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DEC

THE WHITE HOUSE

WASHINGTON

February 18, 1975

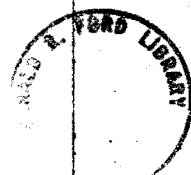
MEMORANDUM FOR: WILLIAM WALKER

FROM: PHILIP BUCHEN *P.W.B.*

SUBJECT: Appointment to Securities  
and Exchange Commission

Ray Garrett and I talked on February 12 regarding the position on the Commission held by Irving Pollack whose term expires on June 5. He holds one of the Democratic positions.

Pollack has served only one year on the Commission but spent 35 previous years on the staff. Ray Garrett commends him very highly for reappointment to fill the succeeding full term.



SEC

February 19, 1975

Mr. Areeda,

Mr. Buchen asked me to give you this package and said we'd have to be very careful in handling this.

Mr. Buchen has been working with Ray Garrett on it, and said we've got to be sure not to offend him.

Eva



HARLEY O. STAGGERS, W. VA., CHAIRMAN

TORSBERT H. MACDONALD, MASS. SAMUEL L. DEVINE, OHIO  
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W. E. WILLIAMSON, CLERK

**Congress of the United States**  
**House of Representatives**  
 Committee on Interstate and Foreign Commerce  
 Room 2125, Rayburn House Office Building  
 Washington, D.C. 20515

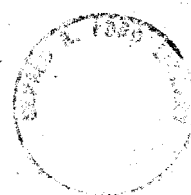
February 19, 1975

Honorable Philip W. Buchen  
 Counsel to the President  
 The White House  
 Washington, D.C. 20500

Dear Mr. Buchen:

I have recently been elected Chairman of the Subcommittee on Consumer Protection and Finance of the Committee on Interstate and Foreign Commerce. One of the major bills to be considered by the Committee is H.R. 10, the Securities Reform Act of 1975. This bill is identical to H.R. 5050 as reported by the Committee last November. At the time the bill was reported it carried the strong support of the Treasury Department, Justice Department, and Securities and Exchange Commission. Indeed, when the bill ran into difficulty in the Rules Committee, the White House sent a letter to Speaker Albert urging that the bill be given a rule so that the House could enact it.

Since that time, however, the White House has been strangely silent with respect to this legislation. I am aware that the Office of Management and Budget has serious problems with Title I of the bill, which deals with the relationship of the Securities and Exchange Commission, Congress and the Executive Branch. I have introduced a bill, H.R. 2548, identical to Title I of H.R. 10, with the view to offering a motion to strike Title I from H.R. 10. I would offer such a motion, however, only if satisfied that the Administration supported the remainder of the bill. In this respect, your early declaration of such support would be helpful.

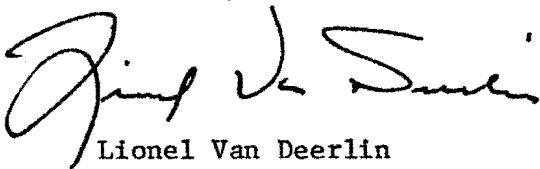


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I hope that we shall be able to work together constructively to pass this most important piece of legislation.

Sincerely,



Lionel Van Deerlin  
Chairman  
Subcommittee on Consumer  
Protection and Finance

Attachment

LVD:rr



HARLEY O. STAGGERS, W. VA., CHAIRMAN

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JOHN JARMAN, OKLA. ANCHER NELSEN, MINN.  
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Congress of the United States  
House of Representatives  
Committee on Interstate and Foreign Commerce  
Room 2125, Rayburn House Office Building  
Washington, D.C. 20515

February 19, 1975

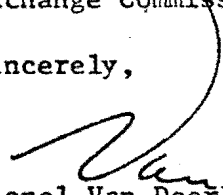
Dear Colleague:

In November the Committee, by a vote of 39-1, reported H.R. 5050, the Securities Acts Amendments of 1974. This bill was the product of over 45 days of hearings, during which a record of over 6,500 printed pages was compiled, and represented the culmination of over three years work by the Committee. Unfortunately, time ran out before the 93rd Congress could act upon this important legislation.

