

If Watergate Offers Any Lesson to Contributors, It's Caution

Campaign Spenders Still Spend Very Big

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WASHINGTON—In the getting and spending of giant special-interest political treasuries, life goes on, much as before.

The Watergate scandals may have made politicians and their patrons more cautious about cash (like the \$200,000 in Robert Vesco's attaché case), about illegal corporate contributions (like the money the Nixon re-election campaign solicited from airlines, among others) and about the most obvious deals (like the dairy industry's promise of \$2-million to help re-elect the President at a time in 1971 when the Administration was granting a price-support hike worth \$500-million to the milk producers).

But Watergate has yet brought no change in either law or common practice when it comes to contributions by lobbyists to election campaign chests. The spirit of reform, such as it is, shows up mainly in the wider publication of the figures that have to be disclosed.

Common Cause, the so-called citizens' lobby, has conducted a survey of the scores of special-interest political committees—all registered with Congress, all legal—lobbying groups and national party organizations around the country, and reports that as of last spring they had a grand total of \$14.2-million

in the bank for the 1974 campaign year. This is substantially more than they reported spending on all the Congressional races of 1972. Labor union committees alone had more than \$5-million in hand. Dairy industry committees had over \$2-million. Health groups, including the medical and dental associations, had \$1.5-million.

The use of that money may be a form of free speech, as the spenders argue, part of the ancient political business of rewarding friends and punishing adversaries. The influence of big money these days may be offset somewhat by publicity. But money is still the mother's milk of politics, and the pattern of its flow tells a story.

The activity in the financial industry is an example.

The early warm-up of the 1974 campaign season was barely over when the political committees of the banking community filed their June 10 accounts with the Federal Government, as all political committees had to by that date. But already the financial world, including the insurance, savings and loan and securities industries, had distributed \$133,000 to about 100 candidates for Congress, almost all of them incumbents. A total of 58 registered committees, some national, like the Credit Union Legislative Action Council, some state affiliates, like the Ohio Bankers Action Now Committee, and about 32 single-bank funds reported income of over \$440,000. More important than what they spent this spring was the cash in reserve to be spent this summer and fall: \$753,000.

Well Distributed

The bankers' goodwill is widely scattered, in one sense: 77 House members—43 Democrats, 34 Republicans—more than one of every six Representatives—got bank money of one kind or another in the early distribution this year. Banking or other financial interests had made contributions before June in fully half of the 34 Senate races this year.

Larger contributions, however, tend to be concentrated among members of the House and Senate committees that oversee the industry. Seventeen members of the House Committee on Banking and Currency, 10 Democrats and seven Republicans, or

almost half of the full 40 members, received an average of \$1,700 apiece from the financial industry early in 1974.

By far the largest individual sum went to the committee's Democratic chairman, Wright Patman of Texas. That hardly fits Mr. Patman's image as a populist enemy of the bankers, but what it really illustrates is that the financial industry, like many others, is not a monolith. In Mr. Patman's case, contributions came mainly from credit unions and savings banks, not the commercial banks and their well-heeled Bankpac, the banking profession's political action committee.

The financial industry's contributions to Senate campaigns are similarly concentrated. The big beneficiary so far, with more than \$11,000 from bank-related groups, has been Senator J. William Fulbright of Arkansas. The bankers' interest in Mr. Fulbright was aroused by the fear that if Mr. Fulbright lost the Democratic primary (as he subsequently did), Senator John J. Sparkman of Alabama would succeed to the chairmanship of the Foreign Relations Committee, leaving the Banking Committee leadership in the relatively unfriendly hands of Senator William Proxmire of Wisconsin. Meanwhile, Senator Bob Packwood of Oregon, the only Banking Committee Republican up for re-election this year, had received \$5,800 from the financial community even before the Democrats chose his opponent at the end of May.

With the help of the new, foundation-supported National Information Center on Political Finance, it will be easier than before for the press and public to monitor this sort of money. Grouping dozens of scattered committees according to their general interests makes it possible, for example, to look at the financial industry as a whole.

It also helped The Washington Post show recently how little the Nixon milk-money scandal has cramped the style of the dairy industry. The various dairy funds have given \$213,000 to 82 House and Senate members since the last election, the Post reported, almost half of it to members of the agriculture committees, and \$32,000 to one freshman member of the dairy subcommittee in the House, Representative David R. Bowen, a Democrat from Mississippi. And the 1974 campaign has only begun.