

The original documents are located in Box 38, folder “Personnel - Conflict of Interest, L” of the Philip Buchen Files at the Gerald R. Ford Presidential Library.

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Lanier,
Wm.

THE WHITE HOUSE
WASHINGTON

Ken:

4/3/76

Rather than following your suggestion of mailing material to Sec. Butz, what do you think of your calling Keast to request that he take up the matter with the Secretary?
P.



THE WHITE HOUSE

WASHINGTON

March 29, 1976

MEMORANDUM FOR: PHIL BUCHEN
FROM: KEN LAZARUS *KL*
SUBJECT: Department of Agriculture/
Potential Conflict Problem

In response to your request (attached), I spoke last week with Jim Keast, General Counsel at the Department of Agriculture. After making some discreet inquiries, Jim called back and reported to me the following:

- (1) "Bill Lanier" is William L. Lanier, Director, Tobacco and Peanut Division of the Agriculture Stabilization and Conservation Service at Agriculture.
- (2) Mr. Lanier currently holds title to a 100-acre parcel of property in Georgia. He leases the agricultural rights to this property for approximately \$10,000 annually.
- (3) Included in this 100-acre parcel is a 12-acre peanut allotment which accounts for approximately \$3,000 of the \$10,000 annual lease fee. This allotment was granted many years ago. Mr. Lanier will advise his superiors of the details of this holding and will request a waiver under Section 208(b) of title 18 should that be considered advisable.
- (4) The only question that remains is whether Lanier should be forced to dispose of this asset. Since Secretary Butz has been making much of Jimmy Carter's peanut holdings, Lanier's situation is a potential political embarrassment. However, Lanier is not a Presidential appointee and does not have a close identification with the President.

Do you want me to do anything further?



✓

THE WHITE HOUSE
WASHINGTON

March 17, 1976

TO: KEN LAZARUS

FROM: PHIL BUCHEN *P.*

Please review the attached and call me
on how this should be handled.

If this man is a Presidential appointee
or if you can otherwise check previous
disclosures made by him, please check.



THE WHITE HOUSE

WASHINGTON

March 16, 1976

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM TO: PHIL BUCHEN

FROM: RUSS ROURKE *Rourke*

I had occasion last week to speak by telephone with Thad Murray, Administrative Assistant to Congressman Bob Daniel (R-VA).

Having completed the principal subject of my telephone call, Murray then introduced a totally new subject having to do with the Department of Agriculture and the current peanut support price controversy.

Murray raised what could, in his view, be a potentially embarrassing situation.

The following is an approximate quote from that conversation:

"Bill Lanier, a Department of Agriculture official, who is calling all of the shots on this price support program, owns a 300-acre peanut allotment in Georgia. This could certainly prove to be a very scandalous situation for the Administration."

I pass this information on to you for whatever action you might deem appropriate.

cc: JMarsh



Learson,
F. Vincent

November 4, 1975

Dear Mr. Learson:

This office has reviewed your answers to the questions on the Personal Data Statement which was submitted to you.

As a result of our conversation yesterday, I propose the following recommendations:

1. That you submit a list of your wife's investments and agree that they too will be placed in blind trust;
2. That for the trustee of your blind trust and that of your wife that you designate a bank or trust company with which you have had no recent business association;
3. That you upon confirmation will resign from the following:

Board of Directors of the
Chemical Corporation &
Chemical Bank

Board of Directors Exxon Corp.

Member of the Business Council

Member of Brookings Institute

I understand that the other corporations with which you are affiliated as director do not ~~now~~ have and do not plan in the future to have any interest which could be affected by the outcome of negotiations at the Law of the Seas Conference. It may be, of course, that the members of the Senate Committee who will be



reviewing your nomination would question one or more of your affiliations which you do not propose to terminate, but our preliminary view is that none of such affiliations would be objectionable.

I was delighted to visit with you yesterday and will be glad to provide any further assistance with the matters discussed.

With best wishes.

Sincerely,

Philip W. Buchen
Counsel to the President

Mr. T. V. Learson
North Manursing Island
Rye, New York 10580



NATIONAL ARCHIVES AND RECORDS ADMINISTRATION
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REASON FOR WITHDRAWAL Donor restriction
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COLLECTION/SERIES/FOLDER ID . 001900424
COLLECTION TITLE Philip W. Buchen Files
BOX NUMBER 38
FOLDER TITLE Personnel - Conflict of Interest, G-Z

DATE WITHDRAWN 08/26/1988
WITHDRAWING ARCHIVIST LET

THE WHITE HOUSE
WASHINGTON

Date 2/26/76

TO: Phil Buchan

FROM: DUDLEY CHAPMAN

I agree. We should
mail the Justice letters
directly from here.



Department of Justice
Washington 20530

Levin, Leo
Arthur D. Little

FEB 23 1976

Mr. Philip W. Buchen
Counsel to the President
The White House
Washington, D. C.

Dear Mr. Buchen:

In your December 31, 1975 letter concerning the Arthur D. Little Company, you requested that the Criminal Division re-open the investigation of this matter to focus on the various U.S. Government contracts held by the Company and to advise whether any ethical violation may be involved.

While certain observations we made in our September 30, 1975 letter applied specifically to the individual named in Mr. Chapman's July 18, 1975 letter the analysis of the conflict of interest statutes with respect to that individual would also apply to other employees of the Company who may have participated in policy studies for the Government as special government employees. The possibility that an investigation to determine what contracts the Company may have held with Government agencies would reveal any violation of federal criminal law is, therefore, too remote to warrant such an investigation.

