

Memo Links Grants to Nixon

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The White House attempted to make Cabinet departments and other federal agencies assist President Nixon's re-election in 1972 through awards of millions of dollars in federal grants to key states and voting blocs, according to memos in the hands of the Senate select Watergate committee.

The memos, written by special assistant to the President Frederick V. Malek and addressed to then White House chief of staff H. R. (Bob) Haldeman, called on for every Cabinet agency except the State Department to make President Nixon's re-election a priority consideration in the award of government contracts and grants.

A March 17, 1972, Malek memo calls for spending government funds on groups and in parts of the country where the maximum political benefit could be achieved for President Nixon's re-election campaign. A June 7, 1972, memo from Malek to Haldeman states that the Committee for the Re-election of the President would identify "the most advantageous projects."

Malek cited Chicanos in Texas as being one example of how "particular emphasis will be placed on voter blocs in key areas." In August, 1972, The Washington Post reported that the Nixon administration had allocated about \$47 million for projects aimed at Spanish-speaking Americans. Of this amount, more than \$20 million was spent in the federal region that includes Texas. Another \$17 million was spent in the federal region that includes California, another area where Chicanos are concentrated.

Federal officials said then that at least \$11.4 million was used for federal projects benefitting Chicanos that would not otherwise qualify for funding and that would not be re-funded in the following year.

Malek's June 7 memo expresses little enthusiasm for several projects in Cleveland that he analyzed as having a low political payoff. In one instance, Malek states that Cleveland would receive only \$164,000 of a re-

quested \$354,000 for a recreation program. "The program is designed to impact inner city residents, and thus does not fall within our political guidelines," Malek wrote.

Malek's March 17 memo to Haldeman outlines the proposed form of the guidelines to the federal bureaucracy in the following terms: "The political priorities would be spelled out in terms of key states and major voting bloc groups upon which departmental action could have an impact. The departments would be updated as needed, as the political priorities evolve."

In the same memo, Malek cites a dozen instances where the Commerce Department made favorable grant decisions totalling roughly \$1 million "which otherwise would not have been made" if the White House had not intervened. "Politically," Malek states, "these actions have been most beneficial."

Malek goes on to say that "the potential is much greater," pointing to \$700 million in grants the Commerce Department had to award in the current fiscal year and another \$700 million in grants for the coming fiscal year "which could be redirected in some manner." Malek wrote, "Even if only 5 per cent of this amount can be rechanneled to impact more directly on target groups of geographic areas, it would be a substantial increase over the current efforts."

It has long been a basic tenet of American politics that a sitting President, by virtue of his incumbency and control over the bureaucracy, generally has an advantage over a political challenger. The Malek memos indicate how at least some officials in the Nixon administration saw the potential for using the federal government's resources to reward politically helpful groups and deny funds to other opponents in an effort to keep the administration in power.

At the same time, two top officials of the Kennedy and Johnson administrations said yesterday that they were never asked to participate in any effort to consider the political effect in their awarding of government contracts.

Former Labor Secretary W. Willard Wirtz, who controlled contract awards amounting to more than \$1 billion by 1968 under the Manpower Training Program, said, "In eight years, I

don't remember ever getting a single instruction from either the White House or the Democratic National Committee which in any way tied political party or political credentials to any of these programs."

Former Health, Education and Welfare Secretary Wilbur J. Cohen said yesterday that he knew of "no such memo, guidelines or meeting" in the Kennedy or Johnson administrations directing how federal money could be spent to further the re-election of either President. According to Cohen, President Johnson was concerned that "big urban centers get grants to meet discontent, but that had nothing to do with Republicans or Democrats."

Malek's memos cover a variety of federal grants, including recreation programs, Model Cities, Neighborhood Youth Corps, public employment and migrant labor.

None of the memo makes

clear how successful Malek was in instituting his proposals. William Gifford, who was a special assistant to the President for congressional affairs and who is mentioned prominently in the memos, said in a telephone interview on Monday that he paid little attention to the one memo that he saw. "The memos were just unrelated to what I was doing," Gifford said. "They were memos that were not in fact related to what was done."

Gifford attributed the memos to "some of Malek's young people," and said, "What we're talking about here is some kids who wrote memos in an effort to constitute it into a program and it simply was not."

In at least two instances, Malek claims credit in the memos for actions that, upon further checks by The Washington Post, appear to have been misrepresented by his account.

Malek failed to respond to

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three separate calls to him at the Office of Management and Budget, where he is now deputy director.

The St. Louis Post-Dispatch quoted Malek as explaining that the program was aimed at ensuring that President Nixon received credit for what his administration was doing. "Essentially," Malek said, "it consisted of alerting them (federal agencies) to the fact that they should be sensitive to the political influence that can be gained from grants that can be made."

"We wanted to make sure that the normal requests that came in from congressmen on both sides of the aisle were considered not only in light of what political effect, or what political advantage, it would have for the President."

The June 7 progress report memo, Malek said, "just, frankly, fluffed up a little bit to assure Bob (Haldeman) that things were OK."

President's Schedule

The President's appointments today:
11:30 a.m.—Director Kenneth Cole of the Domestic Council to review 1974 legislative programs.
Noon—Ambassador Anthony Marshall who is departing later this week for his post in Kenya.