The bill has been re-introduced as H.R. 10, and is identical to the bill reported by the Committee. It is my intention to ask the full Committee to consider H.R. 10 as its first order of business following organization.


For your use enclosed is a pamphlet containing a summary of the major provisions of H.R. 10 and the bill itself. Also enclosed are letters of support written to the Speaker from the White House, Treasury Department, Justice Department and the Securities and Exchange Commission.

Sincerely,

  
Lionel Van Deerlin  
Chairman  
Subcommittee on Consumer  
Protection and Finance

Enclosures

LVD:rr



THE WHITE HOUSE  
WASHINGTON

*Securities &  
Exchange  
Comm*

March 11, 1975

Dear Mr. Chairman:

In your letter of February 19, you inquired concerning the Administration's views of the securities legislation pending before your Committee. As you know, since the date of your letter, the Departments of Treasury and Justice have testified in support of the proposed securities legislation in the Senate.

I wish to assure you that the Administration continues to support early passage of securities reform legislation this session. We believe that H. R. 4111 is a sound proposal for reforming our securities markets and we support its basic provisions. Enactment of this legislation would bolster confidence in the fairness of our capital markets, enhance their efficiency, and strengthen the securities industry.

We are pleased that you have decided to treat Title I of H.R. 10, the former bill, separately. We also enthusiastically support your decision to adopt the recent amendment to the Senate legislation which is designed to clarify the legal authority of money managers to continue to pay for research with commission dollars under competitive rates.

While we support the fundamental provisions of the House bill, there are some that we would like to see modified. We hope to have the opportunity to discuss these provisions with the Committee during its consideration of this legislation in the coming weeks.

We intend to work closely with the Congress in seeking prompt action on this important legislation.

Sincerely yours,

*Philip W. Buchen*

Philip W. Buchen  
Counsel to the President



The Honorable Lionel Van Deerlin  
House of Representatives  
Washington, D. C. 20515

March 4, 1975

MEMORANDUM FOR: PHIL BUCHEN  
MEMORANDUM FOR: PAUL O'NEILL  
FROM: PHIL AREEDA  
FROM: PHIL AREEDA  
SUBJECT: Securities Act Amendments

The Congressman's letter asks for a White House position. OMB is apparently ready to re-state Administration support for Title II of H. R. 10 (see the attached OMB memorandum).

I suggest you write to the Congressman along the lines of the attached letter which I have sent to Paul O'Neill for clearance.

To: P. B.

Has the letter  
suggested by  
P. A. been sent?



THE WHITE HOUSE  
WASHINGTON

March 4, 1975

*Low S.*

MEMORANDUM FOR: PHIL BUCHEN  
FROM: PHIL AREEDA *P.A. R.H.*  
SUBJECT: Securities Act Amendments

The Congressman's letter asks for a White House position. OMB is apparently ready to re-state Administration support for Title II of H. R. 10 (see the attached OMB memorandum).

I suggest you write to the Congressman along the lines of the attached letter which I have sent to Paul O'Neill for clearance.



March 4, 1975

MEMORANDUM FOR:

PAUL O'NEILL

FROM:

PHIL AREEDA

Paul, do you have any objection to our sending the attached letter? Please let Phil Buchen know.

PA 3/4/75

Dear Congressman Van Deerlin:

I have your letter of February 19, 1975, asking whether the White House supports H. R. 10.

For reasons with which you are familiar, the Administration objects to Title I. We do, however, enthusiastically endorse Title II and hope Congress will enact it during this Session.