This is because such an investigation would reveal that the Company conducted policy studies for the United States Government as a private contractor, or that the relationship of the Company's employees to the Government was one of direct employment. In the former situation, neither the Company itself nor any of its employees would be "officers or employees" of the Government and the conflicts of interest statutes of Chapter 11, Title 18, United States Code would not be applicable. In the latter situation, the statutes would apply, but the possibility that any have been violated is remote because:

1. The services such an employee may have provided would not have been performed in one of the forums mentioned in 18 USC 203. Furthermore, even if the employee may have had some communication in one of the forums mentioned in 18 USC 203, it is unlikely that such



communication would amount to representation as required by the statute. Prosecution under 18 USC 203 is not a viable theory;

2. The services such an employee may have provided in preparation of the OPEC position paper would not have involved a claim for the purposes of 18 USC 205. Nor would they have been services as an agent or attorney before the forums enumerated in 18 USC 205. Thus, prosecution under 18 USC 205 is not a viable theory;

3. For the purposes of 18 USC 207, it would appear that the OPEC position paper in which a former government employee may have participated would be a new particular matter. Furthermore, it is likely that the services provided by the former employee would be in the nature of technical services rather than representational services as an agent or attorney. Prosecution under 18 USC 207 is not therefore a viable theory;

4. There is no indication of substantial participation by a Government employee on a particular matter in which he or his outside employer to his knowledge may have had a financial interest. Prosecution under 18 USC 208 is not therefore a viable theory; and

5. There is no indication that any employee of the Company received prohibited compensation for his services as a Government employee. Prosecution under 18 USC 209 is not therefore a viable theory.

The foregoing demonstrates the absence of a sufficient allegation of criminal conduct on the part of the Arthur D. Little Company. To investigate the contracts this Company held with the U.S. Government on the basis of the information presently available would appear to be an abuse of the prosecutive power and a misallocation of the investigative resources of the Federal Bureau of Investigation.

With respect to the question of ethical violations involved in this matter, we note that Executive Order No. 11222 of May 8, 1965 (Standards of Ethical Conduct For Government Officers And Employees) in Section 303 provides as follows:

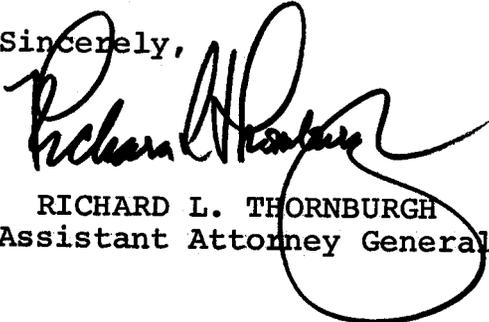


A consultant, advisor, or other special Government employee shall not use any inside information obtained as a result of his government service for private personal gain, either by direct action on his part or by counsel recommendations or suggestions to others, including particularly those with whom he has family business or financial ties.

However, this Section applies only to "special Government employees" as defined in Section 202 of Title 18, United States Code, who are employed in the Executive Branch. The prohibition would be inapplicable to a company conducting policy studies for the Government as a private contractor, or to the employees of that company who may have served as "special Government employees" in the past, but who are no longer employed in the Executive Branch. Furthermore, the prohibition applies only to private gain derived from confidential information acquired in a special Government employee's official capacity, and does not extend to the legitimate use of expertise and experience gained in government service. As there is no indication that a special government employee used inside information in the preparation of the OPEC position paper, no ethical violation is apparent from the information presently available.

Attached hereto for your consideration are responses from the Criminal Division to Congressman Claude Pepper and to his constituent Leo C. Levin who alleged a possible conflict of interest by the Arthur D. Little Company. These letters can be dispatched directly from your office if you so desire.

Sincerely,


 RICHARD L. THORNBURGH
 Assistant Attorney General



typed: 2/18/76
RLT:ALH:RGA:hss

FEB 23 1976

Honorable Claude Pepper
House of Representatives
Washington, D. C.

Dear Congressman:

Your December 2, 1975 letter to Mr. Buchen, Counsel to the President, with respect to a possible conflict of interest by the Arthur D. Little Company was referred to the Criminal Division of the Department of Justice for reply.

We have advised Mr. Buchen on this date that no violation of the federal conflicts of interest statutes is apparent from the Arthur D. Little Company's participation in the preparation of a position paper for the OPEC countries. Accordingly, the Department of Justice is taking no further action in this matter.

Sincerely,

RICHARD L. THORNBURGH
Assistant Attorney General

Records
Gen. Crimes
Andary (2)
Thorburgh
Buchen ✓
Crim. Mail Room



typed: 2/18/76
RLT:ALH:RGA:hss

FEB 23 1976

Mr. Leo C. Levin
10275 Collins Avenue PH27
Bal Harbour, Florida

Dear Mr. Levin:

As you know, your May 21, 1975 letter to the President concerning a possible conflict of interest by the Arthur D. Little Company was referred to the Department of Justice. We have also had the benefit of your September 17, 1975 and October 30, 1975 letters to Mr. Buchen on the same subject.

We have reviewed this matter and have advised Mr. Buchen on this date that no violation of the federal conflict of interest statutes appears to be involved in the Company's participation in the preparation of a position paper for the OPEC countries. Accordingly, the Department of Justice is taking no further action in this matter. Your interest in bringing this matter to our attention is appreciated.

Sincerely,

RICHARD L. THORNBURGH
Assistant Attorney General

Records
Gen. Crimes
Andary (2)
Thornburgh
Buchen ✓
Crim. Mail Room



THE WHITE HOUSE
WASHINGTON

*Conflict
file*

December 31, 1975

Dear Mr. Thornburgh:

On September 30, 1975, you responded to my memorandum of June 20, 1975, involving the question of whether the Arthur D. Little Co.'s work on behalf of OPEC member countries involved any conflict of interest because of its work on other projects for the U.S. Government. The question was brought to our attention by Congressman Claude Pepper. Copies of the correspondence were enclosed with my memorandum.

