

Report of Watergate Committee Staff Cites Plan to

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Re-election efforts on behalf of President Nixon included a plan for using Federal funds to induce black leaders such as the Rev. Jesse Jackson and James Farmer to remain neutral or support the President in 1972, according to a draft report by the staff of the Senate Water-gate committee.

The plan, developed by black supporters and officials of the Nixon Administration, called for full mobilization of Federal social and economic programs for use during the Presidential campaign to attract not only well-known blacks, but rank-and-file minority members as well, the report said.

The report gives details for similar plans developed for the Spanish-speaking community. The report was circulated among committee members last Friday. It has not been made public, but a copy has been obtained by The New York Times.

'Level of a Conspiracy'

The staff report said that "among the potentially most dangerous activities discovered by the select committee was the Administration's program to use the powers of the incumbency to re-elect the President." That conduct, the report added, appears to be "violative of certain Federal civil and criminal laws," and further "may rise to the level of a conspiracy to interfere with the lawful functioning of Government..."

The report said the over-all plan involving blacks was developed by Paul Jones, at present the Atlanta regional director of Action, the Federal volunteer agency, and Robert J. Brown, a former special assistant to the President. The committee has in its possession numerous documents written by the participants, including Frederic V. Malek, deputy director of the Office of Management and Budget.

Regarding Mr. Jackson, a former aide to the late Rev. Dr. Martin Luther King Jr., now president of People United to Save Humanity, one memorandum by Mr. Jones tells of the

Administration official's contact with the civil rights leader.

"In Chicago, Jones conferred with the Rev. Jesse Jackson (formerly of S.C.L.C.'s Operation Breadbasket) of the recently formed organization PUSH" the document stated. The first reference was to the Southern Christian Leadership Conference, founded by Dr. King.

'Neutrality' Stressed

"Jackson is now seeking financial support for the new group (which has an economic thrust) and is also anxious to meet with the President. His support and-or 'neutrality' (lack of active support of another candidate) could go far in fa-

favorable swinging back votes to R. N. [Richard Nixon]."

Mr. Jackson supported Senator McGovern, Democrat of South Dakota, during the primary campaign, but later broke with the Democratic candidate and eventually remained neutral.

Mr. Jackson said today in a telephone interview from Chicago that he had been subjected to pressure by Mr. Jones and Mr. Brown, but that he sought neither financial support from the Federal Government nor a meeting with President Nixon. The young minister said his break with Senator McGovern was because of overtures by the Democratic candidate to Mayor Richard J.

Daley of Chicago, whom Mr. Jackson opposed.

Another memo by Mr. Jones gave an account of a meeting he and Robert J. Brown had with Mr. Farmer, former director of the Congress of Racial Equality who was an Assistant Secretary of Health, Education and Welfare during President Nixon's first term.

The memo said the two officials had discussed Mr. Farmer's "willingness to work in support of the President—it was agreed he might better serve at this time by maintaining a nonpartisan posture." The memo noted that Mr. Farmer had been seeking funding for a proposed research organization. "He's seeking \$200,000 seed

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Use Federal Funds to Gain

money from H.E.W.," the document said, adding, "this should be moved on but should allow time for a final Brown-Jones check-off in order to reinforce Farmer's involvement."

Reached by telephone today, Mr. Farmer said there was no deal made regarding his support. He said he had not supported President Nixon and still got the funding, although only \$150,000.

However, a later memo, from Mr. Malek to Robert H. Finch, former counselor to the President, told of the contact with Mr. Farmer and "the results of these meetings and follow-up actions which I have instigated."

The Malek memo said Mr.

Farmer had received his grant and would be able to work on his project and make "time available to the re-election efforts," such as "speaking on our behalf and also to talk to key black leaders in order to gain their loyalties."

"I feel that Jim is in a position to make a major contribution. At the same time, we are going to try to maintain his involvement in a manner that is not overtly partisan and does not harm his credibility," the memo said.

Another memo by Paul Jones, who was director of the black vote division of the Committee for the Re-election of the President, complained that anti-Administration leaders were at a

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Black Support for Nixon

meeting of the Opportunity Industrialization Centers, a work-training organization.

The memo said:

"I.I.C. is presently receiving approximately 80 per cent of its budget [from Administration program] yet scheduled speakers who were critical of the President.

"We are pursuing, and are in definite need of assuring [that] future grants, loans, contracts and appointments serve the black community in a more positive manner than in the past. Examples of such funding coming back to haunt us is seen in the model cities, Office of Minority Business Enterprise and Office of Economic Opportunity programs."

One memo that outlined the

general plan to attract blacks said the effort would be coordinated by Mr. Jones; Mr. Brown Stanley S. Scott, who succeeded Mr. Brown; Samuel C. Jackson, former Assistant Secretary of Housing and Urban Development, and Edward Sexton, of the Black Vote Division.

"With team members working closely to monitor economic and social programs, a selective funding approach will furnish encouragement incentives for black individuals, firms and organizations whose support will have a multiplier effect on black vote support for the President," the document stated.

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