

# Political Goals and Public Money

Part 6/14/74

A SOBERING DOCUMENT has come out of the Senate Watergate Committee. It is a staff report on the uses to which the White House and the Committee for the Re-Election of the President put the federal treasury in 1971 and 1972. From the outset, these documents make clear, the CRP was given a White House mandate to mobilize the executive branch in behalf of Mr. Nixon's re-election. They were to politicize bureaucrats, the Hatch Act be damned; they were to use the power of federal grants to buy votes—as was discussed on this page yesterday—and they punished federal contractors otherwise qualified for their grants for failing to show the appropriate eagerness for the re-election of Mr. Nixon. In one instance, the CRP people told the White House of a federal contractor whose grants CRP felt should be halted. This is how they put it: "This is a classic example of a firm, *not necessarily* on our team, which is making a comfortable living off of us." It goes on to note the firm's grants were coming from the Departments of Labor and Housing and it suggests they be cut off. Eventually, for no better reason than that the company refused to kick in to the CRP, its contracts with the government were canceled. The key phrase in the documents is the one referring to the firm as making a comfortable living "off of us." The CRP apparently saw the entire federal treasury as one vast resource belonging to it and to the administration, but not to the public. The administration was not a steward or custodian of the resources of government; rather, it had come into possession of them and now they belonged to Mr. Nixon and his "team." If you were on that team, you could play government grantsmanship. Otherwise, forget it.

Frederick V. Malek, now the Deputy Director of the Office of Manpower and Budget, turns out to have been a pretty resourceful person when it came to finding federal funds to use for the political advancement of his leader. As a White House staff assistant, Mr. Malek crafted much of what has since become known as the "Incumbency Responsiveness Program" of the administration. All that title really meant was: Use the power and prestige of the federal government in every way possible to get Richard Nixon re-elected by the largest possible margin. True to his charge, Mr. Malek went to work, and here is an example of his style. He complimented one of his staff in a memorandum to such higher-ups as H. R. Haldeman, John Mitchell and John Ehrlichman for having diverted \$1 million in federal funds to friendly forces. But that, he said, was mere chicken feed:

*Nevertheless, in spite of this achievement, the potential is much greater. In the Commerce Department, for example, there is nearly \$700 million in funds remaining in this fiscal year and over \$700 million in next fiscal year which could be redirected in some manner.*

The funds to which he refers were placed there by the Congress in the misguided belief that they could assist the poor, among others. Mr. Malek identified

these resources as follows: The Economic Development Administration, \$275 million; Regional Action Planning Commissions, \$40 million; Minority Business Enterprises, \$38 million, and so on. The deliberate planning to raid the treasury to purchase the support of key voter blocs was only a part of the scheme. Mr. Malek's outline also included plans to make certain that federal employees were "discreetly" importuned to support Mr. Nixon's re-election.

Moreover, his plan called for spreading political agents of the CRP through the federal bureaucracy so they could be on the lookout for ways to use those agencies and their employees to help out in the re-election effort. They landed on the Office of Economic Opportunity and found a way to force it to legitimize and fund a phony group to assist the elderly, then ripped off the money going to a legitimate elderly group that showed no particular "responsiveness" to the President's need for an overwhelming mandate. They flashed front money at potentially troublesome groups to encourage them to keep silent during the election in the hope they would receive much larger sums later. Those groups were had. The political agents operating for Mr. Nixon had no scruples about such matters. At one point they considered buying off a candidate running in Texas under the banner of La Raza Unida. The report came back that the candidate could be bought for \$8,000. Mr. Malek shows his first sign of self-doubt in writing to one of his subordinates:

*Do you think we should do this? I am doubtful—how could the GOP contribute to a rival candidate? In addition, it seems too cheap—Raza Unida's principles should be worth more than that.*

In the world of Mr. Malek and his associates, \$8,000 to buy out an opposition candidate is too cheap, but if you can carry off \$1.4 billion for the President's campaign, that's another story.

Mr. Malek's documents and those of some of his associates bear one striking resemblance to the transcripts the President released. They are devoid of virtually all moral considerations. There is a small cautionary note from Jeb Stuart Magruder to the effect that this sort of thing might be illegal and unprecedented. There is a note somewhere along the line that not much should be put on paper, lest it leak out and cause "adverse publicity." But no place does anyone ask: Is this the right thing to do with the public trust?

Most members of Congress have so far greeted this latest revelation of the inner workings of the Nixon White House with a yawn, as if to say, "So what else is new?" To the degree that the Congress remains insensitive to this kind of manipulation of its own legislative intent, it seems to give credence to the White House contention that "everybody does it." At some point, the Congress of the United States must make it clear that misusing the power of government and the resources of the people for narrow partisan advantage is neither normal nor acceptable.