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ANALYSIS OF NELSON CAMPAIGN SUBSIDY PLAN

State	Estimated voting population	State maximum primary expenditures	State general election subsidy	State general election fund-raising limit (estimated)
Alabama	2,274,000	$113,750	$227,500	$76,000
Alaska [1]	200,000	100,000	175,000	58,300
Arizona	1,239,000	100,000	175,000	58,300
Arkansas	1,310,000	100,000	175,000	58,300
California	13,945,000	697,250	1,394,500	464,800
Colorado	1,558,000	100,000	175,000	58,300
Connecticut	2,106,000	105,300	210,600	70,000
Delaware [1]	371,000	100,000	175,000	58,300
District of Columbia [1]	518,000	100,000	175,000	58,300
Florida	5,105,000	255,250	510,500	170,000
Georgia	3,104,000	155,200	310,400	103,000
Hawaii	531,000	100,000	175,000	58,300
Idaho	479,000	100,000	175,000	58,300
Illinois	7,542,000	377,100	754,200	251,400
Indiana	3,509,000	175,450	350,900	116,900
Iowa	1,909,000	100,000	190,900	63,500
Kansas	1,541,000	100,000	175,000	58,300
Kentucky	2,206,000	110,300	220,600	73,500
Louisiana	2,339,000	116,950	233,900	77,960
Maine	666,000	100,000	175,000	58,300
Maryland	2,688,000	134,400	268,800	89,600
Massachusetts	3,955,000	197,750	395,500	131,800
Michigan	5,874,000	293,700	587,400	195,800
Minnesota	2,560,000	128,000	256,000	85,330
Mississippi	1,403,000	100,000	175,000	58,300
Missouri	3,266,000	163,300	326,000	108,800
Montana	460,000	$100,000	$175,000	$58,300
Nebraska	1,022,000	100,000	175,000	58,300
Nevada [1]	348,000	100,000	175,000	58,300
New Hampshire	521,000	100,000	175,000	58,300
New Jersey	5,025,000	$251,250	$502,500	$167,500
New Mexico	636,000	100,000	175,000	58,300
New York	12,773,000	638,650	1,277,300	425,760
North Carolina	3,463,000	173,150	346,300	115,400
North Dakota [1]	402,000	100,000	175,000	58,300
Ohio	7,185,000	359,250	718,500	239,500
Oklahoma	1,812,000	100,000	181,200	60,400
Oregon	1,500,000	100,000	175,000	58,300
Pennsylvania	8,161,000	408,050	816,100	272,030
Rhode Island	673,000	100,000	175,000	58,300
South Carolina	1,706,000	100,000	175,000	58,300
South Dakota	434,000	100,000	175,000	58,300
Tennessee	2,713,000	135,650	271,300	90,400
Texas	7,681,000	384,050	768,100	256,000
Utah	689,000	100,000	175,000	58,300
Vermont [1]	309,000	100,000	175,000	58,300
Virginia	3,197,000	259,850	319,700	106,560
Washington	2,371,000	168,550	237,100	79,030
West Virginia	1,182,000	100,000	175,000	58,300
Wisconsin	2,955,000	147,750	295,500	98,500
Wyoming [1]	225,000	100,000	175,000	58,300

[1] In States with only 1 Congressional District, their primary spending limitation is $100,000, and their general election subsidy is $175,000.

Note: In States with more than 1 Congressional District, the primary spending limitation is $75,000. In those States, the general election subsidy is $90,000.

Cost Analysis of Nelson Amendment to S. 372.

Senate races (2 in every state in six years)—2 candidates in each race—$65,384,000; 4 candidates in each race—$30,768,000.

House races (3 in every state in six years)—2 candidates in each race—$98,076,000; 4 candidates in each race—$196,152,000.

Total Cost for a six year period—2 candidates in every race—$164,152,000; 4 candidates in every race—$328,304,000.

Cost per capita eligible voters (based on 140,000,000):

Cost per capita with 2 candidates in each race—$1.00/6 years, 16¢/per year.

Cost per capita with 4 candidates in each race—$2.30/6 years, 38¢/per year.

NOTE.—The above figures are determined on the basis of candidates accepting the subsidy and not raising any funds. Any funds raised by qualified candidates in general elections are, according to the amendment, deducted from the total subsidy received.

