

Hill Memo Accuses Big Grain Firms

By Jack Anderson

A confidential congressional memo accuses the giant grain companies of using their power over transportation to squeeze small farmers out of their profits.

The memo, prepared for the House Agriculture Committee by Rep. John Melcher (D-Mont.), charges that "farmers are being fleeced by big grain companies gouging them for use of hopper cars needed to get their grain to market."

Here's how the squeeze play works:

The agribusiness barons have gained a stranglehold on boxcars. The grain elevators are full, so the farmers can't store their grain. The only boxcars available are controlled by the grain companies, which offer the farmers as little for their grain as \$1 a bushel less than the market price.

"The spread between prices paid farmers for grain at interior points in America and value at port of final destination has increased two and threefold . . ." declares the memo. "Only a very fortunate few farmers whose marketing organization is able to move their grain are really getting the prices we see in the paper."

The difference is going into the fat bank accounts of the agribusiness barons who are profiting by controlling the rails like the robber barons of old.

Nixon the Lawyer—When John Dean was still President Nixon's fair-haired legal counsel, we reported Dean had been fired from his first law job for a grievous conflict of interest. This stirred rumors that the President, himself, had been cited for unethical conduct on his first law job. We have now dug back 35 years to find out what kind of lawyer young Richard Nixon was.

After graduating third in his class scholastically from Duke Law School, Nixon joined the prestigious, old Whittier, Calif., law firm of Wingert and Bewley in 1937. He was the same orderly, studious, fastidious Nixon, driven by ambition, that his subordinates would recognize today. One of his first acts, for example, was to clean out the law firm's musty library, clean the shelves and rearrange the books.

He buried himself in work and rapidly became the firm's chief trial lawyer. He was also a specialist on estates and taxes. There is one reference in the early court records to his professional conduct.

His law firm obtained a court order compelling a land sale to pay damages that had been awarded to a client. Nixon showed up at the sale on June 29, 1938, and purchased the property for the client, without authorization. Nixon paid the full amount of the unpaid portion of the damages.

The client, charging that Nixon purchased the land without her knowledge, asked the court to set aside the sale. While the old Canon of Ethics then in force was vague, it had been established practice that an attorney shouldn't make purchases for a client without the client's express authority.

Footnote: The White House responded to our questions by saying it was "absurd" to comment on a case 35 years old.

Secret Sacking—At secret U.S. insistence, the South Vietnamese government has sacked its corrupt Customs personnel director. A message classified "Secret/Sensitive" from the U.S. Customs Service's Saigon field office to Washington urged American pressure to fire Nguyen Huy Xuong.

The message warned that Xuong was involved in the narcotics traffic and, worse, that his sensitive position permitted him to place corrupt underlings in key South Vietnamese seaports and airports.

"We ask that you request your sources to obtain the removal of this individual (Xuong)," appealed the secret dispatch to Washington. "If we can place an honest, decent man in this position, he legally can keep the cliques or groups of persons in separate areas so they cannot band together. (This would) assist the United States in the seizure of large quantities of narcotics."

U.S. pressure was applied and resulted in Xuong's dismissal. But our federal narcotics sources tell us gloomily that his departure didn't have the desired result. South Vietnam's Customs service remains riddled with corruption.

Nader Hater—Some people think Ralph Nader is all wet. The other night at the Kennedy Center, he was.

Nader had a glass full of ice water dashed in his face by Nick Zill, the husband of a disgruntled ex-Nader raider.

Seething with anger and dripping with water, Nader demanded an apology from host Stewart Mott, the General Motors heir and Nader admirer. Mott complied.

Mahon's Mutiny—House Democrats are in a huff over the defection of George Mahon, the powerful, 73-year-old Appropriations Chairman, on the critical override vote on the emergency hospitals program. Speaker Carl Albert was able to jawbone all but six Democrats to vote to override.

But Mahon and Internal Security Chairman Richard Ichord ignored the appeal. Now liberal Democrats are seriously talking about challenging the position of the two chairmen. "I don't see why they should get the benefits of leadership if they don't follow the party's position," one congressman told us.

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