Sincerely,

Philip W. Buchen  
Counsel to the President



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

FEB 26 1975

MEMORANDUM FOR PAUL H. O'NEILL

Subject: OMB Position on H. R. 2548--Amendments to the  
Securities Exchange Act of 1934

As a follow-on to a conversation you had with Phil Areeda, you requested the position of the Administration on the securities legislation currently before the House. As you will recall, a comprehensive securities reform bill, H. R. 5050, almost passed the Congress last session before expiring in the House Rules Committee. The Administration's position on that bill was in support of all the provisions except title I of H. R. 5050. The provisions favored by the Administration passed the Senate in a series of four bills (S. 2519, S. 470, S. 2058, and S. 2474).

Two important bills have been introduced in the 94th Congress which contain the provisions of last year's legislation. H. R. 10 was introduced January 14, 1975, by Representative Moss, the third-ranking democrat on the House Interstate and Foreign Commerce Committee. H. R. 10 contains all of the provisions of the previous H. R. 5050 with some minor, favorable modifications. The other piece of legislation, H. R. 2548, was introduced in the House on January 31, 1975, by Representative Van Deerlin, the sixth-ranking democrat on same committee with Moss.

H. R. 2548 is simply title I of H. R. 10. The provision of H. R. 2548 (and title I of H. R. 10) deal with the selection and administration of the Commission. Their effect is to lessen Executive branch oversight of the Commission, by providing legislative and budget bypass of OMB, and litigation by the SEC in Federal courts (except the Supreme Court) independent of the Solicitor General of the Justice Department. For this reason, we have strenuously objected to these provisions, both in the 93rd and 94th Congresses. We believe Van Deerlin introduced H. R. 2548 as a favor to Moss, who has introduced other pieces of legislation to increase the independence of

regulatory agencies from Executive oversight.

With the exception of H.R. 2548, and title I of H.R. 10, we support the provisions of H.R. 10. However, our position of objection to the H.R. 2548 or title I of H.R. 10 provisions are based on a carry-forward of our position in the 93rd Congress. If it is deemed appropriate, a full review of the issues could be undertaken.

A summary of our specific objections to H.R. 2548 is outlined below. While supporting passage of the larger bill, the Treasury and Justice Departments have some concerns with the provisions of H.R. 10. These are provided at the tab for your interest.

#### OMB Position on H.R. 2548 (H.R. 10 -Part I)

OMB believes that the following provisions of H.R. 2548 which deal with selection and administration of the Commission, should be opposed:

- Sec. 101(c) authorizes the SEC to conduct litigation in its own name, in Federal courts other than the Supreme Court. The provision may undermine uniform interpretation of Federal laws and development of uniform policy with respect to these laws.
- Sec. 101(d) requires concurrent transmittal of the SEC's budget and legislation to the President (OMB) and the Congress. This would prematurely disclose the agency's request and would inhibit orderly development and presentation of the President's budget. Agencies are currently free to communicate with Congress once the budget has been transmitted. P.L. 93-495 already authorizes concurrent transmittal of legislation by SEC and other regulatory agencies. Therefore, although we strongly oppose the provision, it poses no additional authority for the SEC.
- Sec. 101(d) requires SEC to supply any and all information on documents requested by a Congressional committee.

This is a broad sweeping authority which provides no safeguards for the protection of proprietary or sensitive investigative records. It also poses an impractical 5-day deadline for submission to the committee.



Stanley E. Morris  
Deputy Associate Director  
Economics and Government

## Department Concerns with H. R. 10

There are principally three areas where the departments are at variance. OMB's position coincides with Treasury on these.

1. Competitive Commission Rates. The Treasury is on record in support of H. R. 10's provision for mandatory elimination of fixed commission rates, with some SEC flexibility to reinstate fixed rates. The Department of Justice believes all fixed rates should be abolished without exception after May 1, 1975. If the Commission is granted any flexibility on this matter, Justice believes it should be under stricter standards than H. R. 10 currently incorporates.

2. Institutional Membership. The Treasury supports the provision of H. R. 10 which would prohibit, on or after May 1, 1975, an exchange member to make transactions for its own account, or for any affiliated institution's or person's account of a managed account, with the exception of certain transactions that contribute to efficient markets. The Department of Justice believes no exemptions should be granted unless the Commission, after adjudicatory proceedings, has evidence that no conflict of interest problems would result, and that equal treatment would be afforded all market members. Both departments agree institutions should not be denied exchange membership so long as fixed commission rates are in effect.