AMENDMENT NO. 382

(Ordered to be printed, and to lie on the table.)

CAMPAIGN FINANCING—A RETREAT FROM FULL DISCLOSURE

Mr. MONDALE. Mr. President, the Senate Rules Committee, in reporting the Federal Elections Campaign Act Amendments of 1973 (S. 372) last week, made what I believe to be an unfortunate retreat from the full disclosure requirements of the 1971 Act.

The committee struck out the requirement that the occupation and place of business of those persons contributing more than $100 be reported and publicly disclosed.

I am today submitting an amendment to S. 372 restoring this requirement for contributions of over $100. The text of the amendment appears at the end of my remarks.

The committee also struck out the requirement that occupation and place of business be recorded for contributions of between $10 and $100. This part of the committee's action is reasonable, since contributions of $100 or less need not be reported, and my amendment would leave this modification intact.

The value of full disclosure for large contributions of over $100 far outweighs any moderate inconvenience candidates and contributors may suffer.

The news is filled every day with stories of corporations and their employees being pressured into contributing to campaigns. It has been alleged, for example, that the Nixon administration compiled a list of corporations in trouble with the Government, seeking favors from it, or regulated by it. These corporations were then assigned quotas of $50,000 or $100,000 to be contributed to the Nixon campaign. In most cases, apparently, these quotas were filled by contributions from corporate executives, but in at least one case—that of American Airlines—corporate funds were used in violation of the law. Even when executives make contributions with their own funds, it sometimes happens that they are reimbursed with bonuses, salary increases, or padded expense accounts—which the corporation can then deduct on its tax return.

The atmosphere of this activity has been well described by American Airlines board chairman George A. Spater. In acknowledging American's illegal $55,000 contribution to the Nixon campaign, Spater said that:

Under the existing laws, a large part of the money raised from the business community for political purposes is given in fear of what would happen if it were not given.

In light of all of this, it is difficult to contend that the occupation and place of business of those making large contributions is irrelevant and need not be reported. If 20 executives of a large corporation all contribute on the same day to a candidate, is not their corporate affiliation important? If a corporation gets a favorable Government decision in a controversial case, is not the public entitled to know how much its executives contributed and to whom?

The editorial reaction to the Rules Committee's action has been uniformly negative.

The Wall Street Journal on July 11 said:

We now learn that the Senate Rules Committee has moved to water down [the disclosure requirements of the 1971 Act], a prospect could scarcely seem less appropriate. If anything, the requirements should be strengthened.

On the same day, the New York Times called the committee action "astounding," saying:

Undoubtedly, the existing requirement is now somewhat burdensome to campaign treasurers, but once it is widely known, it will become a matter of simple routine. It is no more onerous for the contributor than providing identification to get a check cashed. If addresses and occupations are not listed, the reports on contributions become much less meaningful.

An editorial in the July 13 Washington Post referred to the weakening of the disclosure laws as "astonishing" in the light of the American Airlines revelations.

Mr. President, I ask that the text of the amendment I am introducing be printed in the RECORD at this point, along with the editorials I have referred to and newspaper articles entitled "Inquiries Into Nixon's Reelection Funds Turning Up a Pattern of High Pressure"—New York Times, July 15, 1973—and "Disclosure, Aim of First Election Reform, May Be Lost in Second"—Washington Post, July 14, 1973:

There being no objection, the amendment and material was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 382

On page 16, after line 18, insert the following new paragraph:

(3) Section 302(c) of such Act is further amended by striking the semi-colon at the end of paragraph (2) and inserting "and, if a person's contributions aggregate more than $100, the account shall include occupation, and the principal place of business (if any);".

On page 21, line 1, strike out "paragraphs (2), (9), and (10)" and insert in lieu thereof "paragraphs (9) and (10)".

On page 21, strike out lines 4 through 8, and insert in lieu thereof:

(2) Subsection (b)(5) of such section 304 is amended by striking out "lender and endorsers" and inserting in lieu thereof "lender, endorsers, and guarantors".

