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NEWS RELEASE

FOR RELEASE

Wednesday, September 3, 1969  
(P.M.)

Eighteen Congressmen today charged the Department of Justice with considering an agreement with the major auto manufacturers which would result in withholding vital information on air pollution control.

In a letter to Attorney General John Mitchell, the Congressmen asked for an open trial of the issues on a civil case filed by the Department of Justice against the Automobile Manufacturers Association, General Motors, Ford, Chrysler, and American Motors in which the defendants are charged with a fifteen-year conspiracy to suppress research, development and application of automotive air pollution control devices.

"If these charges are true, the American people have a right to be fully informed of this outrageous corporate callousness by a full and open trial of the issues involved." The Congressmen expressed "fear that the entire incident will be covered over by a legal deal arranged between the Department and the Washington counsel of the AMA."

The "reports" which the Congressmen referred to concerned the negotiations taking place between Justice and the industry's attorneys. The parties are attempting to negotiate a consent judgement in this case. A consent judgement is a legal agreement whereby the defendant admits no liability for the charges alleged but agrees not to engage in certain activities.

In addition to being concerned that the companies would not have to acknowledge their guilt publically -- if the charges were proved true in a court case, the Congressmen were concerned that a consent decree "would raise formidable barriers" to follow-up treble damage suits under the antitrust laws. Many municipalities, businessmen and other individuals could use a guilty verdict and the evidence presented as a basis for their own suits against the companies.

Many of the signers informally expressed their hope that citizen pollution control groups around the country would join them in their plea for an open trial in this antitrust case.

PRESS RELEASE --- 2

The co-signers of the letter are Congresswoman Shirley Chisholm, Congressmen John Blatnik, George Brown, Phillip Burton, John Conyers, Bob Eckhardt, Don Edwards, Leonard Farbstein, Donald Frazier, Andrew Jacobs, Joseph Karth, Edward Koch, Al Lowenstein, Richard Ottinger, Bertram Podell, Benjamin Rosenthal, Edward Roybal, Robert Tiernan, and Charles Wilson.

A copy of the letter is attached.

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

September 2, 1969

The Honorable John N. Mitchell  
U. S. Attorney General  
Department of Justice  
Washington, D. C. 20530

Dear Mr. Mitchell:

We are writing to indicate our concern over the persistent and disquieting reports that the Department of Justice is about to compromise one of the most important antitrust cases affecting the health and welfare of the American people. We are aware of the closed-door negotiations now taking place between the automobile industry's lobbyists and the Department, negotiations which may lead to a consent decree in the Department's case against the Automobile Manufacturers Association (AMA), General Motors, Ford, Chrysler and American Motors.

Earlier this year, your predecessors in the Department resisted extraordinary industry pressures and filed a civil complaint against the defendants -- (although the Department did decline to ask for a criminal indictment, as its investigating attorney had requested). The complaint alleges generally that the automobile companies, operating under the auspices of the AMA, joined together, through the device of a cross-licensing agreement -- to suppress research, development and application of pollution control devices. The more important allegations charge that the companies agreed to pursue research, development, manufacture and installation of pollution control devices on a non-competitive basis, that they agreed to seek joint appraisal of patents submitted

The Honorable John N. Mitchell  
September 2, 1969  
Page 2

by persons not a party to the cross-licensing agreement, and that they agreed on at least three occasions -- in 1961, 1962, and 1964 -- to attempt to delay installation of motor vehicle air pollution control equipment.

These allegations, if proved true, mean that the defendants bear responsibility for a great share of the injury to human health and the many millions of dollars in economic injury resulting from automobile pollution. If these charges are true, the American people have a right to be fully informed of this outrageous corporate callousness by a full and open trial of the issues involved. We fear, however, that the American people will be denied their right to know the full story. We fear that the entire incident will be covered over by a legal deal arranged between the Department and the AMA's Washington counsel.

The representations made to your Department by this law firm do not include, we are sure, the following information:

That the automobile is responsible for dumping more than 90 million tons of pollutants into the atmosphere each year, more than twice as much as any other single polluter.

That the automobile accounts for 91% of all carbon monoxide, 63% of the unburned hydrocarbons and 48% of the oxides of nitrogen emitted from all sources.

That doctors, in a single year, advised 10,000 people to move away from Los Angeles because of the harmful effects of air pollution. (Automobile pollution represents 85% of the contaminants emitted into the ambient air of Los Angeles daily).

The Honorable John N. Mitchell  
September 2, 1969  
Page 3

That air pollution -- of which motor vehicles account for approximately 50% nationally -- contains serious toxic substances associated with higher rates of illness and mortality from emphysema, lung cancer, chronic bronchitis and heart disease.

Professor Barry Commoner, leading authority on pollution, said just last week:

Once the automobile is allowed out of the factory and transformed, it then reveals itself as an agent which has rendered urban air carcinogenic, burdened human bodies with nearly toxic levels of carbon monoxide and lead, embedded pathogenic particles of asbestos in human lungs, and contributed significantly to the pollution of surface waters.

