

Favors Exchanged For Contributions



Jack Anderson

SOURCES close to President Nixon's fund-raising effort last year say government favors were exchanged for campaign contributions. A donation over \$100,000, they say, would entitle a contributor to a quid pro quo.

We have turned our information over to Senator Frank Moss, (Dem.-Utah), whose consumer subcommittee has started a quiet investigation into the impact of secret campaign deals upon the consumer.

Throughout the government alphabet — from CAB to SEC — contributors received economic benefits, which have helped to fuel inflation and to weaken the dollar.

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FROM OUR FILES, here are highlights we have supplied to the Senate:

● President Nixon's personal lawyer, Herbert Kalmbach, was turned down by the milk industry when he couldn't promise a quid pro quo in return for campaign cash.

The dairymen made an end run around him to the White House, where a commitment was made to raise money for the Nixon campaign. The day after the first big contribution was delivered, dairy price supports were increased over the objection of the Agriculture Department. One source told us Agriculture Secretary Earl Butz got his instructions at a meeting right in the President's Oval Office.

The increased supports brought the dairy farmers an extra estimated \$500 million from the taxpayers. Dairy tycoon William Powell, in a personal letter ex-

plaining the deal, noted: "Whether we like it or not, this is the way the system works."

● McDonald's hamburger king Arthur Kroc donated a whopping \$225,000 to reelect President Nixon. This was 225 times more than the \$1000 Kroc had contributed to Mr. Nixon's 1968 campaign. The price commission, just before the election, allowed Kroc a 10 per cent increase in the price of his cheeseburgers. The commission explained it had okayed the increase because Kroc was adding more cheese on his burgers.

● Carpet manufacturers donated nearly \$200,000 that we can trace to Mr. Nixon. One major contributor, Coronet Industries president Martin Bud Seretean, gave \$94,000 in 30 separate donations in mid-August.

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THE MONEY poured into Republican coffers at the same time the carpet lobby was desperately trying to postpone the enforcement of new flammability regulations. Finance committee chairman Maurice Stans arranged a White House meeting for the carpet men. Result: enforcement was delayed.

Similarly, the money poured in from bankers, brokers, insurance tycoons, real estate operations and oilmen who responded to Maurice Stans' appeal that rich Republicans donate one per cent of their gross income.

What the Senators want to know is whether the housewives are now paying back the big contributors tenfold in the form of higher prices.