[From the Wall Street Journal, July 11, 1973]

SHAKEDOWNS AND BRIBES

American Airlines is getting high marks for candor for admitting that corporate funds were used in a $75,000 kitty that went to the Committee to Re-Elect the President. We think the marks would be more deserved were it not for suggestions by "insiders" that the airline was about to be found out anyway.

Common Cause, a "citizens lobby" that focuses a great deal of its non-partisan attention on miscreants of a Republican persuasion, was hot on the trail of a donor list that might have disclosed the gifts. Also, the incident should not pass without someone noting that it would have been perfectly possible for Americans to rebuff this bit of illegality in the first place. Still, we do rate the airline's candor far higher than that of the re-election committee and its minions, who claim no knowledge of anything unseemly about the contribution.

We find it hard to know where to begin a discussion of this wearying subject, except to say that we have little sympathy for anyone whose political machinations carry him beyond the law or propriety. Corporate executives seek to make a case that politicians blackmail them into illegal campaign contributions. The politicans insist that they are constantly being offered slightly soiled dollars that they can refuse only on penalty of losing an election. Civil servants insist that they would remain pure and free of involvement in these political games were it not for the pressures applied to them by the political operators higher up.

Let us take the first claim. American Chairman George A. Spater insists that the political fund-raising system in this country is beset with evils. Some other businessmen claim that it falls little short of extortion; the fund-raisers, so we are told, have a habit of suggesting that helping a politician win can mean favors that are important to corporations.

We have very little trouble imagining such goings on. Government's power to bestow favors or inflict injury on corporations has been growing steadily for years as succeeding Congresses have expanded a web of federal regulation and supervision in matters ranging from the worthiness of auto bumpers to the fidelity of televised glimpses of breakfast food. There are all sorts of ways for bureaucrats to cause businessmen problems.

But we doubt that many businessmen would come to real disaster from refusing improper advances from political fund-raisers. Put another way, we suspect that there is about a 50-50 split on which side makes the first pass.

In our system, no politician—even the President—is powerful enough to fix every federal problem a donor might encounter. The fact that civil servants and even some political appointees don't always bow to pressures from higher up has been one of the more reassuring disclosures from the Watergate hearings. We suspect that those big donors who expect a quid pro quo often get less than their money's worth.

But civil servants are not entirely blameproof either. Some, we suspect, play their own political games, helping or attacking the friends of this or that elective official to achieve ends of their own. We have no illusions, particularly after Watergate, that the inner workings of politics are simple or the methods and motivations of politicians anything less than complex.

We also have no simple solutions. But the recent revelations do encourage us to think that maybe the tough disclosure requirements in the Federal Election Campaign Act of 1971 have proved to be more effective than anyone imagined they would be. We now learn that the Senate Rules Committee has moved to water down those requirements, a prospect that could scarcely seem less appropriate. If anything, the requirements should be strengthened.

In the final analysis, tough disclosure requirements probably serve as well as anything as a remedy. What we may be seeing now is not so much the ills of the system but the 1971 remedy finally at work to purge some of the ills. Let's stick with it awhile and see.

[From the New York Times, July 11, 1973]

LOOKING BACKWARD

Like a major earthquake, the Watergate scandal has transformed the political scene. But politicians, like other human beings, prefer to look backward and cling to old ways. The members of the Senate Rules Committee, in particular, seem unable to comprehend how much the ground has moved under their feet.

While tens of millions of Americans have sat transfixed for hours before their television screens listening to testimony about secret political contributions, attaché cases stuffed with hundred dollar bills, and dirty political tricks financed by cash from concealed sources, the Rules Committee has quietly been meeting to draft amendments to weaken the Federal Election Campaign Act.

When that law went into effect on April 7 last year, it established reporting procedures which were intended to take some of the mystery out of how political campaigns are financed. Each new revelation about the financing of last year's campaign—mostly before April 7—has brought fresh proof of the need to strengthen rather than weaken the new law and extend the reforms.

American Airlines, for example, has disclosed to Watergate Special Prosecutor Archibald Cox that it contributed $55,000 in corporate funds to the Nixon campaign. Such contributions are illegal under the new law, as indeed they were under the old but unenforced Corrupt Practices Act of 1925. Eastern Airlines has announced that it refused a similar solicitation from the Nixon campaign, but Mr. Cox reportedly has in his possession a secret list compiled for the White House of other corporations which did contribute.