Your memorandum stated that you found no evidence of criminal violation and mentioned that you did not consider whether violations of standards of ethical conduct might be involved because that question was not specifically raised.

Your conclusions as to possible criminal liability appear to relate solely to the question of whether a named individual might have committed a violation. Mr. Chapman, of my staff, confirmed this in a discussion with Mr. Andary of your staff, who stated that no investigation of the firm's contracts had been made. Mr. Andary also provided for our study a copy of the Presidential memorandum of May 1963 concerning ethical standards.

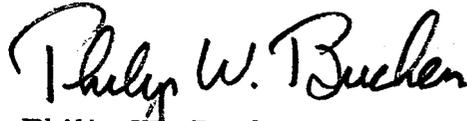
The purpose of my original question was directed at whether the company may have been involved in some conflict of interest. The mention of a specific individual was cited only for the purpose of illustrating that the Arthur D. Little Co., has had access to confidential government information.

I would, therefore, appreciate it if you would reopen this investigation to focus on the various contracts held with the U.S. Government by the Arthur D. Little Co. In addition, we would be interested to know whether any ethical violation may be involved.

I understand that a complete answer to the question raised by Congressman Pepper may involve questions of government policy entirely apart from criminal or ethical violations, but the latter are an essential part of the inquiry.

We are continuing to receive inquiries from Congressman Pepper on this matter. Copies of his letters, in addition to those you already have, are enclosed. When you have completed your investigation, please respond directly to him, with a copy to me.

Sincerely,



Philip W. Buchen
Counsel to the President

The Honorable Richard L. Thornburgh
Assistant Attorney General
Criminal Division
Department of Justice
Washington, D. C. 20530



THE WHITE HOUSE
WASHINGTON

December 31, 1975

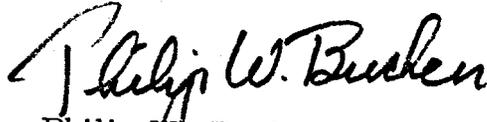
Dear Mr. Pepper:

This is in further response to your inquiries concerning your constituent, Leo C. Levin's complaint against Arthur D. Little Co.

We have not yet received a final response from the Department of Justice, which is not unusual for a matter of this kind.

I have asked the Department to respond to you directly when they do reach a conclusion.

Sincerely,



Philip W. Buchen
Counsel to the President

The Honorable Claude Pepper
House of Representatives
Washington, D. C. 20515

CLAUDE PEPPER
14TH DISTRICT, FLORIDA

COMMITTEE ON RULES
COMMITTEE ON INTERNAL SECURITY

JAMES F. SOUTHERLAND
ADMINISTRATIVE ASSISTANT

432 CANNON HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515

DON PETT
ELLIS VAUGHN
DISTRICT REPRESENTATIVES

DISTRICT OFFICE:
ROOM 823 FEDERAL BUILDING
MIAMI, FLORIDA

Congress of the United States
House of Representatives
Washington, D.C. 20515
December 2, 1975

Dear Mr. Buchen:

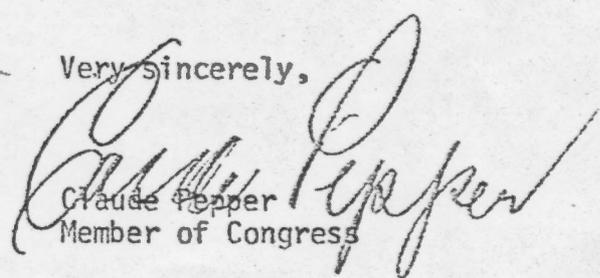
You will please refer to our previous correspondence concerning the possible conflict of interest by the Arthur B. Little Co. You advised me on June 23, 1975 that the matter had been referred to the Department of Justice and again on October 7, 1975 that the matter was being investigated by the department. Mr. Leo C. Levin, of Bal Harbour, Florida, contacted me about the matter in behalf of some 67 residents of his apartment house. He also wrote to you and the Attorney General about the situation.

To date, we have still not received any further word from you, or the Department of Justice. I would urge you to again contact the Justice Department to determine the status of the matter and I would also appreciate some response from the appropriate office in Justice to whom you referred the matter. I agree with Mr. Levin that some form of response should have been received by this time and hope you can be helpful in resolving this matter.

Kind regards, and

Believe me,

Very sincerely,



Claude Pepper
Member of Congress

Mr. Philip V. Buchen
Counsel to the President
The White House
Washington, D. C.

cc: Mr. Leo C. Levin



10275 Collins Avenue PH 27
Bal Harbour
Florida 33154

October 30, 1975

Dear Mr. Auchen:

On September 17th
I wrote and acknowledged your
letter of June 23rd in answer to
mine of May 21st.

You indicated
that you were following up the
matter. I have heard nothing from
you or the Department of Justice.

I will be in
Washington November 29 to December
4th at the Sheraton Park Hotel to
attend a "Pacem In Terris II" convention.
Maybe I could call on somebody
while there to get some information.
My group is puzzled by the failure
to earn a reply.

