the White House to allowing Flanigan to testify before the Judiciary Committee; the subsequent referral of the Kleindienst hearings to the Justice Department for possible perjury charges by the Committee; the subsequent guilty plea in Federal Court by former Attorney General Richard Kleindienst concerning his testimony during his confirmation hearings; and the subsequent knowledge that the ITT hearings were really the first tip of the iceberg of Watergate-related offenses that were opened up by Congressional hearings leads me to the inescapable conclusion that Mr. Flanigan is not a suitable man, under the circumstances that I have enumerated, to represent the United States as an ambassador.



*Flanigan, Peter*

September 26, 1974

MEMORANDUM FOR:      Ron Nessen  
FROM:                      Philip Buchen

On September 17, Mr. Peter M. Flanigan was nominated by the President for the post of Ambassador to Spain. The President believed that he met the high standards necessary for appointment to this important post.

In recent days, certain allegations have questioned the character and integrity of Mr. Flanigan. Even criminal violations have been suggested. These charges, which have been made before, promoted checking with the Special Prosecutor, Leon Jaworski, before the nomination was made. The Special Prosecutor, Leon Jaworski, then informed the White House that "no action was contemplated against Mr. Flanigan, and such is the usual form of clearance given to prospective nominees." He added, "The fact he was at one time under investigation is not regarded by the Special Prosecutor's office as any indication of wrongdoing." This information was confirmed again today by Mr. Jaworski.



THE WHITE HOUSE

WASHINGTON

November 12, 1974

MEMORANDUM FOR THE PRESIDENT

FROM: PHILLIP AREEDA *PA*

SUBJECT: Peter Flanigan

You must decide whether to resubmit the name of Peter Flanigan for the post of Ambassador to Spain. I understand that Flanigan's name was checked with the Special Prosecutor's office before you nominated him. Jaworski said that no charge was contemplated against him on the basis of information then possessed. Jaworski also said, however, that the White House might wish to consider the testimony concerning Mr. Flanigan by Mr. Herbert Kalmbach before the House Judiciary Committee relating to the Ambassadorial nomination of Mrs. Ruth Farkas.

Senator Scott -- and perhaps the White House as well -- said that Flanigan had been given a complete bill of health by Jaworski. This was not true.

If Kalmbach is to be believed, Flanigan violated the law. Flanigan disputes Kalmbach's account. We are not in a position to resolve their conflicting statements of fact. (Flanigan also says that he was instrumental in impeding Ambassadorial appointments for certain other contributors who were unqualified.)

After talking with the Special Prosecutor's office, it is my impression that charges are not likely to be brought against Flanigan, but that the Farkas investigation is very much open, that more information is expected both from the witnesses and from the Nixon documents, and that future charges against Flanigan are a possibility. The ITT and ARMCO investigations are also still open.





Hearings on Flanigan's nomination will give, of course, great publicity to the fund raising tactics and appointments policy of the prior Administration. The ITT and ARMCO matters will also be resurrected.

Because such publicity redounds to the detriment of this Administration and because there is a doubt about Flanigan's conduct (on limited data available to us), I recommend that Flanigan's name not be resubmitted to the Senate. Secretary Kissinger should, of course, be consulted.



*Flanigan*  
*Peter*

November 14, 1974

MEMORANDUM FOR: Phil Areeda  
Bill Walker  
Ken Lazarus

FROM: Phil Buchen

David Keaney of the Senate Foreign Relations Committee staff (phone: 224-4651) called to ask that we supply him with logs from Peter Flanigan's White House records to assist staff in preparing study by November 22 to counteract charges made by Senator Eagleton.

I explained that we would like to wait until the November 15 hearing before Judge Richey on the TRO and proposed injunction involving access to such records is over and we have our rights to provide such materials clarified.

We have two other pending requests to furnish persons at the Congress with records from the Nixon materials on other subjects and while response to this latest request, if it proves possible, might serve to help along the Flanigan nomination, we have to be concerned as to the precedent it sets for all such requests including future ones.

PWBuchen:ed



November 16, 1974

Office of the White House Press Secretary

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THE WHITE HOUSE

EXCHANGE OF LETTERS BETWEEN THE PRESIDENT  
AND PETER M. FLANIGAN

November 16, 1974

Dear Pete:

I have your letter of November 16 asking that I not resubmit your nomination as Ambassador to Spain. Although I fully understand the selfless reasons which led to your decision it is nevertheless with reluctance and deep regret that I accept your request. In doing so, I want to assure you once again of my confidence in you and my admiration for your abilities.

For the past five years as Assistant to the President and Director of the Council on International Economic Policy, you have served your nation with the highest distinction. You can be justly proud of the critical role you played in helping to shape our country's vital trade and economic policies under the most challenging circumstances. Your efforts won you the highest respect of your colleagues in government and the esteem of the international community for the substantial contributions you have made. You deserve the heartfelt thanks of your fellow citizens, and I want to take this opportunity to express my own lasting gratitude.

I am also deeply grateful for your generous offer of continuing assistance in the future, and you can be sure if the occasion arises we will not hesitate to take advantage of your talents. In the meantime, Betty joins me in extending to Brigid and you our very best wishes for every continuing happiness and success.

With my warmest personal regards.

Sincerely,

GERALD R. FORD

(MORE)



November 16, 1974

Dear Mr. President:

To serve as your Ambassador to Spain would be a great opportunity to work for the Nation as well as a great honor. For that reason I accepted with pleasure your offer of the post. And also for that reason it is with the deepest regret that I now ask that you not resubmit my name.

During the past weeks I have weighed, on the basis of all the information that could be developed, the prospects for my confirmation by year-end. It had been my belief that five years as Assistant to the President and Director of the Council on International Economic Policy provided a record which would command prompt Senate support. Unhappily the distortion of that record, despite the affirmative report given to the White House by Mr. Jaworski, throws that belief into serious question. Though the false charges and insinuations have already been fully answered, I must now conclude that the confirmation process would not be completed by the end of the year and the 93rd Congress. This long delay in the confirmation of your nominee would not be in the best interest of your relations with the Congress nor the Country's relations with Spain.

I will never forget the continued strong support given to me by you and Secretary Kissinger. My purpose in coming to Washington has been to serve the President - not to burden him. Given the current political climate, I can best do this by asking that you not resubmit my nomination.

I am deeply grateful for the honor you did me in offering me the Ambassadorship to Spain. I look back with satisfaction at the past five years of working with you in the Congress and in the White House. If in the future I can be of assistance to you in any way, you know that I would be very pleased to do so.

With warm personal regards, I remain,

Sincerely yours,

PETER M. FLANIGAN

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