

GULF ASKS RETURN OF ILLEGAL GIFTS

Letters Sent to Politicians in an Effort to Retrieve Some of \$12.3 Million

By The Associated Press

PITTSBURGH, March 4—The Gulf Oil Corporation said today that it had asked politicians who accepted its illegal campaign contributions to return the money.

A spokesman for the company said its board of directors felt a responsibility to Gulf stockholders to try to recover some of the \$12.3 million given to politicians in the United States and abroad over a 14-year period.

He said names of the elected officials being asked to return contributions could be found in the McCloy report, the internal investigation that chronicled how Gulf's political contribution system had worked since it began in 1959. The report was received by Gulf's board of directors in December.

Money Flow Traced

The report, named for John J. McCloy, the New York lawyer who headed the investigating committee, concluded that Gulf had "laundered" millions of dollars through a dummy subsidiary in the Bahamas and had returned the money in cash to company officials, who then gave it to politicians.

[Mr. McCloy has deplored as unfair and hypocritical the failure of the United States Government to prosecute or even condemn American politicians who have received illegal political contributions from corporations. Page 39.]

The McCloy report resulted in the ouster of Bob R. Dorsey as Gulf's chairman and of three other executives.

A Federal judge has already

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cleared the way for trial in eight stockholder suits against Gulf to reclaim money illegally given to politicians.

The Pittsburgh-based company declined to specify which politicians it had asked for reimbursement or how much money it sought to recover. Gulf said it had not yet received any response to the letters sent by the company's chairman and chief executive officer, Jerry McAfee. The letters were mailed Monday. A spokesman said some of them listed specific amounts the company wanted returned.

Some Recipients

Among those named in the McCloy report as having received corporate contributions from Gulf were Senators Hugh Scott, Republican of Pennsylvania; Howard H. Baker Jr., Republican of Tennessee; Henry M. Jackson, Democrat of Washington; William E. Brock 3d, Republican of Tennessee; Mark O. Hatfield, Republican of Oregon; Russell B. Long, Democrat of Louisiana, and Hubert H. Humphrey, Democrat of Minnesota.

Senator Baker acknowledged having received a letter from Gulf asking that half of a \$5,000 contribution he was given in 1972 be returned, and Senator Baker said he would do so.

Senator Jackson said he returned a Gulf contribution more than two years ago "the minute we learned that it had been a corporate rather than a personal contribution as we had been told."

Scott's Response

Senator Scott said he had asked his lawyer to reply to Gulf's letter. He said the attorney advised him after reviewing the McCloy report that "nothing in the report or the materials underlying it refute my statement that I have never knowingly received corporate funds."

A spokesman for Senator Humphrey said the Senator had received the Gulf letter, which was referred to his Minneapolis lawyer, Joe Walters. The spokesman had no comment.

A spokesman for Senator Brock said the letter from Gulf

had been received. He reiterated Senator Brock's statement that he was never given a contribution from Gulf officials. In light of the Gulf letter, the spokesman said, Senator Brock's aides are rechecking all Tennessee contribution records.

Other politicians who may have received such letters from Gulf did not immediately respond.

This is the second time Gulf has asked for the return of illegal contributions. When the company's illegal \$100,000 contribution to President Richard M. Nixon's 1972 campaign became known, Gulf said it notified the Committee to Re-Elect the President and the money was returned.

A \$15,000 contribution to Rep-

resentative Wilbur D. Mills, Democrat of Arkansas, and a \$10,000 contribution to Senator Jackson were also returned to Gulf in 1972 when the company notified the candidate that the donations were illegal.

"The McCloy investigation identified for the board members all the information known about the contributions," a Gulf spokesman said today. "It is therefore the obligation of the board to endeavor to recover the shareholders' money. The spokesman added:

"In some instances the information is spotty. We have asked them to search their records [to verify] the contributions." He said reimbursement had not been asked where it was not clear that a donation had been made.