

"Through active involvement in politics, the business community can make a difference in who controls government."

-- National Association of Manufacturers pamphlet, "Business in Politics"

A Special Report from the National Committee for an Effective Congress.

Russell D. Hernenway
National Director

Dear fellow citizen:

Giant American corporations are taking steps today which could give right-wing candidates an enormous advantage in 1976 elections.

I am writing to share this news with you and to tell you how you can act to prevent this from happening.

The National Committee for an Effective Congress, NCEC, has learned that big business is exploiting a loophole in the new federal election law that makes it possible to shift thousands, perhaps millions, of corporate-generated dollars into the campaigns of arch-conservative candidates.

Specifically, we have discovered --

Since the new law, at least 30 large corporations doing business with the federal government have formed "political action committees" to funnel funds to candidates who favor big business.

Corporate funds are being used for the first time to set up political action committees by government contractors such as Lockheed Aircraft, Sunoco, Dow Chemical, T.R.W., U.S. Steel, General Telephone, and others.

These new committees will be teaming up with such established givers to the Right as: Hughes Aircraft, LTV Aerospace, Olin, Union Oil, Kennecott Copper, and many banks, utilities and insurance companies.

An active recruitment program is being conducted by the National Association of Manufacturers (NAM) and the U.S. Chamber of Commerce; NAM has set a goal of 1,000 corporate political action committees for 1976.

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Of course, there is nothing wrong with business people participating in political campaigns. But, if hundreds of corporate committees are active, the 1976 elections may well be in the hands of the multi-nationals, conglomerates, and monopolies. This deeply disturbs us at NCEC for several reasons:

First, judging from past performances, these giant corporations support the most extremely conservative candidates running -- the very candidates you and NCEC would not support regardless of their business backing. These corporate committees could fund virtually every reactionary campaign in 1976, and put suffocating pressure on progressives and moderates now in office.

Second, if these corporations are as influential as they intend, the gains of 1974 would evaporate -- gains achieved when Watergate forced big business to take a back seat in federal elections. With the loss of these seats in Congress, many important steps forward -- the end of the oil depletion allowance, the successful assault on the seniority system, the investigations into secret government agencies -- would be jeopardized.

Third, should they succeed, the same giant corporations with their special interests and partnership with the military would return to full dominance in American government and economic life.

I believe we cannot allow this to happen. As serious as this threat from big business is, there is something you can do about it. You can become an active supporter of the National Committee for an Effective Congress today.

Why start so early for the 1976 elections?

Because the corporations themselves are already active, as I learned at a recent conference of the National Association of Manufacturers in New York.

Dow Chemical, for example, announced plans to establish seven regional political action committees, each allowed to contribute \$5,000 to a candidate. If all seven were to give to the same candidate -- a total of \$35,000 -- Dow's money would make up one-half of what that candidate needed to raise under the new election law.

I also learned at the conference how funds will be raised within the companies. The law says contributions must be voluntary, but the corporations were told a "complete involvement" system of giving works best.

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A glance at reports at the Federal Election Commission filed by Coca-Cola's "Non-Partisan Committee for Good Government" shows that no less than 57 vice presidents made voluntary contributions.

I realize you may not be able to match checkbooks with a corporate executive from Coke or Dow, but I believe your contribution to NCEC will make your dollars many times more effective than those of the corporations.

As the enclosed booklet shows, NCEC has successfully pooled the \$10, \$25, and \$100 contributions of people like you into a highly effective program of helping elect thoughtful and forward-looking people to both Houses of Congress.

Since 1948, we have helped elect and re-elect a battalion of Senators and Representatives, a list that reads like an honor roll of progressive forces on Capitol Hill.

In 1974, moreover, we launched a new concept in American political giving to make our efforts even more effective. Reasoning that our money could never equal that of the special interests and corporations, we decided to provide to candidates the finest professional and technical assistance available.

Thus, the NCEC Campaign Services Program recruited campaign experts in the fields of polling, media, organization, and fund raising. These talented men and women made their services available at cost to candidates who wanted and needed their help.

Of the 49 candidates so helped, 35 were elected -- a 71 percent success rating. Many defeated ultra-conservative incumbents; all were helped for a surprisingly low cost -- an average of \$2,500 per campaign.

In 1976, we intend to expand this campaign services program -- to protect progressive incumbents and to add to their ranks. We will continue to monitor the election activities of big business political committees, many of which are already dispensing funds to the candidates you'd expect.

In addition, NCEC will keep a careful eye on another organization -- the Committee for the Survival of a Free Congress, an ultra-right political fund financed largely by beer manufacturer Joseph Coors, his family and business associates. Having raised \$345,000.00, the Committee has already targeted 35 members of Congress for defeat, many of whom received NCEC support in the past.

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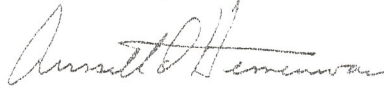
As you can see, the extreme right and big business are serious about 1976, and they have the dollars to support their sincerity. But NCEC is serious too, and we have 27 years of skill and experience to overcome these threats...provided we are prepared.

Being prepared means starting early. Many candidates face primary elections next spring, others already face right-wing challenges.

If NCEC is to give them help, we need yours. Please send us a check today -- \$25 can be twice as valuable now as it will be next year.

Our nation depends upon an effective Congress, and an effective Congress depends upon you.

Sincerely,



Russell D. Hemenway
National Director

P.S. For a closer look at how NCEC works in campaigns, please see the enclosed booklet.

The National Committee for an Effective Congress
10 East 39th Street, New York, New York 10016
201 Massachusetts Avenue N.E., Washington, D.C. 20002

3000 C120