

Nixon campaign got big secret textile aid

Knight News Service

CHARLOTTE (N.C.) — The president of one of the nation's biggest textile combines personally delivered a secret contribution of more than \$363,000 to President Nixon's Washington campaign headquarters hours before the law would have required that it be made public.

Ultimately, it became part of nearly \$900,000 that the textile and apparel industry gave to the Nixon re-election effort in 1972.

The \$363,000 — most in cash and checks from textile executives — was delivered to Nixon fund raiser Maurice Stans by Roger Milliken, president of Deering-Milliken, Inc.

Throughout President Nixon's first term, the textile industry sought help from the White House in dealing with serious industry problems, among them imports and the issue of textile flammability. On the import issue, at least, the industry received firm support.

Interviewed early in October by investigators from the Senate Watergate Committee, Milliken told of the delivery April 6, 1972, of \$363,112.50 to Stans.

He said he had interrupted his vacation to fly the money to Washington in time to avoid the new federal law that made all contributions a matter of public record. It took effect the next day.

It was also learned that staff members from the Watergate Special Prosecutor's Office several months ago were checking into textile-industry contributions to the 1972 Nixon re-election campaign.

Letters to several textile executives left the impression that the staff of then-

Special Prosecutor Archibald Cox was looking for illegal corporate donations. There is no evidence that any such donated both before and after April 7.

A study of textile and apparel industry contributions to Nixon campaign committees shows nearly \$900,000 donated both before and after April 7.

Of this amount, approximately \$615,000 was contributed prior to the cut-off date — and thus remained secret until Common Cause, the Washington-based "citizens' lobby," went to court and forced disclosure of all Nixon campaign contributions.

The money delivered to Stans by Milliken — by his own account to investigators — included Milliken's personal contribution of \$84,000 in the form of 28 cashier's checks in the amount of \$3000 each.

Although the Milliken contribution would appear to be the largest lump sum delivery from textile industry sources, interviews with ex-

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ecutives show that many of them sent their contributions directly to Washington.

Said one South Carolina contributor who avoided any intermediaries:

"My daddy told me whenever you give to a politician make sure you get recognition for it."

Milliken last Wednesday issued a brief statement in which he confirmed that he delivered an industry contribution directly to Stans. Party"

Milliken said in his statement that he was "a lifelong contributor to, and fundraiser for, the Republican Party"

During President Nixon's 1968 campaign and through-

out most of his first term in office, the textile industry was pushing hard for a firm U.S. policy against the increasing imports of Japanese textiles into the U.S.

Nixon, both as candidate and president, won support in the Carolinas by emphasizing his sympathy with the industry. Textile men were happy to see Harry Dent, a former aide to Sen. Strom Thurmond and a South Carolinian with wide contacts within the textile industry, wind up as a key White House aide.

One of the President's first moves was to name his old friend and financial backer, Maurice Stans, to head the Department of Commerce. Three months after he was appointed, Stans had emerged as the President's chief lieutenant in textile matters, telling a convention of the American Textile Manufacturers Institute that the administration would "proceed at once" on the problems of textile imports.

Stans' methods of dealing with imports ranged from raising the specter of legislated quotas to calls for voluntary reductions of exports to the U.S. by the Japanese.

By March, 1971, the problem was still unsolved. The Japanese — according to one Japanese trade spokesman — found themselves under "extraordinary pressure" from the U.S. and offered a voluntary plan. Under it, they would maintain 1970-71 export levels and agree to limit increases in those levels to five percent a year.

U.S. textile interests quickly registered their unhappiness. A week after the Japanese plan was announced, it was rejected by President Nixon.

Again, according to the Japanese, there began even more intensive administration pressure leading to an

October, 1971, agreement, which placed substantial restrictions on specific categories of textiles and man-made fabrics which Japan, Taiwan, South Korea and Hong Kong could sell in the United States.

Another major industry problem — the flammability level of textile products — came to a head as the result of a 1970 nursing home fire in Marietta, Ohio, which investigators blamed on flammable carpeting. Thirty-one persons died.

The industry complained new federal standards would be too expensive.

The standards were to have been enforced by the Federal Trade Commission. According to a former top FTC official, the industry actually had little to worry about.

In October, 1972, regulation of the industry was taken out of the hands of the FTC and turned over to the newly-formed Product Safety Commission. So far, the new commission is still "gearing up." Stans clearly maintained excellent relations with the industry. One of his first acts as the President's chief 1972 campaign fund raiser after he left his post as Secretary of Commerce in January, 1972, was again to address the textile manufacturers convention.

Two weeks after that speech by Stans, Roger Miliken personally delivered \$363,112.50 to Stans' Washington office.

Sen. Warren Magnuson (D-Wash.) has charged that Stans set up a "hush-hush, high-level White House meeting" in the summer of 1972 to assure that stronger federal flammability regulations would not be forthcoming.

Magnuson charged that between Aug. 11 and 16 — shortly after the alleged White House meeting — \$94,850 was given by a Georgia carpet manufacturer in 30 separate contributions to the Finance Committee to Re-elect the President.

General Services Administration records show that contributions totaling that amount were made in that time period by Martin Sere-tean, board chairman of Coronet Industries, a carpet

manufacturing firm based in Dalton, Ga.

Shortly after his triumphant election victory to a second term, President Nixon announced an appoint-

ment that would further please the textile manufacturers of the South.

He named Frederick Dent, a secret contributor of \$10,500 to the Nixon campaign,

as his new secretary of commerce.

Dent had been president and treasurer of Mayfair Mills in Arcadia, S.C.