3. Intermarket Competition. Treasury is in general support of the provision of H. R. 10 which would allow the SEC to prohibit any broker or dealer from making listed securities transactions in the over-the-counter or "third" market if such a prohibition were in the interest of fair and orderly markets. This provision is intended to suppress potentially disruptive trading in listed securities off the national exchanges during the period of central market implementation. The Department of Justice does not believe this authority is necessary and that any such Commission order should be consistent with the statutory goal of eliminating barriers to competition between securities market segments.

HARLEY O. STAGGERS, W. VA., CHAIRMAN

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 Washington, D.C. 20515

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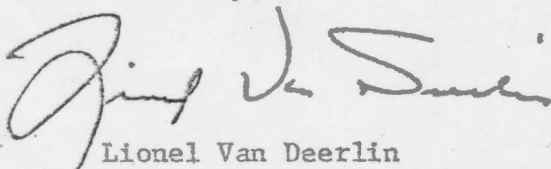
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Sincerely,



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Chairman  
Subcommittee on Consumer  
Protection and Finance

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LVD:rr



FRANKLYN D. STAGGERS, W. VA., CHAIRMAN  
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 JOHN J. STMAN, OKLA.  
 JOHN E. ANDERSON, CALIF.  
 JOHN D. DANTON, VICH.  
 PAUL G. WOODRUFF, FLA.  
 LIONEL VAN DEERLIN, CALIF.  
 J. J. P. CHILS, TEN.  
 FRED B. BOOBY, PA.  
 JOHN M. MURPHY, N.Y.  
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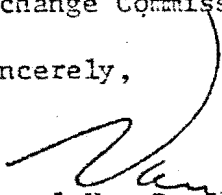
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Sincerely,

  
 Lionel Van Deerlin  
 Chairman  
 Subcommittee on Consumer  
 Protection and Finance

Enclosures

LVD:rr

**Thursday 5/15/75**

**9:20 Ted Barreaux will accompany Ray Garrett to  
the 11 o'clock meeting this morning (Thursday 5/15).**



SEC

Wednesday 5/14/75

Meeting  
5/15/75  
11 a.m.

12:10 The meeting with Ray Garrett is rescheduled  
for tomorrow (Thursday 5/15) at 11 a.m.

No one will be coming with him.

5EC

Thursday 5/15/75

1:10 Neither Linder nor Jerry Jones' offices could give me any information on the passage and signing of the Securities Act.

I checked with Z Lazarus, who advises that yesterday the Conferees reported favorably on it. The Conference Report will have to lay over three days. Some time next week, they will pass it, and the action will come up the following week. A matter of about two weeks -- but Lazarus said "It will pass."



# *U.S. Raps Illegal Business Fees Abroad, Suggests Nations Clarify Payment Rules*

*By a WALL STREET JOURNAL Staff Reporter*

WASHINGTON — The State Department condemned U.S. corporations that make illegal payments while doing business abroad but, at the same time, suggested that for-

Department said it doesn't "condone illegal activities by American business and industrial firms abroad" and, in fact, "condemns such actions by U.S. corporations in the strongest possible terms."

SEC

Tuesday 5/20/75

10:40 Ted Barreaux called to say they are still operating under the assumption that there will not be a bill signing ceremony for the securities legislation. He said they hear that Senator Williams is making a lot of noise about having a ceremony, but they aren't in on that.

755-1100

If there will be a ceremony, they would greatly appreciate hearing about it. If people from there couldn't attend, there would be a king-size morale problem.



# The Corporate Watergate

Washington Post 5/25/75

**SECs Probers**

**Face Question of  
How Far to Go**

**By Jack Egan**

Washington Post Staff Writer

American companies, particularly those multinational corporations operating abroad, have come under the biggest cloud in their history in recent weeks as the result of a stunning series of cases filed by the Securities



Tuesday 5/27/75

11:00 Jane took a call from Ted Barreaux saying they had heard the SEC Act Amendment would be signed by the President today.