Very truly yours,
Leo C. Levin



Re Arthur W. Little Co

Congress of the United States

House of Representatives

Washington, D.C. 20515

September 23, 1975

ADMINISTRATIVE ASSISTANTS
432 CANNON HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515

DON PETIT
ELLIS VAUGHN
DISTRICT REPRESENTATIVES

DISTRICT OFFICE:
ROOM 823 FEDERAL BUILDING
MIAMI, FLORIDA

*File in
the
action.*

Dear Mr. Buchen:

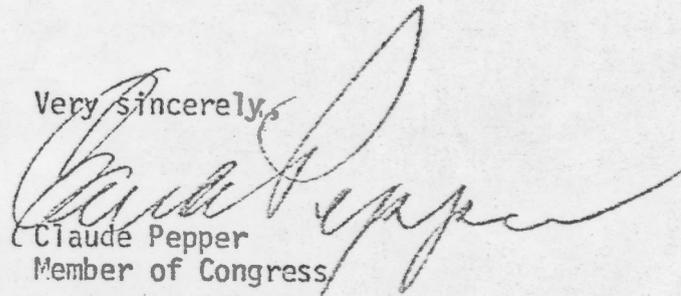
You will please refer to our correspondence with you regarding the possible conflict of interest by the Arthur D. Little Co. and your response of June 23, 1975 advising that the matter had been referred to the Department of Justice for advice as to whether any U.S. laws may have been violated. Mr. Leo C. Levin, of Bal Harbour, Florida, had contacted me about this matter in behalf of some 67 residents of his apartment complex.

To date, neither Mr. Levin nor I have had any further word in regard to the matter. I would thank you to contact the appropriate office in the Justice Department to determine the status of the matter and advise me so that I may properly respond to Mr. Levin. For your information, I am enclosing a copy of Mr. Levin's September 17th letter to you on the subject.

Kind regards, and

Believe me,

Very sincerely,



Claude Pepper
Member of Congress

Mr. Philip V. Buchen
Counsel to the President
The White House
Washington, D. C.

enclosure



September 17, 1975.

Mr. Philip V. Buchen
Counsel to the President
The White House
Washington D.C.

Dear Mr. Buchen:

On June 23rd you were kind enough to answer my letter of May 21st which I wrote on behalf of 67 residents of my apartment house. In it I spoke of a matter concerning Arthur D. Little Co. You advised me that you were forwarding my letter to the Department of Justice for investigation.

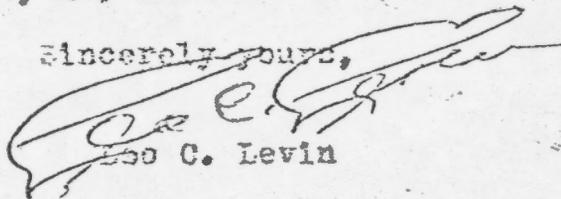
Since I have not heard from you, Congressman Pepper, or Mr. Levi we are concerned that my letter may have been consigned to "file 13" (the waste paper basket).

Our group have asked me for a report and since I have been in Europe until last week I am now writing this letter as a follow up.

I realize these are trying times and also that you are busy. Also, the President is away a great deal on trips trying to impress us with his great desire to meet and find out how the public feels I felt that your office should know we too are genuinely interested in the above matter and our great and genuine interest in Mr. Ford.

Your very kind attention will be greatly appreciated by us.

Sincerely yours,



Leo C. Levin

c.c.:

Attorney General Edward Hirsch Levi
Congressman Claude Pepper ✓



THE WHITE HOUSE

WASHINGTON

October 7, 1975

Conflict of Interest

Dear Mr. Levin:

This will acknowledge your letter of September 17, 1975, inquiring as to the status of the Department of Justice investigation of your complaint against Arthur D. Little Co.

We relayed your inquiry to the Department of Justice which has reported on its investigation thus far. Since the investigation is not yet complete, no conclusions are available at this time; but you may be assured that the matter has not been forgotten.

Sincerely,

Philip W. Buchen

Philip W. Buchen
Counsel to the President

Mr. Leo C. Levin
10275 Collins Avenue, PH 27
Bal Harbour, Florida 33154

cc: The Honorable Claude Pepper



THE WHITE HOUSE

WASHINGTON

October 7, 1975

Dear Mr. Pepper:

This is in response to your letter of September 23, 1975, following up on Mr. Leo C. Levin's inquiry of September 17, 1975.

As indicated by the copy of my attached reply to Mr. Levin, the Justice Department has been investigating this matter, which is not yet complete. We will advise you as soon as the Department has completed its investigation.

Sincerely,



Philip W. Buchen
Counsel to the President

The Honorable Claude Pepper
House of Representatives
Washington, D.C. 20515



Baldwin
2624

Andary
2346

cy for
Dudley

Department of Justice
Washington 20530

September 30, 1975

Mr. Philip W. Buchen
Counsel to the President
The White House
Washington, D. C.

Dear Mr. Buchen:

Reference is made to Mr. Dudley Chapman's July 18, 1975 letter to the Criminal Division, a copy of which is attached for your information. As you requested in your June 20, 1975 letter, we have analyzed this information for possible violations of federal law. Our conclusion is that this matter does not warrant investigative or prosecutive action by the Department of Justice.

In this regard we note the following:

I. The federal conflict of interest statutes of Chapter 11, Title 18, United States Code apply only to the specified officers or employees of the United States and, in sections 203 and 204, to Members of Congress. These statutes do not apply to the employees of a company which participates as a private contractor in policy studies for the Government.

II. Assuming that former White House staff consultant Thomas Stauffer participated in the preparation of the OPEC position paper, there is no indication that his participation involved:

(a) acting as an agent or attorney, or



- (b) the same particular matter involving a specific party or parties in which he participated as a White House staff consultant.

Both elements are necessary to a violation of 18 U.S.C. 207(a) (Disqualification of former officers and employees in matters connected with former duties or official responsibilities).

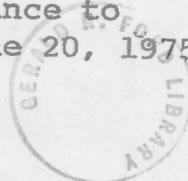
III. Again assuming that Mr. Stauffer participated in the preparation of the OPEC position paper, such participation would appear to have occurred after his employment as a White House staff consultant, and would therefore preclude any violation of 18 U.S.C. 203 (Compensation to Members of Congress, officers, and others in matters affecting the Government) or 205 (Activities of officers and employees in claims against and other matters affecting the Government).

