

# Winners Still Get Money

**\$10 Million  
Given Nixon  
After Oct. 26**

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By Morton Mintz

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Voters went to the polls last Nov. 7 with no way of finding out that many obscure contributors were continuing to pour as much as a quarter-million dollars each into the presidential and congressional campaigns.

Even after the election was over, surprisingly large sums went to the victors. Four dairy-men's committees gave \$50,500 to 10 victorious Senate candidates, for example. The same committees already had given them \$72,100 in the pre-election period.

Most of the contributions were legal under the Federal Election Disclosure Act, which requires a final pre-election report only for contributions made through Oct. 26. Contributions made after that need not be reported until Jan. 31.

But enforcement authorities did have questions about certain contributions, including one for \$100,000 made to President Nixon's re-election organization on election day by a political committee of the Seafarers International Union, AFL-CIO.

The Finance Committee to Reelect the President recorded the gift to the General Accounting Office in its post-election report, which became available last Friday. The disclosure law, however, provides that "any contribution of \$5,000 or more received after the last report is filed prior to the election shall be reported within 48 hours after its receipt."

A finance committee spokesman had no comment except

to say that every effort had been made to comply with the law.

Easily out-pacing Sen. George McGovern's campaign-financing apparatus even though Democrats gave it about twice as much as they gave Hubert Humphrey's in 1968, the President's organization gathered at least \$10 million after Oct. 26 from contrib-

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## CAMPAIGN, From A1

utors who have been mainly undisclosed up to now.

In addition to thousands of small donors, the President's contributors included at least eight indicated to have given in excess of \$100,000 each, executives of firms with lucrative government contracts requiring government approval, citizens of Canada and Greece, and celebrities such as Frank Sinatra and billionaire recluse Howard Hughes.

A large share of the contributions came in the form of blocs of stock worth less than \$3,000 each, the proceeds from which were parcelled out among multiple committees. This technique, used by both parties, not only avoided gift taxes for the contributor, but spared him as well as the recipient committees from paying capital gains taxes, as the tax laws are interpreted by the Internal Revenue Service.

The \$10 million in contributions is the aggregate of sums listed by 71 major Nixon and Republican national and affiliated committees. But it is a substantial understatement because it excludes, for example, the gifts received by one-third of the 53 state and territorial affiliates of the finance committee. The reports of these units, for which the mailing deadline was Jan. 29, had not reached the GAO by the close of business Friday.

Almost triple the \$10 million was raised in the 6½ months after the disclosure law took effect April 7. Before that, the Nixon organization is estimated to have raised \$15 million to \$20 million from largely undisclosed sources.

The two principal McGovern committees told the GAO that they had individual contributions of \$2.9 million in the period Oct. 27 through Dec. 31, bringing the total

since April 7 to \$17.8 million. Expenditures since April 7 were put at \$26.2 million compared with the \$46.2 million listed in the incomplete Nixon filings. The GAO did not complete processing the voluminous McGovern reports until Friday noon.

The two largest Nixon contributors after Oct. 26 each was indicated, on the basis of the incomplete filings, to have given about \$250,000 after contributing nothing earlier in 1972.

The donors are Francis L. Cappaert of Vicksburg, Miss., and Roy J. Carver of Muscatine, Iowa. Why they contributed only after Oct. 26 could not be learned.

Cappaert "believes in the President," his long-time aide and spokesman, Mildred Case Johnson, told a reporter.

He is president of a land company with holdings in Louisiana, Mississippi and Nevada, an oil explorer and developer, board chairman and president of a mobile-home manufacturing firm in Louisville, Ky., and a philanthropist.

"No considerations were involved" in Cappaert's contributions, Mrs. Johnson said. She suggested that her boss had given in hopes of defeating McGovern as much as in hopes of electing Mr. Nixon.

Carver is board chairman of Bandag, Inc., a producer of tread rubber and tire retreading equipment. He could not be reached for comment.

Two top executives of Electronic Data Systems Corp. in Dallas made a combined contribution of the firm's stock for which they had paid about 20 cents a share, but which skyrocketed to as high as \$60 by the approximate time it was given to Nixon committees for sale, congressional sources said.

The executives are Milledge A. Hart III, president, and Thomas J. Marquez, vice president. The firm's chairman is H. Ross Perot, the multimillionaire who won fame in an effort to aid American prisoners of war in Vietnam.

In a series of hearings in 1971 on the firm's contracts to process Medicare and Medicaid claims filed by Blue Shield groups, the House Governmental Relations Subcommittee heard testimony that Electronic Data had made profits of an estimated 100 per cent, that is, its profits



equaled its costs.

