

Federal officials may be sued: court

WASHINGTON (AP) — Federal officials may be sued for damages in civil cases if they deliberately and knowingly violate the Constitution, the Supreme Court ruled today.

In a 5-4 decision, the court said, "We see no substantial basis for holding . . . that executive officers generally may with impunity discharge their duties in a way that is known to them to violate the United States Constitution."

The precedent-setting decision limits immunity for federal officials in a way that parallels immunity granted to state officials.

The majority opinion by Justice Byron R. White said, however: "Federal officials will not be liable for mere mistakes in judgment, whether the mistake is one of fact or one of law."

The court rejected the Justice Department's argument that officials should be absolutely immune from civil suits for damages. Attorney General Griffin B. Bell has contended that the threat of civil suits is an unfair burden for federal officials in the exercise of their official responsibilities.

Today's ruling came in a case involving the Arthur N. Economou commodity futures trading company, which sued former Agriculture Secretary Earl Butz and officials in the Department of Agriculture and Commodity Exchange Authority for \$32 million.

The suit charged the individuals with wrongful and malicious enforcement of commodity exchange laws.

The Supreme Court sent the case back to lower courts to set the ground rules for the trial of the claims against Butz and the others.

Economou's trading registration was suspended for 90 days in 1973 for alleged irregularities. A federal court later ruled that the suspension was unwarranted.

The 2nd U.S. Circuit Court of Appeals ruled that the company could not sue a federal agency — either the Agriculture Department or the commodity authority — but it said the individual federal officials named in the suit did not enjoy the same absolute immunity.

The ruling was challenged by Butz and the other officials as well as the federal government.

Economou contended that government officials deliberately put out

false news releases in an attempt to ruin the company in retaliation for its outspoken criticism of the Commodity Exchange Authority.

In the court's decision today, White said there was a "need to protect officials who are required to exercise their discretion and the related public interest in encouraging the vigorous exercise of official authority."

But, White added, previous cases that have limited immunity for state officials "have recognized that it is not unfair to hold liable the official who knows or should know he is acting outside the law and that insisting on an awareness of clearly established constitutional limits will not unduly interfere with the exercise of official judgment."

The ruling appears to have direct bearing on a number of pending civil suits that have been filed in recent years against present and former top-ranking officials of the FBI and CIA who are accused of violating constitutional rights by authorizing such activities as break-ins, mail openings and illegal wiretaps.

In other decisions announced today, the Supreme Court:

— Ruled unanimously that an employer charged with illegal racial discrimination may use an array of defenses, including company-compiled statistics, to prove that minorities are well-represented in the firm's workforce.

— Ruled 7-2 that consumers may sue insurance companies under federal antitrust laws.