755-1100

They would like a call when it is signed.

I checked with Mr. Ratchford who said it wouldn't be possible to get it signed today -- they only got it on the 23rd and haven't got the bill reports yet. He understands the bill will be signed when the President returns. Last day for signing is June 4. Also indicated that Pat O'Donnell had been checking with them concerning a signing ceremony.



Friday 5/30/75

11:05 Ken Lazarus said several weeks ago I called to ask about the Securities Act amendments. They now have an enrolled bill memo, which has a deadline of about two hours. Everyone's supporting approval of the bill. Wants to know if you're interested in looking at it, recognizing that it would appear that the thing is going to be approved.  
Last day for action is today; deadline for the bill is next Wednesday 6/5.

I mentioned that Ted Barreaux would be interested in a signing ceremony for the sake of the people. Ken asked if you would want a recommendation put in for a signing ceremony?

Mr. Buchen talked with him.



5EC

THE WHITE HOUSE

WASHINGTON

June 3, 1975

MEMORANDUM

TO: Philip W. Buchen

FROM: William J. Baroody, Jr. *B*

SUBJECT: Conversation with SEC Chairman Garrett

Following up our phone conversation, I met with Chairman Ray Garrett and SEC Director of Congressional Affairs, Ted Barreaux last Thursday.

After discussing his own personal situation at the SEC, Garrett spent some time discussing Al Sommer who he favors as his replacement.

Garrett then discussed the problem of bribery in multi-national corporations and wanted to know that if during my tenure at the Defense Department I had acquired information on this topic. Garrett also wondered whether this subject might have come up during any of my meetings with members of the business community.

I advised Garrett that I had no direct knowledge of this subject and suggested that he contact Mel Laird, Dave Packard and Gil FitzHugh. Garrett advised me that he had been in touch with the General Counsel at DOD and has had discussions on this topic with State Department representatives.

*[Circular stamp: OFFICE OF THE SECRETARY OF DEFENSE]*

JUNE 5, 1975

Office of the White House Press Secretary

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THE WHITE HOUSE

## STATEMENT BY THE PRESIDENT

The American economy has grown and prospered over the years through a system of free enterprise more vigorous and successful than any other economic system in the world. Capital investment has produced millions of jobs and thousands of business opportunities for Americans. The success of that investment system is convincingly demonstrated in every index of the magnitude and basic strength of our economy, and in comparison with the economies of other nations.

Today, our economy is faced with serious challenges. An unprecedented supply of new capital will be required over the next few years to help restore and broaden a sound, expansionary capital base through business and Government investment. In order to insure that our capital markets continue to function fairly and efficiently to meet these challenges, it is vital that we constantly seek ways to improve their operations. Among other things, we must be sure that laws and regulations written 30 or 40 years ago do not unfairly interfere with the need for changes in our modern-day markets. It is with this important goal in mind that I am very pleased to have signed into law the Securities Act Amendments of 1975.

The Importance of Competition

This act will provide important new directives to the industry and its regulators to insure that competition is always a prime consideration in establishing or abolishing market rules. And it will continue to strengthen the rules calling for high standards of financial capability and ethical behavior on the part of those individuals and institutions which perform important market functions. (In this regard, I understand that the legislation contains an inadvertent technical error concerning the presence of a transfer agent as a jurisdictional basis for state or local taxation of securities transactions. I also understand that legislation to correct this error retroactively is being prepared, and that such legislation will receive prompt consideration in Congress. When such corrective legislation is presented to me, I intend to sign it.)