The time remaining for us to return our environment to a livable state is short, and if the allegations contained in the Department's complaint are proved true, the automobile companies have deliberately and cynically wasted fifteen precious years. The Los Angeles County Board of Supervisors has charged that if the automobile companies had sincerely devoted their energies to the air pollution problem in California during the years 1953-1956, "air pollution from automobiles would have ceased to be a problem by 1966..."

If the defendants in this case are indeed culpable, a consent decree of almost any kind would undermine the penalties of the antitrust laws designed to deter future adventures into collusion. There would be no public acknowledgement by a public-relations conscious industry of its responsibility for the appallingly slow progress in air pollution control. Furthermore, a consent decree would raise formidable barriers to

The Honorable John N. Mitchell

September 2, 1969

Page 4

the many treble damage suits which could be founded on an open trial and full public record of the defendants' activities.

Many municipalities are closely following this case with a view toward bringing follow-up actions for pollution damage to health, property and local economies, much in the same way that states and municipalities brought follow-up suits in the Library Book Cases. Then also, there are a number of businessmen who invested large sums in pollution-control research, many of whom claim that they were injured by the AMA agreement. Furthermore, it is conceivable that this would open up a new area for class actions to be brought on behalf of thousands of people. But a consent decree might mean that the thousands of pages of evidence -- collected by federal investigators over the course of a two-year study at a cost of many thousands of dollars -- would be left to collect dust in the Department's files, forever lost to private litigants. This, of course, is what the auto industry wants. We hope that the Department does not become an accomplice in the industry's attempt to avoid redressing the injuries which it may have caused.

In addition, a consent decree would mean that the Department is surrendering a unique opportunity in a particularly strong case to have the courts rule on important landmark legal questions. For one, the Department's complaint requests that the AMA be restrained from making joint responses to government regulatory agencies with regard to information concerning air pollution control technology. Should the Department prevail on this question in court, it would do much to make public any diversity of opinion which may exist among automobile manufacturers in the field of air pollution control. In addition, the Department would have a new weapon in its arsenal to loosen the death-grip which many trade associations hold over weaker members. Secondly, there is the important issue of "product fixing", the joining together of manufacturers to limit competition for product quality. Until recently, the main thrust of antitrust

The Honorable John N. Mitchell  
September 2, 1969  
Page 5

law enforcement has generally been limited to price fixing and a ruling on product fixing might deter a practice which is all too common in many American industries.

If the defendants have broken the antitrust laws, and are responsible for the adverse health and economic effects of automotive pollution, then they must be prepared to have the law applied with its full force. The Administration promised to see that the rights of victims would be protected along with the rights of law-violators. In this situation, an open public trial would help show that this Administration considers corporate lawlessness on no different footing than any other violation of law.

Sincerely,

John A. Blatnik  
George Brown  
Phillip Burton  
Shirley Chisholm  
John Conyers, Jr.  
Bob Eckhardt  
Don Edwards  
Leonard Farbstein  
Donald Frazier  
Andrew Jacobs  
Joseph Karth  
Edward Koch  
Allard Lowenstein  
Richard Ottinger  
Bertram Podell  
Benjamin Rosenthal  
Edward Roybal  
Robert Tiernan  
Charles Wilson

**STATEMENT OF CONGRESSMAN GEORGE E. BROWN, JR., (DEM. -CALIF.) REGARDING  
JUSTICE DEPARTMENT ANTITRUST SUIT AGAINST AUTOMOBILE MANUFACTURERS**

**September 11, 1969**

I deplore the action taken today by the Justice Department in agreeing to a consent decree in regard to the antitrust suit filed against the automobile manufacturers last January. As I stated in my letter to Attorney General Mitchell, I believe this to be one of the most vital cases ever instituted by the Antitrust Division. I am flying to Los Angeles this afternoon where I will continue my personal role in the outcome of this crucial issue.

The Nixon Administration has sold out the rights of all Americans to have a clean and healthy atmosphere in favor of maintaining high profits for the auto industry. The magnitude of this setback is huge; indeed, all of the efforts by governments and private groups to control this major source of pollution in our air may now go, literally, up in smoke,

The automobile manufacturers have never shown any incentive or displayed the initiative needed to reduce smog sufficiently. The auto makers have been charged with conspiring to limit the development of effective pollution controls, over a 15 year period, and over that period the air of this nation dropped in quality in many areas toward a point of causing irreversible damage. Even today the manufacturers are not fully complying with existing California emission standards.

This decision relieves the manufacturers from the responsibility of pushing ahead to find more viable means of controlling smog. If neither the manufacturers nor the Administration will act in this regard, then Congress must. I plan to introduce new legislation next week amending the National Emissions Standards Act to force the manufacturers to adopt the most technically feasible pollution control standards without regard to economic costs.

Fortunately, the decision reached today is not final. The District Court still has 30 days during which the Justice Department's move can be contested, and I am now in the process of coordinating a major statewide drive to impress the court with the necessity of refraining from approving the agreement reached between the Justice Department and the auto manufacturers.

As main features of this drive, I have already written to every legislator in the state asking them, if they agree, to indicate their support for an open trial in this case. I am also asking various government units to show their interest in filing damage suits against the manufacturers if an open trial should eventually prove the Justice Department's charges to be valid.

In addition, a statewide petition is now being distributed in California to show mass citizen concern and support for an open public record and decision in this case.

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