A stockholder's suit against International Telephone and Telegraph Corporation has brought to public attention a memorandum from a former I.T.T. official detailing how he was pressured by his corporate superiors to contribute to Lyndon B. Johnson's Vice-Presidential campaign in 1968 with the understanding that he would be reimbursed out of corporate funds if he filed a fake expense account. Political observers agree that I.T.T. is hardly unique in this devious practice.

* * * Investigation is also under way into the contributions to the Nixon campaign by the Teamsters Union after a Presidential commutation unexpectedly released former Teamsters president James R. Hoffa from prison.

Against the background of these developments it is astounding that the Senate Rules Committee has the temerity to report out two amendments to the new law which would narrow its scope. The first would remove the requirement that each contributor list his name, address and occupation. Instead, only his name would be reported. Undoubtedly, the existing requirement is now somewhat burdensome to campaign treasurers, but once it is widely known, it will become a matter of simple routine. It is no more onerous for the contributor than providing identification to get a check cashed. If addresses and occupations are not listed, the reports on contributions become much less meaningful.

Another amendment would repeal a section of the law forbidding any individual member of a corporation or union which holds a Government contract—as some unions do under the manpower training program—from making donations to a company-controlled political fund. These funds too easily become vehicles for some of the abuses which the Watergate investigations are bringing into view.

There is need for a strengthening of the existing law and combining it with provision for new sources of campaign financing from public funds. The objective is to achieve a balance between many modest contributions from individual citizens and limited public subsidy for some campaign expenses. There is no need for a return to the mystification and corruption-breeding practices permitted by the old weak law.

Members of the Senate who think they can slip back to the bad old days are misreading the public's post-Watergate sophistication. They run the risk of being retired from public life altogether.

[From the Washington Post, July 13, 1973]

AMERICAN AIRLINES SETS A GOOD EXAMPLE

Washington has been buzzing for at least a year with stories about how the incredible amounts of money for the re-election of Richard Nixon were raised. The titillation quotient of the stories rose with each additional effort on the part of Mr. Nixon's re-election apparatus to shield its donor lists from public view and with each enticing behind-the-scenes glimpse the public was able to get. There have been reports about the money laundered through Mexico, the money in Bernard Barker's bank account, the milk money which began to flow just before the milk price support decision was reversed in favor of the dairymen, the Vesco cash in a briefcase and much more. Some of these reports remain murkier than others. But now comes American Airlines' disclosures and, in one blinding flash, we can see a lot more clearly just how this sleazy business really works.

Special Watergate Prosecutor Archibald Cox announced last Friday that American Airlines had voluntarily disclosed that it had made an illegal cash contribution of $55,000 from corporate funds to the effort to re-elect Mr. Nixon. George A. Spater, the airline's board chairman, elaborated in a formal statement which revealed that company officials, acting at his direction, had delivered a total of $75,000 in cash to the Nixon effort, but that $20,000 of that sum came from "non-corporate sources."

Mr. Spater's rather poignant statement tells us a great deal in general about the confluence of money, politics and American business, and quite a lot in particular about how those forces came into play in the Nixon campaign in 1972. Mr. Spater said, "I was solicited by Mr. Herbert Kalmbach, who said that we were among those from whom $100,000 was expected . . . I knew Mr. Kalmbach to be both the President's personal counsel and counsel for our major competitor. I concluded that a substantial response was called for."

Well, we'd say that is roughneck politics by any standard. Now it is true that Mr. Kalmbach issued his own statement indicating that he had neither cash nor a corporate contribution on his mind when he made the solicitation, and the Finance Committee to Re-elect the President rushed into print denying that it had "used extortion methods" to raise campaign funds. What they couldn't deny was that Kalmbach had two roles—one as Mr. Nixon's personal lawyer and the other as attorney for United Airlines. Nor can it be denied that $100,000 is a whale of a lot of money and that American Airlines is in an

industry regulated by the government. More to the point, American then had a merger pending before the government and its chief competitor, United, was opposing it. The proposal was later turned down, so both of Mr. Kalmbach's clients won while American lost.