IV. There is no indication that Mr. Stauffer acted as a White House staff consultant in a matter in which the Arthur D. Little Company had a simultaneous financial interest. Such a financial interest is one element of a violation of 18 U.S.C. 208 (Acts affecting a personal financial interest).

V. The information contained in the OPEC position paper does not appear to be the type of information the disclosure of which is forbidden by sections 793, 794, 798, and 1505 of Title 18, United States Code.

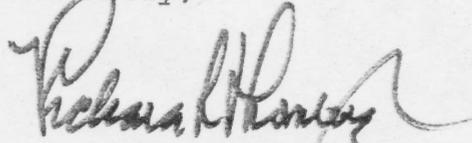
VI. Because you did not specifically ask us to consider whether violations of standards of ethical conduct might be involved, we have not done so.

I hope that the foregoing is of some assistance to you. The attachments you furnished with your June 20, 1975



letter are returned herewith with the exception of the OPEC position paper which we have retained in our file.

Sincerely,

A handwritten signature in dark ink, appearing to read "Richard L. Thornburgh". The signature is fluid and cursive, with a large initial "R" and a long, sweeping underline.

RICHARD L. THORNBURGH
Assistant Attorney General

Attachments



67
CLAUDE PEPPER
14TH DISTRICT, FLORIDA

COMMITTEE ON RULES
COMMITTEE ON INTERNAL
SECURITY

Congress of the United States
House of Representatives
Washington, D.C. 20515

September 23, 1975

JAMES F. SOUTHERLAND
ADMINISTRATIVE ASSISTANT

432 CANNON HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515

DON PETT
ELLIS VAUGHN
DISTRICT REPRESENTATIVES

DISTRICT OFFICE:
ROOM 823 FEDERAL BUILDING
MIAMI, FLORIDA

Dear Mr. Buchen:

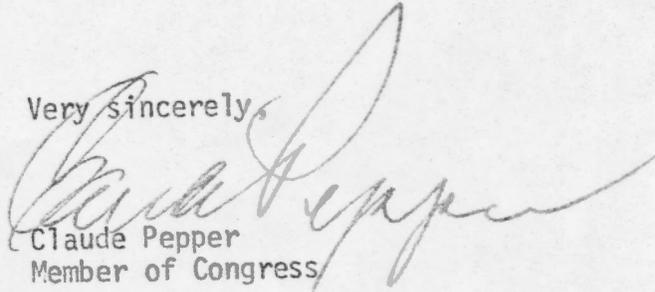
You will please refer to our correspondence with you regarding the possible conflict of interest by the Arthur D. Little Co. and your response of June 23, 1975 advising that the matter had been referred to the Department of Justice for advice as to whether any U.S. laws may have been violated. Mr. Leo C. Levin, of Bal Harbour, Florida, had contacted me about this matter in behalf of some 67 residents of his apartment complex.

To date, neither Mr. Levin nor I have had any further word in regard to the matter. I would thank you to contact the appropriate office in the Justice Department to determine the status of the matter and advise me so that I may properly respond to Mr. Levin. For your information, I am enclosing a copy of Mr. Levin's September 17th letter to you on the subject.

Kind regards, and

Believe me,

Very sincerely,


Claude Pepper
Member of Congress

Mr. Philip V. Buchen
Counsel to the President
The White House
Washington, D. C.

enclosure



10275 Collins Avenue PH 27
Bal Harbour Florida 33154

September 17, 1975.

Mr. Philip V. Buchen
Counsel to the President
The White House
Washington D.C.

Dear Mr. Buchen:

On June 23rd you were kind enough to answer my letter of May 21st which I wrote on behalf of 67 residents of my apartment house. In it I spoke of a matter concerning Arthur D. Little Co. You advised me that you were forwarding my letter to the Department of Justice for investigation.

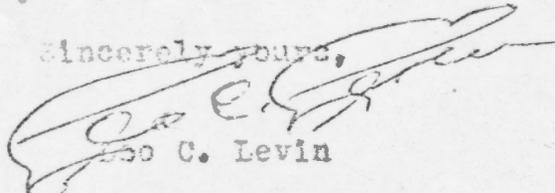
Since I have not heard from you, Congressman Pepper, or Mr. Levi we are concerned that my letter may have been consigned to "file 13" (the waste paper basket).

Our group have asked me for a report and since I have been in Europe until last week I am now writing this letter as a follow up.

I realize these are trying times and also that you are busy. Also, the President is away a great deal on trips trying to impress us with his great desire to meet and find out how the public feels I felt that your office should know we too are genuinely interested in the above matter and our great and genuine interest in Mr. Ford.

Your very kind attention will be greatly appreciated by us.

Sincerely yours,



Leo C. Levin

C.C.:

Attorney General Edward Hirsch Levi
Congressman Claude Pepper ✓



10275 COLLINS AVENUE PH 27
BAL HARBOUR
FLORIDA 33154

July 20, 1975.

Mr. Philip V. Buchen
Counsel to the President
The White House
Washington D C

Re: Arthur D. Little Co

Dear Mr. Buchen:

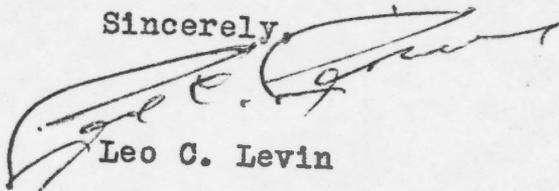
Permit me to thank you for your letter of June 23, 1975 in reply to mine of May 21st addressed to The President.

I note that you have turned the material over to the Department of Justice.

I speak for a group of over a thousand interested people residing in a two building apartment complex who take this matter seriously. There will no doubt, be future OPEC meetings and it is our hope that our representative to any such meetings will not be forced to contend with papers prepared by American companies for use by Arab countries, whose interests are diametrically opposed to ours.