Witnesses told the subcommittee that the firm, which has an estimated \$100 million in contracts that required approval of the Department of Health, Education and Welfare, had violated federal regulations, such as those requiring competitive bidding and access to company records. Perot has denied there were any violations. He has not himself emerged as a Nixon donor.

Early last year, Electronic Data got a \$62,000 contract to do work for the President's Domestic Council. There was no competitive bidding. White House spokesman said only Perot's firm was qualified.

Others making their debut as large contributors with gifts to Mr. Nixon expected to run between \$75,000 and \$100,000 include:

F. Eugene Dixon, investor, Lafayette Hills, Pa. John du Pont, industrialist, Greenville, Del. Robert B. Evans, investor and major stockholder in

American Motors, Detroit, Edward J. Frey, president of Union Bank & Trust Co. in Grand Rapids, Mich., and Garrock G. Stephenson, antique dealer and investor, Southampton, N.Y.

The new reports were devoid of the names of some of the President's earlier major contributors, such as Richard Mellon Scaife, Pittsburgh heir to a banking and industrial fortune who gave \$1 million before the disclosure law became effective, and Ray A. Kroc, the MacDonald hamburger tycoon who gave \$255,000 between April 7 and Oct. 27.

Some familiar donors, gave anew after Oct. 27, however. One, W. Clement Stone, who has acknowledged \$2 million in pre-April 7 gifts, was listed in post-election reports for at least \$20,000 more.

The four dairymen's committees reported that through Oct. 16 they had contributed \$25,000 to President Nixon and \$333,510 to a bipartisan bloc of 91 incumbent and 19 non-incumbent House and Senate candidates, exclusive of numerous gifts to gubernatorial and state legislative aspirants.

Over the next 11 days the milk committees poured out an additional \$855,700, including \$537,500 to congressional

campaign committees, their reports to the GAO indicate.

After the final pre-election reporting periods had passed, the committees said, they gave an additional \$45,000 to Mr. Nixon, after his re-election, and \$140,825 to congressional candidates and committees.

Sen. James O. Eastland (D-Miss.), assured of an easy re-election victory, got \$5,000 on election day, adding to \$15,000 in earlier milk money. Sen. James Abourezk (D-S.D.), given \$17,500 before he was elected, got \$4,000 more Nov. 21. On election eve, Walter (Dee) Huddleston got \$3,500 in his race for the Senate from Kentucky, on Nov. 24 he got \$15,000.

Similar post-election gifts were made to 10 of 34 House candidates who also had received pre-election gifts.

Similar patterns were disclosed by committees other than the dairymen's units, which usually are referred to by their acronyms: ADEPT, TAPE, C-TAPE and SPACE.

On Dec. 8. the Southern

Railway Tax Eligible Good Government Fund gave \$1,000 each to newly elected Sens. William L. Scott (R-Va.) and Sam Nunn (Ga.). The political committee of the First National City Bank in New York City gave \$300 to each of two members of the House Banking Committee on Nov. 21. The Podiatry Political Action Committee gave a physician member of the House Commerce Committee, Rep. William R. Roy (D-Kans.), \$500 the day after Christmas.

In the final pre-election reporting period, 30 executives of 15 trucking firms—whose rates are regulated by the Interstate Commerce Commission—gave \$192,700 to Nixon committees.

The still-incomplete post-election reports list at least \$115,000 more from 29 executives of 23 trucking firms. In addition, Frank Fitzsimons, president of the Teamsters International union; Salvatore (Tony Pro) Provezano; William Bufalino, other well-known Teamster officials and various Teamster political committees were listed for at least \$55,000.

At least one Teamster committee gift exceeding \$5,000 was not reported by the Nixon recipient committee within the 48-hour period specified in the law.

The First Boston Good Government Fund, whose treasurer is Emil J. Pettberg Jr., chairman of the First Boston Corp., a major securities underwriter, was listed by three Nixon units for gifts of \$2,500 each on Nov. 10. The Boston Fund is not registered with GAO, although the law requires registration of any committee giving more than \$1,000. Pettberg denied registration was required.

Dr. Thomas J. Morrison, a retired New York City Internist who gave the Nixon campaign at least \$34,000 in 1968, was listed by Nixon units for at least 13 gifts of \$3,000 each, all within the period Nov. 4 through Nov. 20. However, he told The Post that he had contributed everything before Nov. 7.

*Contributing to this story were Washington Post researchers Patricia Davis and Bridget Gallagher.*