In any case, Mr. Spater and Mr. Kalmbach are grownups, Mr. Kalmbach knew whom he represented—the President *and* United Airlines—and he knew that Mr. Spater also knew. Mr. Spater had available to him sufficient legal talent to find out what campaign contributions from corporate funds were illegal, even if he didn't know it when he talked to Mr. Kalmbach. So, there was a need not only for a "substantial response" but for one that would be difficult to trace. Thus, according to reports, there was a Lebanese "laundering" operation for American's $55,000 so that the money would come through as untraceable cash. Moreover, it was all delivered before the more stringent campaign financing law went into effect in April 1972.

It just happens that the records for some of those pre-April contributions have been lost or destroyed by Mr. Nixon's finance committee. Maurice Stans, Mr. Nixon's finance chairman, testified before the Ervin committee that there was nothing illegal about destroying those records. He justified his insistence on maintaining the confidentiality of his donor lists on grounds of high principle. "The committee's position all along," he said, "was that non-disclosure created no advantage to it, but that privacy was a right of the contributor which the committee could not properly waive. The right to live without undue intrusion is a long-respected benefit of the American system."

But it turns out that, indeed, there was an "advantage to it"—the advantage of a shelter behind which to hide violations by the donor, and possibly by the committee, of the criminal code of the United States. Mr. Spater gave a little different and, under the circumstances, probably a more candid view of the operation of the system. "Under the existing laws," he said, "a large part of the money raised from the business community for political purposes is given in fear of what would happen if it were not given."

So there was fear and there was secrecy and, with fellows like Mr. Kalmbach and Mr. Stans stalking through the corporate jungle, not even a wink or a nod was needed to get the message across. Mr. Cox says he hopes that other corporations will follow Americans' admirable example and make the tough, but in our view, correct decision to disclose voluntarily any illegal contributions. And so do we. Perhaps if enough corporations come forward and confess, before the government has to go through the arduous and costly process of investigating and prosecuting them, the public will see this shakedown for what it is and bring pressure for tough and sweeping reform of the campaign financing process.

Incredibly, the Senate Rules Committee hasn't yet gotten that message; it recently reported out two amendments to the campaign financing law which would weaken, rather than strengthen, it. More voluntary disclosure by corporations and greater public revulsion might well reverse this astonishing move by the Rules Committee and encourage a trend the other way—toward real reform. The big donors would benefit from this. But the general public would benefit far more. For the result would be cleaner, better government. If we've learned nothing else in this Watergate year, we've learned that dirty money, no matter how thoroughly it's laundered, makes for dirty politics and corrupt government.

[From the New York Times, July 15, 1973]

INQUIRES INTO NIXON'S REELECTION FUNDS TURNING UP A PATTERN OF HIGH PRESSURE

(By Ben A. Franklin)

WASHINGTON, July 14.—Government investigators say that they are finding a pattern of high pressure solicitation from very large contributions to President Nixon's 1972 reelection campaign among executives in the country's most powerful corporations.

The investigators, representing both the Senate Watergate committee and the special Watergate prosecution team under Archibald Cox, have been following the footsteps of Maurice H. Stans and Herbert W. Kalmbach, Mr. Nixon's principal fund-raisers in last year's record harvest of some $55-million for the Republican Presidential campaign. As a result, the investigators say, they believe that the aggressive Nixon money drive may have led to sometimes winked-at violations of Federal election law.

Thus far, the investigators have declined to discuss in detail new cases that Mr. Cox hinted broadly last week may duplicate or go beyond the illegal contribution acknowledged on July 6 by American Airlines.

Both the Senate committee and the Cox office are working from a list of about 2,000 actual, though still unreported and undisclosed, executive gifts to the Nixon campaign that totaled some $19-million.

In offering American Airlines possible mitigation of prosecution for confessing its illegal act—and in obvious reference to other names on the secret list—Mr. Cox warned other unnamed company officers last week that "whether they come forward or not, we intend to get to the bottom of illegal funding proctices."

$100,000 CALLED STANDARD

Without benefit of any names on the secret list, The New York Times this week conducted a telephone survey of the heads of scores of major corporations. The survey disclosed that the standard Stans-Kalmbach request among business leaders was for $100,000 in individual executive contributions—contributions that would be legal.