Your continued interest and follow up will be very much appreciated.

Sincerely,



Leo C. Levin

Personnel —
Conflict of
Interest
(see also
Justice
Long Pepper
& Levin)



THE WHITE HOUSE

WASHINGTON

WASHINGTON

July 18, 1975

*Personnel
Conflict of Int.*

Asst. Sec. of State

*(Les Levin
Arthur D.)*

Dear Mr. Thornburgh:

Your letter of July 16, 1975, to Phil Buchen asked for further details concerning Arthur D. Little Company's connection with the 1969 task force on Oil Import Controls.

It is my recollection that one of the staff consultants, Thomas Stauffer, was then employed by Arthur D. Little Company. The company did not participate as such, and I believe Stauffer's relationship to the task force was one of direct employment and not as an employee of Arthur D. Little Company. Stauffer did have access to internal documents and discussions in the course of preparing his own contributions to the task force study.

I have no knowledge as to whether or to what extent Mr. Stauffer may have had occasion to utilize information obtained in the course of this work in connection with his employment by Arthur D. Little Company, or as to whether such use would be in any way improper. The only fact that I mean to suggest is that, if my recollection is correct, that he was then employed by Arthur D. Little Company, the opportunity for access to internal U.S. Government policy making existed.

While I have no specific recollection, I think it is quite possible that Arthur D. Little Company has done other studies in this general area for U.S. Government agencies, in which the company's involvement would be much more direct than any which might be inferred from the task force study.

I cannot provide you with the details of the terms under which Mr. Stauffer was employed, except that I know his services were intermittent and on a part-time basis. The task force was constituted in May of 1969 and planned to issue its report within six months. In fact, the report was issued in February of 1970.



The source of my knowledge was that I was also a member of the task force staff. By bringing these facts to your attention, I do not mean to impugn in any way the integrity of Mr. Stauffer's participation in the task force. I also trust that my furnishing of this information to you will be held in the strictest confidence.

Sincerely,

Dudley Chapman

Dudley Chapman
Associate Counsel

The Honorable Richard L. Thornburgh
Assistant Attorney General
Criminal Division
Department of Justice
Washington, D. C. 20530

cc: Phil Bucher ✓



Department of Justice

Washington 20530

July 16, 1975

Mr. Philip W. Buchen
Counsel to the President
The White House
Washington, D. C.

Dear Mr. Buchen:

On June 20, 1975, you referred to us a letter from Leo C. Levin and other materials concerning the Arthur D. Little Company with a request for advice as to whether a conflict of interest or other violation of law may be involved in that company's participation in preparing a position paper for the OPEC countries.

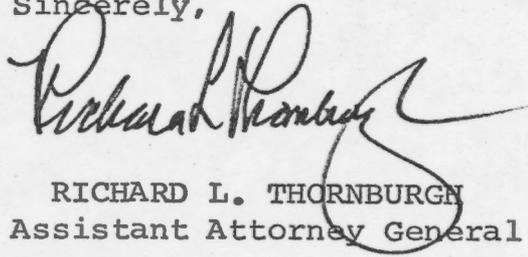
You informed us that the firm has also participated in confidential and sensitive policy studies for the United States Government including the President's Cabinet Task Force on Oil Import Controls in 1969.

To assist us in responding to your request, please advise us of the capacity in which the employees of the Arthur D. Little Company participated in Government policy studies. Specifically, we need to know if their services were those of private contractors or of employees retained, designated, appointed or employed by the United States to perform temporary duties either on a full-time or intermittent basis. If the latter, please advise us of the number of days it was contemplated such employees would serve at the time of their appointment.



Your assistance in this matter is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard L. Thornburgh", with a large, stylized flourish extending to the right.

RICHARD L. THORNBURGH
Assistant Attorney General



THE WHITE HOUSE

WASHINGTON

June 23, 1975

*Personal
Conflict of
Interest
(Leo Levin)
Arthur D. Little*

Dear Mr. Levin:

This will acknowledge and thank you for your letter of May 21, 1975, to the President concerning a possible conflict of interest by the Arthur D. Little Co.

Your letter and enclosures have been referred to the Department of Justice for advice as to whether any U.S. laws may have been violated.

Thank you for your interest in bringing this matter to our attention.

Sincerely,

Philip W. Buchen

Philip W. Buchen
Counsel to the President

Mr. Leo C. Levin
10275 Collins Avenue, PH 27
Bal Harbour, Florida 33154



THE WHITE HOUSE

WASHINGTON

June 20, 1975

MEMORANDUM FOR

John C. Keeney
Acting Assistant Attorney General
Criminal Division

The attached letter and enclosure from Leo C. Levin contains allegations concerning a possible conflict of interest by the Arthur D. Little Co. The alleged conflict arises from the firm's role in preparing a position paper for the OPEC Countries and the fact that the firm has also participated in confidential and sensitive policy studies for the United States Government. One such study of which we are aware was the President's Cabinet Task Force on Oil Import Controls in 1969.

Could you please advise whether a conflict or other violation of law may be involved?

T.W.B.
Philip W. Buchen
Counsel to the President

116

*Conflict of
Interest*

June 19, 1975

To: Keith Reynard
CIEP
Room 204 EOB

From: Eva Daughtrey

Attached is a copy of the letter and acknowledgment from Congressman Claude Pepper, which I mentioned to you on the phone this morning on the subject of the position paper prepared by Arthur D. Little Co.

I have been trying to find out if anyone has acknowledged Mr. Levin's letter (?) or Mr. Gerin's letter (?) ---- whichever.

Assume you have spoken to Dudley Chapman; I asked him to get in touch with you.