The act seeks to insure that market participants function with the highest degree of efficiency and that the capital markets will themselves be orderly and accessible. The key to reaching this objective will be a new National Market System for Securities. The act charges the industry and the Securities and Exchange Commission to work cooperatively, but in the words of the House-Senate Conferees, it is intended that the national market system evolve through the interplay of

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competitive forces, as unnecessary regulatory restrictions are removed." No Government formula nor any industry system of exclusionary rules can match the incentives and rewards for innovation and improved efficiency which natural competition provides.

This legislation encourages greater use of available improvements in electronic and communications technology as the basis for a fully-integrated trading system. A system in which buyers and sellers are aware of the full range of securities prices will help insure that artificial restrictions on competition no longer distort the market's true expression of supply and demand. It will also help reduce the cost of transacting trades.

The act also directs members and supervisors of securities exchanges to examine rules which tend to limit the number and variety of participants eligible for membership. Open competition within exchanges is just as important as competition among different markets. The right to enter these markets and provide a necessary public service should not be subject to arbitrary institutional rules which limit competition. It is my hope also that the SEC will, in the process of helping to shape the National Market System, take steps to eliminate obsolete or overlapping regulations which unnecessarily constrain the market.

I also want to stress the importance of the SEC's decision to disallow all fixed rates of brokerage commission previously set by those firms and individuals which comprise the securities industry.

It is my strong belief that Government has unwisely condoned a wide range of anti-competitive price regulation. My Administration will continue to press for legislative reforms to amend or abolish such practices. I commend the SEC for its efforts, and the industry for its cooperation, in reaching the important goal of freely competitive pricing for a full range of brokerage and other services. I am confident that, in the long run, this policy will produce a much healthier industry.

#### New Protections for Investors

Public confidence is a vital ingredient if our capital markets are to continue to attract a wide variety of investors. Though large institutions have become increasingly active as owners and traders of securities, individuals still represent the backbone of the American capital system. This act provides important new safeguards which will help insure public trust in the securities markets. Among these safeguards are new rules for brokers' financial strength and accountability. The act imposes new restrictions on "self-dealing" to eliminate a potential conflict of interest and deny institutions a special advantage over individual investors. The act further requires periodic disclosure by institutional investors of their holdings and transactions in securities.

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6/5

THE WHITE HOUSE  
WASHINGTON

Eva

John Ratchford called.  
S. 249 (the SEC bill)  
was signed late last  
night.

JW



SEC

Thursday 6/5/75

8:50 John Ratchford called to say that S. 249 (the SEC bill) was signed late last night.

I had promised to let him know when it was signed.

He said you had promised a signing pen for him.

We can sent it to him:

[Run stop]

Ted Barreaux  
Director of Congressional Relations  
Securities and Exchange Commission  
Rm. 812  
500 N. Capitol Street  
Washington, D. C. 20549

He was told the Press Office was issuing a statement on the bill --  
If so, he would like a copy.

6/16/75 Ted Barreaux  
picked up a copy  
of the press  
release and a  
signing pen.



Friday 9/26/75

*Phillips  
Petroleum*

9:35 a.m.

Has Ron Nessen been or should he be alerted to the Phillips question?

Barry

10:00 Called Mr. Rumsfeld's office; Brenda is ill today; they will check and let us know where the memo stands.



ADMINISTRATIVELY CONFIDENTIAL

THE WHITE HOUSE  
WASHINGTON

September 24, 1975

MEMORANDUM FOR: THE PRESIDENT  
FROM: PHILIP BUCHEN *P.W.B.*  
SUBJECT: Phillips Petroleum Contributions

Phillips Petroleum's report on illegal corporate contributions will probably be presented to the SEC either this Friday or next Monday. Included in the report will be a listing of Congressmen and Senators receiving cash contributions in 1970 and 1972. This listing has already been turned over to the Special Prosecutor and IRS, who have both apparently advised Phillips that they intend to take no further action. The report will indicate that Carstens Slack, Phillips' Washington Vice President, had no knowledge that corporate funds were used.