Last week, American Airlines, which had a proposed merger with Western Airlines pending before the Government, admitted that it had given the Nixon campaign an illegal corporate donation of $55,000 after, it said, Mr. Kalmbach had requested $100,000. The merger was later rejected.

In the wake of American's admission, The New York Times conducted its survey. The survey disclosed that the Stans-Kalmbach requests were customarily for $100,000 but sometimes the request was for 1 per cent of the executives' combined net worth, a figure that could have been higher than $100,000.

The Times' list of companies that the two men were said to have visited—a sample of about 100 corporations—indicated that they had solicited most, if not all, of the prime defense contractors. The list also indicated that they had called on other companies in trouble with or awaiting rulings from government agencies and boards controlled by the Administration.

American Airlines said its illegal gift had been made "in fear of what would happen if it were not given."

Many of Mr. Stans' and Mr. Kalmbach's corporate hosts said they had been invited to use a loophole in the Federal law, since closed, that allowed them to avoid public disclosure of their contributions.

The Times' survey brought responses from those who had given large amounts and those who had resisted the reported appeals.

CALIFORNIA VISIT RECALLED

Fred L. Hartley, president of the Union Oil Company, said, for example, that Mr. Stans and Leonard K. Firestone, the chief Nixon fund-raiser in California, had requested $100,000 from him during a call at his office in February, 1972.

Mr. Hartley, whose company was involved in the notable oil spill crisis in 1969 in the Santa Barbara Channel, said this week that he had declined the request "of such great magnitude" on his personal fortune and that he had told his callers he would make public disclosure of his contributions, if any.

Mr. Hartley also recalled that he had felt obliged to remind his visitors that it was "illegal for a corporation to give a campaign contribution in a Federal election." He later gave $3,000, duly reported. He has since tried and failed to get it back.

Government investigators believe the nationwide Stans-Kalmbach solicitations were guided in part by a secret list of such companies. But the approach does not appear to have worked well in every case.

For example, officials of the Greyhound-Armour Corporation, which had been seeking but had failed to get authority to operate wider buses on interstate highways, said this week that they were visited by Mr. Stans last year.

A spokesman said that Greyhound's president, R. F. Shaffer, had "complained so bitterly about the treatment Greyhound was getting from the Nixon Administration that Stans never had a chance to ask for money."

Mr. Stans was also said to have called mistakenly on some Democrats. John T. Connor, chairman of the Allied Chemical Corporation and a Democrat then supporting the nomination of Senator Hubert H. Humphrey, said he was telephoned by Mr. Stans early in 1972 and asked for a collection among Allied executives that would meet a $50,000 quota.

Mr. Connor said that Mr. Stans had suggested that the Allied gift should be made early—before the new Federal disclosure requirement covering contributions took effect last April. Mr. Conner refused. Later he gave $1,125 to Democrats for Nixon. Allied, like other chemical concerns, had had confrontations with the Government on pollution issues.

More often, the Republican approach seems to have worked extremely well.

Early in 1972, for example, Mr. Stans was said to have solicited in California an "old friend," Charles B. Thornton, the head of Litton Industries, a conglomerate under strong official crticism for delivery delays and cost overruns on defense contracts.

The request was for $100,000—"or it may have been more," a spokesman for Mr. Thornton said this week. Mr. Stans "did not indicate whether he wanted cash or a check," the spokesman added.

Mr. Thornton was said to have told Mr. Stans "there was no way" Litton executives could be asked to pool such a large contribution because Litton stock had declined in price "placing the fellows in a bind on their [company stock] options."

"Nonetheless, Mr. Thornton said that personal contributions by himself and Roy L. Ash, then Litton president and now director of the Office of Management and Budget in the White House, had probably brought total Litton executives gifts close to $100,000.

LOCKHEED FALLS SHORT

The Lockheed Corporation chairman, Daniel Haughton, said Mr. Stans had also sought $100,000 from him, to be collected from executives of his company, which also was in difficulty with cost overruns on defense contracts. Mr. Haughton said some funds had been raised but the total "did not approach $100,000."