June 19, 1975

To: Mary

From: Eva

Attached are the materials
I have on the "Levin?"
letter ---- for your
information.

If you don't want these
copies, please return
them to me.



Wednesday 6/18/75

1:10 Mr. Buchen said to give the Cong. Pepper letter to whomever handled the previous.

I checked with Scowcroft's office to see if they had any background on this.

Central Files advises there is nothing there.

Pepper's office said the letter is from Leo C. Levin; John Dunn in CIEP indicates the letter was from George C. Gorin -- could be a conflict of interest problem. (Arthur D. Lippincott)



June 19, 1975

To: Dudley

From: Eva

Attached is the letter from
Cong. Claude Pepper on
the same subject sent over
by John M. Dunn of CIEP.

I believe you talked with
Keith Reynard about this. (Ext. 2938)



June 13, 1975

Dear Claude:

Thank you for your June 5 letter with which you enclosed a copy of a letter to the President from Mr. Lee C. Levin.

We are unable to find a record that Mr. Levin's letter has been received at the White House. However, I will be pleased to ask that the matter raised by him in his letter be checked into and a report made available to you.

With kindest regards,

Sincerely,

Max L. Friederhoff
Assistant to the President

The Honorable Claude Pepper
House of Representatives
Washington, D.C. 20513

cc: w/incoming to Philip Buchen for appropriate
reply

MLF:KF:VO:jsb



CLAUDE PEPPER
14TH DISTRICT, FLORIDA

COMMITTEE ON RULES
COMMITTEE ON INTERNAL
SECURITY

Congress of the United States
House of Representatives
Washington, D.C. 20515

JAMES F. SOUTHERLAND
ADMINISTRATIVE ASSISTANT

432 CANNON HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515

DON PETT
ELLIS VAUGHN
DISTRICT REPRESENTATIVES

DISTRICT OFFICE:
ROOM 823 FEDERAL BUILDING
MIAMI, FLORIDA

June 5, 1975

JUN 6 1975

Dear Mr. Friedersdorf:

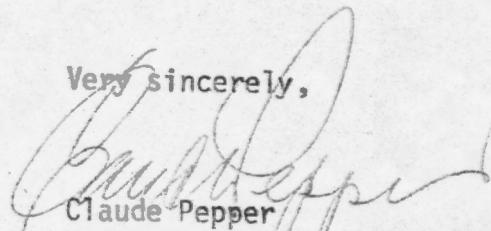
You will please allow me to bring to your attention for your consideration and comment the enclosed copy of letter addressed to The President by one of my constituents and signed by sixty-seven voters expressing their grave concern about the position paper prepared by Arthur D. Little Co. of Cambridge and presented at the Paris meeting by Algeria on behalf of the OPEC nations.

I would appreciate your furnishing me with a copy of your response to Mr. Levin's letter and your careful consideration of the matter.

Kind regards, and

Believe me,

Very sincerely,


Claude Pepper
Member of Congress

Mr. Max C. Friedersdorf
Assistant to the President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D. C. 20500

enclosure



Mr. Gerald Ford, President

The White House

Washington, D. C.

May 21, 1975

Dear Mr. President:

Recently, the Secretary of the Treasury, Mr. Simon, was confronted with a most difficult task at a meeting in Paris in regard to the Oil Crisis. A Position Paper was presented at this meeting by Algeria on behalf of the OPEC nations. His paper was well done and also was extremely effective.

It was with deep shock and some fear that we learned that this paper was prepared by an extremely well known American firm, Arthur D. Little Co. of Cambridge, Massachusetts. We understand this company is regularly employed in doing sensitive work for our country; we find it incomprehensible that such an organization would work against our interests, particularly for a country we must now consider a nation most unfriendly to our national interest.

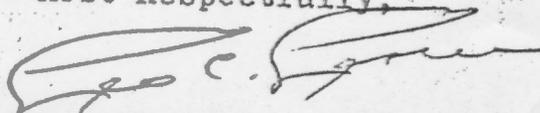
Mr. President, we have awaited most patiently for some censure from you or other action concerning Arthur D. Little's conflict of interest. It is most surprising that nothing has been heard from the Administration regarding this most un-American behaviour. We are saddened and puzzled by your silence and ally ourselves with Mr. Simon's attitude. Do you think we are unreasonable Mr. President?

The undersigned aroused citizens respectfully ask that you, as our President, institute an investigation to determine how such a circumstance could develop. We also believe that some action should be taken against Arthur D. Little Co. for their reprehensible conduct.

We are sending copies of this letter to our members in Congress and also to the following: Dean Walter J. Salmon, Harvard Business School, Boston Globe, Boston Herald-American, Miami Herald, New York Times, Washington Post, Business Week, Wall Street Journal, Forbes Magazine, and Newsweek.

We will appreciate your interest and look forward to your reply. You must certainly agree that United States corporations who are often charged with sensitive assignments by our government should never be allowed to sell their services (and maybe information) to foreign nations.

Most Respectfully,



This letter was accompanied by signed lists of 67 voters with their names and addresses.

June 13, 1975

To: Ken

From: Eva

Mr. Buchen asked me to send this to you.

Wanted me to check and see if the letter to the President has been acknowledged. I called John Dunn but got no answer.

If no answer was sent, Mr. Buchen would like you to prepare one as soon as possible (an acknowledgment).

Thanks,



THE WHITE HOUSE
WASHINGTON

Eva:

This can be sent to Ken but someone should immediately check to see if the letter to the President has been acknowledged. If no letter was sent, one should be.

J.

COUNCIL ON INTERNATIONAL ECONOMIC POLICY
WASHINGTON, D.C. 20500

June 13, 1975

MEMORANDUM

FOR: Philip Buchen
FROM: John M. Dunn
SUBJECT: Attached Correspondence

The attached letter from George C. Gerin contains allegations concerning a conflict of interest by an American firm that presents issues that I feel your office could best address.