Therefore, the only question raised is what happened to the contributions to you in 1970 and 1972. Jack Mills advises that Slack recalls personally giving you a sealed envelope containing \$1,000 cash and his card in both of these years. Jack advises that the 1972 contribution apparently was made prior to April 7, the effective date of the Federal Election Campaign Act of 1971 (FECA), which required public disclosure of contributions in excess of \$100. We cannot identify the 1972 contribution in the 1972 FECA reports, (probably because it came before April 7, 1972) and cannot identify from your Michigan reports the contribution for either 1970 or 1972 because it did not go directly to a Michigan Committee).

After discussing this separately with Jack Mills and Benton Becker, it appears likely that you sent the money either to your D. C. Committee, the Republican Congressional Campaign Committee or the Boosters Club. A fourth possibility, but one which Benton feels

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is less likely, is that you sent it directly to another candidate's campaign. Benton notes that your practice was to personally accept contributions only when your schedule permitted, and that you would then turn them over to Frank Meyer for disposition.

Reports by the Boosters Club and the Congressional Campaign Committee prior to April 7, 1972, were destroyed by the Clerk of the House after two years, and we were unable to find any copies still in existence. We could not identify this contribution in their 1972 FECA reports.

Your D. C. Committee was not required to disclose its contributors and their records have since been destroyed. The Senate Rules Committee report on your confirmation, apparently on the basis of deposit slips, states that the D. C. Committee received several cash contributions in both 1970 and 1972, in amounts equal to or greater than \$1,000. However, the Rules Committee was unable to identify the contributors. For your information, in 1970 the D. C. Committee apparently raised \$15,900, all of which was expended between August 27, 1970, and April 8, 1971. In 1972, the D. C. Committee expended \$49,855, of which \$38,216.61 was transferred on April 6, 1972, to the Ford for Congress Committee. The D. C. Committee ceased operations prior to April 7 and was therefore not subject to the FECA.

Should any inquiries be made to Ron Nessen on this matter, I recommend that he make the following comments:

1. The entire matter of your campaign financing was thoroughly explored and satisfactorily resolved in the course of the confirmation hearings.
2. He has discussed this with you and you indicated that as Minority Leader you received many contributions which, when not needed for your election efforts, were used to benefit other Congressional candidates, and were transferred to the Republican Congressional Campaign Committee, the Republican Boosters Club and the like. This has been a traditional practice of Congressional leaders in both parties. While you don't recall the specifics, this is probably what occurred here.

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# *Cities Service Voluntarily Admits to SEC That It Gave Improper Payments Abroad*

By JERRY LANDAUER

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON — Cities Service Co. stepped forward as the first large corporation to admit voluntarily that it made improper payments overseas. The government responded by indicating that the company

company, "the legality of such expenditures under local law isn't free from doubt."

Besides prohibiting such payments in the future and preparing a policy statement banning any unrecorded cash funds by any subsidiary, the company said it had amended its tax returns to delete the \$30,000 as a business deduction. As for the \$600,000



OFFICE OF THE  
GENERAL COUNSEL

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

*Re: Philip SEC*

November 29, 1976

The Honorable Philip W. Buchen  
Counsel to the President  
The White House  
Washington, D.C. 20500

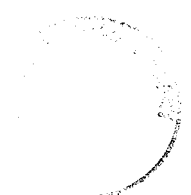
Dear Mr. Buchen:

Thank you for your letter, dated November 16, 1976, concerning William G. Whyte and the United States Steel Corporation. I appreciate your promptness and courtesy in responding to my letter, and your response is helpful to our staff in determining what, if any, further steps it should take in connection with its pending inquiry concerning the United States Steel Corporation.

Sincerely,

*Harvey L. Pitt*

Harvey L. Pitt  
General Counsel



Conclusion

My Administration is seeking major reforms in many Federal regulatory agencies to eliminate unnecessary restrictions and promote more efficient and competitive industries.

This legislation is the product of ten years of intensive work by several Administrations, the Congress, the Securities and Exchange Commission and the many elements of the securities industry.

The product is a good one, and it represents the first of what I hope will be a long series of much-needed regulatory reforms.

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