Through a spokesman for the Olin Mathieson Chemical Corporation, Keith Funston, the former chairman, said that his "good

friend," Mr. Stans, had been invited late last February to visit with Olin executives at a game shoot at the company's private hunting preserve in southern Illinois, but that Mr. Stans had not solicited funds. John M. Olin, the honorary chairman, later gave the Nixon campaign $101,500.

Mr. Stans reportedly visited Eli Lilly & Company executives last June 26, along with other business leaders in Indianapolis. A Lilly spokesman said that Mr. Stans had not mentioned a company quota but had "suggested a reasonable contribution from responsible executives equivalent to 1 per cent of net worth."

Lynn A. Townsend, the board chairman of the Chrysler Corporation, said that Mr. Kalmbach called on him in Detroit in August, 1971, and asked for an amount he cannot now recall.

Representatives of the American Motors Corporation, a smaller company, were later solicited for $100,000. This was at a time when the auto industry—and particularly Chrysler—was preparing an aggressive campaign to relax or delay the Federal air pollution standards on engine exhaust emissions required by the Clean Air Act of 1970, which the Nixon Administration also had opposed.

Mr. Townsend said that individual Chrysler executives, pooling their gifts through a company-administered fund, had given the Nixon campaign an undisclosed amount. The emission standards were later postponed for a year.

$110,000 FROM FORDS

The Ford Motor Company said it had not been approached by any Republican fundraiser. But Mr. Kalmbach was identified in a statement released on Thursday by Pierre V. Heftler, the personal lawyer of Henry Ford 2d, as the solicitor early in 1972 of an unreported $50,000 given to the Nixon campaign directly from Mr. Ford. Other members of the Ford family as individuals, later raised the family total to more than $110,000.

According to a spokesman at General Motors, both Mr. Stans and Mr. Kalmbach were "among others" who got in touch with G.M. executives for contributions in late 1971. "We don't know who contributed or how much," a spokesman said.

Carl Gerstacher, chairman of the Dow Chemical Company, said Mr. Stans had called on him for a contribution of "$100,000 or more." He said he had given $2,000.

Last July 27, Mr. Stans, who had resigned five months earlier as the Nixon Administration's Secretary of Commerce met at the White House with executives of the carpet industry from the South who were anxious about the scope of Federal fabric flammability standards then pending in the department.

Within two weeks, two Georgia carpet executives, Martin B. Seretean of Coronet Industries and Eugene T. Barwick of Barwick Industries, Inc., began a flow of Nixon contributions that eventually appeared in campaign disclosure reports as $108,000 from Mr. Seretean and $100,000 from Mr. Barwick.

The flammability standards, now under the jurisdiction of the independent Consumer Protection Agency, still have not been set.

SAMPLES FROM LIST

The list of other company executives who told The Times this week they had been approached by Mr. Stans or Mr. Kalmbach—in person or by phone, telegram and letter—included those of International Business Machines, W. R. Grace, Inc., the Firestone Tire and Rubber Company, the General Electric Company, the General Dynamics Corporation, the Georgia-Pacific Corporation and the American Express Company.

Spokesmen for about 60 other companies said their executives had had no known contact with Mr. Stans or Mr. Kalmbach.

The Times survey thus reached only a sample of corporations that have been involved with the Government under the Nixon Administration, as defendants or supplicants.

The recently subpoenaed but still secret list of 2,000 contributors being used by the Government investigators has been dubbed "Rose Mary's baby" because it was compiled by Rose Mary Woods, Mr. Nixon's personal secretary. Its existence had been denied until recently by Republican finance officials.

One corporate official interviewed this week said that further admissions almost certainly would take time. The spokesman, who asked not to be named, said that it had taken American Airlines about three weeks of hectic board meetings, executive arguments, legal consultations and negotiations with the Government prosecutors to complete its admission and make it public. He speculated, accordingly, that other companies might not begin to come forward until they, too, had completed similar "in-house gyrations" by about the end of the month.

[From the Washington Post, July 14, 1973]

DISCLOSURE AIM OF FIRST ELECTION REFORM, MAY BE LOST IN SECOND

(By Morton Mintz)

Congress waited almost 50 years before undertaking to reform an election-campaign financing statute that was, as the late President Lyndon B. Johnson once put it, more loophole than law. The overriding purpose of the reform law Congress finally enacted was disclosure, mainly, to enable voters to find out who gave how much to whom.