In short, the letter alleges that a U.S. firm, Arthur D. Little, should be investigated by the USG because it did work for the Government of Algeria that was useful in supporting the position of OPEC nations in negotiations with the consuming nations. The work referred to by Mr. Gerin is, I believe, improperly identified in the letter. We suspect that the document in question is entitled "Memorandum Presented by Algeria to the Conference of the Sovereigns and Heads of State of the OPEC Member Countries", drafted for an OPEC meeting held on March 4, 1975 in Algeria. It is unclear to us what the exact nature and extent of the ADL contribution to this memorandum was, although we do understand that ADL has done consulting work for Algeria for a number of years.

Although the memorandum was passed informally by Algeria to some participants in the April preparatory conference between oil producers and consumers, it was not in any sense formally presented to the conference such as to require a U.S. response to it. Please note also that Under Secretary Robinson of State, not Secretary Simon headed the U.S. delegation to the April meeting.

A copy of the document which we believe to be in question is attached for your reference.

Attachments (2)

JOHN NICHOLS

(2)

10275 Collins Avenue, PH27
BAL Harbour, Florida 33154
May 21, 1975.

WHITE HOUSE
WASHINGTON

1975 MAY 30 AM 8 56

EXECUTIVE SECRETARIAT
CIEP

Mr. Gerald Ford, President

The White House

Washington, D. C.

Dear Mr. President:

Recently, the Secretary of the Treasury, Mr. Simon, was confronted with a most difficult task at a meeting in Paris in regard to the Oil Crisis . A Position Paper was presented at this meeting by Algeria on behalf of the OPEC nations. This paper was well done and also was extremely effective.

It was with deep shock and some fear that we learned that this paper was prepared by an extremely well known American firm, Arthur D. Little Co. of Cambridge, Massachusetts. We understand this company is regularly employed in doing sensitive work for our country; we find it incomprehensible that such an organization would work against our interests, particularly for a country we must now consider a nation most unfriendly to our national interest.

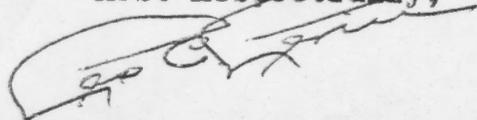
Mr. President, we have awaited most patiently for some ~~censure from you or other action~~ concerning Arthur D. Little's conflict of interest. It is most surprising that nothing has been heard from the Administration regarding this most un-American behaviour. We are saddened and puzzled by your silence and ally ourselves with Mr. Simon's attitude. Do you think we are unreasonable Mr. President?

The undersigned aroused citizens respectfully ask that you, as our President, institute an investigation to determine how such a circumstance could develop. We also believe that some action should be taken against Arthur D. Little Co. for their reprehensible conduct.

We are sending copies of this letter to our members in Congress and also to the Following: Dean Walter J. Salmon, Harvard Business School, Boston Globe, Boston Herald-American, Miami Herald, New York Times, Washington Post, Business Week, Wall Street Journal, Forbes Magazine, and Newsweek.

We will appreciate your interest and look forward to your reply. You must certainly agree that United States corporations who are often charged with sensitive assignments by our government should never be allowed to sell their services (and maybe information) to foreign nations.

Most Respectfully,



This letter was accompanied by signed lists of 67 voters with their names and addresses.

THE WHITE HOUSE
WASHINGTON

September 16, 1976

*Lewis,
Hobart
(conflict)*

~~CONFIDENTIAL~~

MEMORANDUM FOR: DOUG BENNETT
FROM: PHIL BUCHEN *P?*
BOBBIE GREENE KILBERG *BK*
SUBJECT: Hobart Lewis Nomination for Reappointment
as a Member of the U.S. Advisory
Commission on Information

Newspaper accounts of Hobart Lewis' actions in regard to Wayne Andreas' contribution of \$100,000 to Richard Nixon indicate the following:

Andreas wanted to contribute \$100,000 to Nixon in 1971, probably for his Presidential campaign. Andreas contacted Lewis and Lewis put Andreas in touch with Rose Woods. Shortly thereafter, Andreas personally delivered \$100,000 to someone in the White House.

Andreas' contribution was not used in the 1972 campaign but was kept in Rose Woods' safe.

In June 1973, a decision was made to return the \$100,000 to Andreas. Woods asked Lewis to come to the White House where she gave him the \$100,000 in cash.

Lewis asked Woods to tell Andreas that his money had been returned to Lewis. Lewis kept it for several days and then borrowed it from Andreas to pay off personal debts. This loan was first confirmed in a letter from Lewis to Andreas and then by a promissory note for the loan. The loan had not been paid back as of June 1976.

The facts available to us do not warrant a conclusion that Lewis acted illegally, and the Special Prosecutor has reported to the FBI, pursuant to their security



clearance check on Lewis for this reappointment, that he is not the subject of an investigation by that office.

However, we think that Lewis' participation, particularly in the return of the Andreas money from the White House, showed very poor judgment and could be of potential embarrassment to the President.



THE WHITE HOUSE

WASHINGTON

September 16, 1976

~~CONFIDENTIAL~~

MEMO TO: Phil Buchen

FROM: Bobbie Kilberg

Bobbie

I talked briefly with Doug Bennett at lunch about the Lewis issue and suggested to him that the renomination be deferred at least until a later date. I have rethought this matter again, however, and do not feel that I can sign a memorandum which simply requests a deferral. I believe that Lewis' renomination should not be sent to the Senate at all.

I have attached a memorandum from you and me to Doug to that effect. Let me know what you think.

I placed a phone call to Doug this afternoon but have not heard back from him yet.

Attachment