The reform law has been in effect only six months and has been tested in only one election. Even so, Congress is in the process of enacting still tighter controls. The reason, of course, is the Watergate scandal.

Ironically, however, the reform bill, reported this week by the Senate Rules Committee, puts the disclosure requirement of the existing law in severe jeopardy.

The 1971 law provides that committees must report not only the name of each contributor of more than $100, but also his occupation and principal place of business.

Members of the Rules Committee, along with numerous other legislators, say the requirement is onerous. Senate minority whip Robert P. Griffin of Michigan, for example, told fellow members of the Rules Committee that the requirement inconvenienced his campaign staff and annoyed contributors. Other committee members agreed and voted unanimously on June 27 to delete the requirement.

Not that the committee view is universally held. Griffin's Democratic opponent, Michigan Attorney General Frank P. Kelley, didn't find the requirement a serious burden, one of Kelley's campaign aides said. Neither did Sen. Walter F. Mondale (D–Minn.), who had to send out only an occasional postcard or make an occasional phone call to identify a contributor.

Last year, even with the benefit of a listing of occupations and business addresses, newsmen found it difficult to provide voters with useful disclosures about contributors when it was most useful—before election day.

For one thing, the disclosure requirement was sometimes violated. The solution suggested by Common Cause, the citizens' lobby, is to require candidates to return contributions that remain inadequately identified five days after receipt.

Other difficulties were more basic. To take a major case in point, the Democratic and Republican presidential campaign organizations confused and delayed processing of their financing reports by the General Accounting Office and reporters simply by creating multitudes of paper committees. The purpose of this was to divide up large contributions so that the donors could avoid gift taxes.

Nor were these the only obstacles. Campaign committees commonly listed a husband's contribution separately from his wife's, or from his son's, say, impeding efforts to assemble contributions in illuminating patterns. The same was true of gifts from executives in a single business enterprise.

One gift may be listed to "John T. Doe" and another to "J. T. Doe." A clerk may innocently make a typing error, so that the donor you suspect to be Doe appears as say, "John T. Woe."

Especially on Capitol Hill, where Congress provided newsmen with personnel but cramped, inadequate facilities, an additional problem was created by numerous special-interest committees. These concealed their gifts to specific congressional candidates by "laundering" them in pass-through Democratic and Republican congressional committees. The candidate's report then usually would list the pass-through committees rather than the original donor.

The overall result was that the identification provided under the 1971 law, even if highly useful to anyone wanting to fully identify contributors, was nonetheless insufficient for all but well-known contributors, such as W. Clement Stone, who was President Nixon's most generous donor, and Stewart Mott, who was Sen. George McGovern's. Many new donors in 1972 were listed for large sums—more than $200,000 each, in many cases—but were unknowns.

To be useful, all of the checking and digging must be completed in time to permit reasonably full disclosure to the voters before they go to the polls. If the law is changed as proposed by the Senate Rules Committee, the job will become more difficult, if not impossible, according to reporters who checked out contributors last year.

The committee did create a loophole. It approved a proposed independent elections commission empowered to adopt disclosure rules. Conceivably, the commission would do administratively what the committee would not do legislatively.

Meanwhile, other proposals to simplify the disclosure process have been made by, among others, Secretary of the Senate Francis R. Valeo. In testimony to the Rules Committee, he suggested, for example, that contributors be required to disclose a family relationship. Another idea, suggested by Sen. Lowell P. Weicker (R-Conn.) and Valeo, is to list a contributor's Social Security number.

Mondale, in any event, has decided not to take a chance on what the independent commission may do and has announced that he will seek to restore the existing disclosure requirement when the committee bill comes up on the Senate floor, probably late this month.

FAIR LABOR STANDARDS AMENDMENTS OF 1973—AMENDMENTS

AMENDMENT NO. 370

(Ordered to be printed, and to lie on the table.)

Mr. PACKWOOD. Mr. President, I am sending to the desk an amendment which I intend to offer to S. 1861, dealing with the discretionary treatment of news delivery boys delivering nondaily newspapers. I ask unanimous consent to have the text of my amendment printed at this point in the RECORD, along with a brief explanation of its purpose.

There being no objection, the amend-